



INTEGRATED ANNUAL REPORT



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INTRODUCTION

A BRIEF OVERVIEW OF AD PLASTIK GROUP

OPERATING REVENUE

+4.9%
compared to 2024



EBITDA

+43.1%
compared to 2024



NET PROFIT

+568.5%
compared to 2024



EBITDA MARGIN



NET PROFIT MARGIN





ALL EUROPEAN
PRODUCTION
SITES



535
POINTS



75



C

65.9%
EGS SCORE



92B



LETTER FROM THE PRESIDENT OF THE MANAGEMENT BOARD

The past reporting year was marked by intensive work and continuous adaptation to a dynamic market environment. We continued to develop newly contracted projects for our customers, seal new deals, improve existing production processes, and invest in the modernization of technologies, as well as in the automation and digitalisation of business. Particular attention was devoted to increasing operational efficiency, strengthening development capacities, and the parallel rationalisation and modernisation of production capacities, which will continue throughout 2026. All these efforts are aimed at ensuring long-term competitiveness and enabling us to respond effectively to the demands of a rapidly changing industry.

The Group's operating revenue increased by 4.9% to EUR 159.96 million. The highest growth, amounting to 6.2%, was achieved by the Parent Company, driven by the start of serial production of development projects. Net profit amounted to EUR 14.26 million, representing 8.9% of the Group's total operating revenue. During 2025, one of the key activities was also strengthening financial stability, with net financial debt reduced by EUR 13.9 million, reaching EUR 26.4 million at year-end. Faced with significant changes in the automotive industry, we have expanded our scope of operations into new segments and markets. Entry into the commercial vehicle segment is already delivering tangible results, including a nomination for the largest manufacturer in the German market in the heavy-duty truck segment. This further diversifies our business and reduces dependence on individual market segments. At the same time, we continue to analyse opportunities for business activities beyond the automotive industry. In this context, project initiatives have been launched in the logistics sector, while we are simultaneously exploring potential opportunities in other industries.

Changes in the market and in the industry are also creating new opportunities. Our continuous commitment to developing innovative solutions, advanced manufacturing technologies, and engineering

capabilities enables us to further strengthen our market position and expand our areas of operation. We continue to invest in development, technology, and knowledge, building a solid foundation for stable and sustainable growth. With this objective in mind, we have decided to establish a centralised development centre at our headquarters as a base for innovation development, both independently and in collaboration with the academic community. The soundness of this direction is further confirmed by securing of funding through grants and incentives aimed at the development of new products, services, and technologies through research activities.

In parallel with development and market activities, we are implementing cost optimisation measures and increasing internal efficiency with the aim of improving the operational performance of all production sites, which possess significant competencies and infrastructure necessary for further growth. We are focused on maximising the use of our own resources while reducing the need for external capacities.

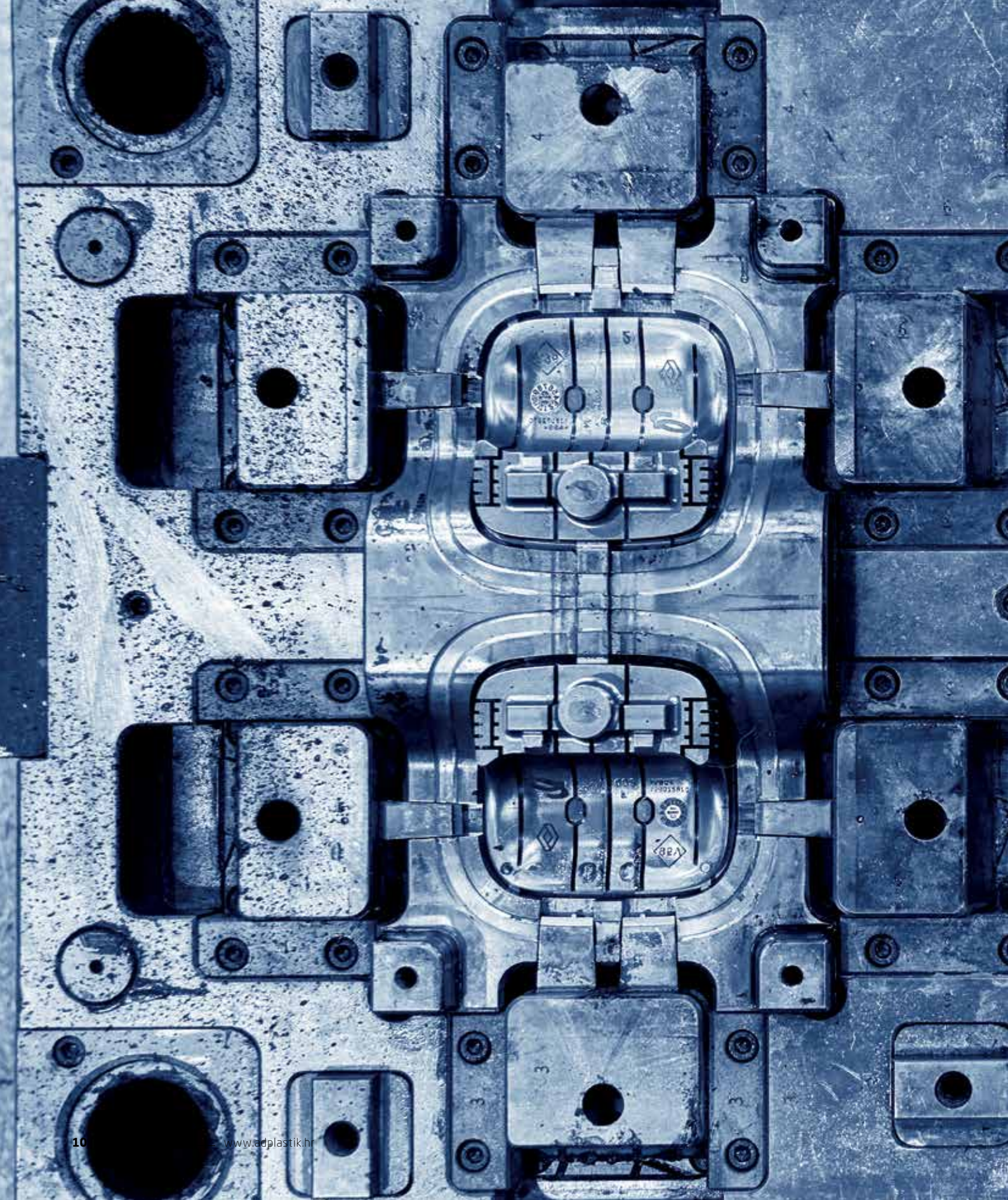
Sustainability is becoming an increasingly important part of our business and decision-making processes. As an industrial company, we are aware of our responsibility towards the environment, society, and future generations. We continuously work on reducing our environmental impact, increasing energy efficiency, and ensuring responsible resource management. We develop products and improve processes in order to contribute to a sustainable value chain in the automotive industry. We believe that long-term success can only be built through operations that create added value for customers, shareholders, employees, the community, and the environment.

The soundness of the Group's strategic direction and the activities undertaken has also been recognised by the investment community, as evidenced by an almost twofold increase in market capitalisation in the second half of 2025.



This strong performance follows a prolonged period of stagnation, marked by the need for fundamental changes in business. Defined strategic priorities and the largely implemented operational and organisational transformation—focused on increasing efficiency, strengthening market position, and developing new revenue streams—have resulted in improved business performance indicators, renewed investor confidence, and a recovery in share value growth. AD Plastik Group's greatest strength lies in our people. Their knowledge, experience, and dedication form the foundation of our success. Thanks to their expertise, innovativeness and responsibility, we improve existing and develop new innovative solutions and for years we have successfully been meeting the high quality standards, requirements and challenges of the market, thereby building long-term partnerships with our customers. I would like to thank all employees, partners, and stakeholders for their trust, commitment, and joint efforts over the past year. In times of significant change, it is precisely collaboration, knowledge, and mutual trust that form the foundation of stability, while also serving as a driver for confidently embracing new opportunities. I am confident that, building on our shared experience and values, we will continue to develop AD Plastik Group as a strong, innovative, and responsible company.

Klepp



ABOUT AD PLASTIK GROUP

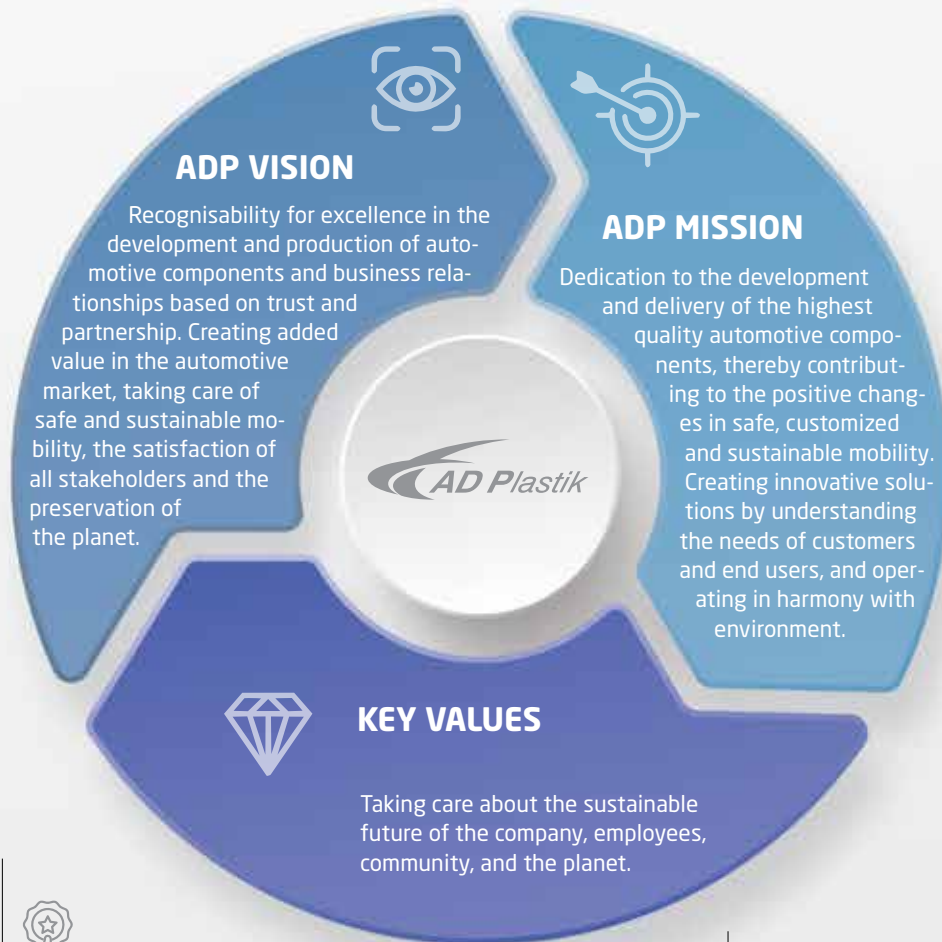
AD Plastik Group is one of the leading companies in the development and production of plastic components for the automotive industry in Croatia, and among the major suppliers in Eastern Europe. With more than three decades of experience, the Group has grown into a reliable partner of global automotive manufacturers, providing interior and exterior vehicle solutions that meet the highest standards of quality, safety, and functionality.

The Group's business operations cover the entire process - from development and engineering to the serial production of complex components, while continuously investing in new technologies, automation, and the digitalization of production processes. Through the development of advanced manufacturing solutions, AD Plastik Group responds to increasingly demanding changes in the automotive industry and contributes to the development of more efficient and sustainable mobility.

The company's production sites and development capacities enable the delivery of millions of components annually for vehicles sold across numerous global markets. Special emphasis is placed on technological development, the improvement of production processes, and sustainable business practices, alongside the continuous strengthening of employee competencies, whose knowledge and experience form the foundation of long-term success.

By combining engineering expertise, innovation, and high quality standards, AD Plastik Group continues to develop solutions that contribute to a safer, more efficient, and more sustainable future of the automotive industry.

VISION, MISSION, KEY VALUES



Integrity

To be an example that others will gladly follow, doing what is being promoted and informing about what is being done. Relationship with all stakeholders is based on trust, open and honest communication.



Excellence

The highest standards of quality, safety and sustainability are the premise for the vision realization. Through constant training and the possibility of personal and business development as well as growth of each individual, the aim is to strive for the best way of working. Constant exploring of areas of growth and innovation is the best response to challenges, and the passion invested in products makes them better and better.



Responsibility

Responsibility for the quality and safety of our products, for which dedication and thoroughness are basic standards. Showing our dedication by committing to the successful realization of results and creation of the added value, through a positive impact on society.



Respect

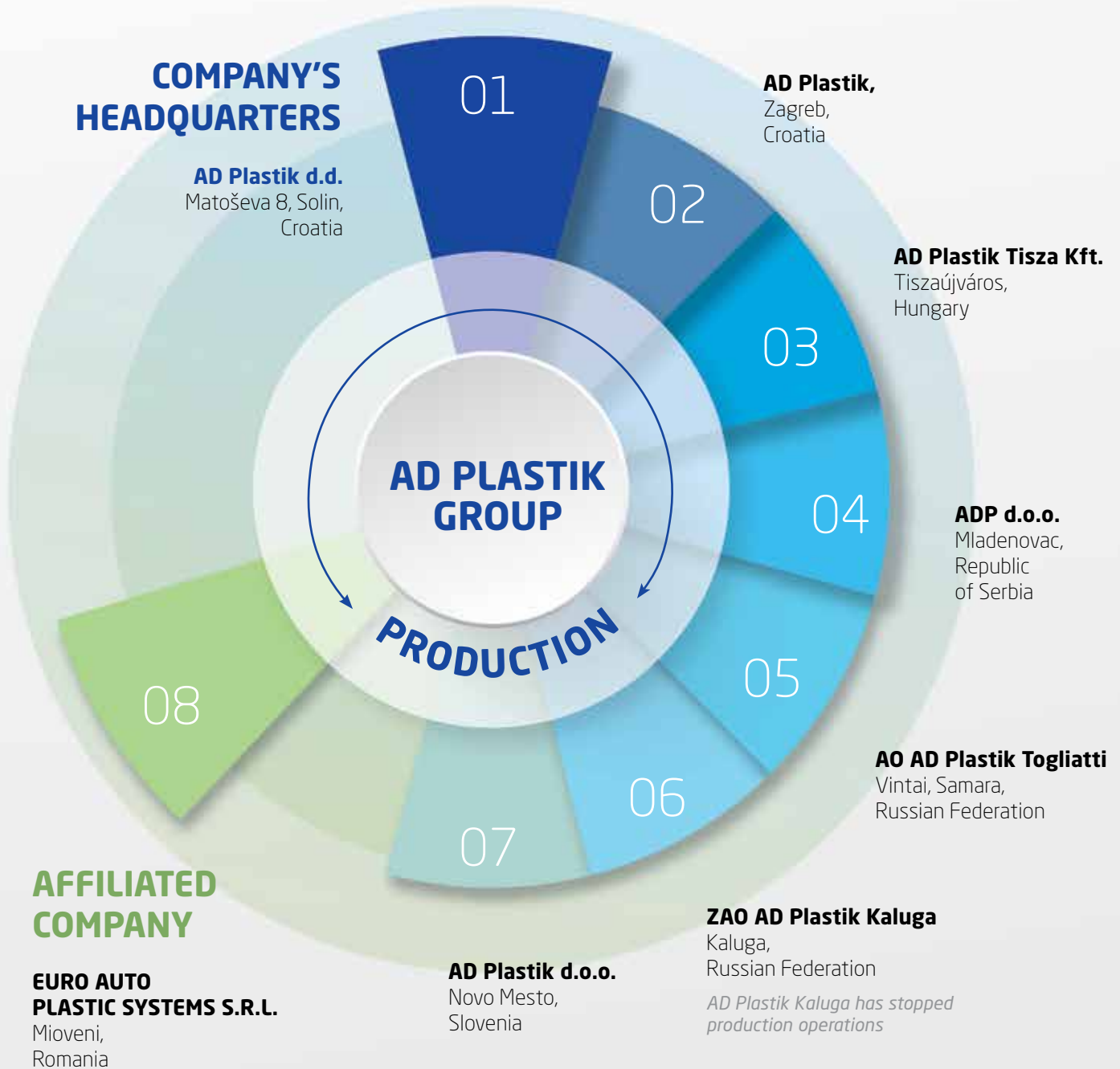
Long-term business and partnership relations with all stakeholders are based on fairness and respect.



Togetherness

Close cooperation and support at all levels are based on trust and taking responsibility. By sharing ideas and knowledge, respecting multiculturalism, diversity and equality a better environment is created every day.

PRODUCTION SITES



In accordance with ESRS standards, the company does not provide data related to AD Plastik Kaluga and AD Plastik d.o.o. in the Sustainability Statement.

CORPORATE MATRIX



COMPANY HISTORY

2014

New robotized painting line in Zagreb

2017

New robotized interior painting line in Zagreb

2018

Production site in Tiszaújváros, Hungary

2012

Production sites in Mladenovac, Serbia and Kaluga, Russia

2002

Production site in Romania - JV company Euro APS

1995

Production sites in Zagreb and Vintai, Russia

1952

Establishment of Jugoplastika - an original predecessor

1992

Continued operations under the name Autodijelovi

1994

Official name change into AD Plastik



MANAGEMENT REPORT

ABOUT THE INTEGRATED REPORT

This is the ninth Integrated Annual Report of AD Plastik Group, which contains all important information about business operations for the period from January 1 to December 31, 2025, or as of December 31, 2025. All financial and non-financial indicators are presented, with the business and calendar years aligned.

The Integrated Report includes reports on business operations, a sustainability statement, and annual financial statements, providing a detailed insight into all aspects of sustainability, business operations, and management. **Sustainable business practices** have been systematically monitored and reported since 2012, and this is the second sustainability report aligned with **ESRS**, including the principle of double materiality, partial coverage of the value chain, and compliance with the regulatory requirements of **EU Directive 2013/34/EU** and **Delegated Regulation 2023/2772**.

The Integrated Annual Report is published on the company's website, the Zagreb Stock Exchange, and the UN Global Compact, and is also available upon request in electronic or printed form. The company reports on an annual basis, and the Group's Integrated Annual Report for 2024 was published on April 24, 2025, while the publication of this report is planned for April 24, 2026, as announced in the [Events Calendar published at the end of 2025 on the company's website and the Zagreb Stock Exchange](#).

Sustainability Statement and Scope of Consolidation

The Sustainability Statement is prepared on a **consolidated basis** and follows the scope of consolidation of the financial statements, **except for two plants**. The plant in Kaluga is not included as it ceased production operations in 2022 and currently employs 14 people in maintenance roles, with no material impact on operations and sustainability. The company in Slovenia consists of an administrative office with two employees, without production activities and any material impact on sustainability factors. The financial indicators of these plants are included in the Group's financial statements but are excluded from the sustainability report.

EURO Auto Plastic Systems s.r.l. is classified as an affiliated company, as management control over the company is exercised by the partner Faurecia Automotive Holdings S.A.S.; therefore, it is not included within the scope of the Sustainability Report.

The Sustainability Report includes the Group's own operations and

part of the key segments of the value chain. The report is prepared in accordance with the ESRS and is based on the principle of double materiality, covering material impacts, risks, and opportunities identified in the assessment process.

Information about the value chain is **partially available** due to limited access to data and the complexity of their collection. Therefore, the company **applies the option for exemption** during the first three years of reporting, in accordance with the transitional provisions of the ESRS.

Given the long-standing emphasis on sustainability within the automotive industry, value chain participants are already engaged in regular audits and B2B reporting processes, which will further contribute in the future to increased data availability and higher levels of transparency. To ensure gradual improvement in data quality and scope, additional development of the information collection system is planned for the upcoming reporting periods. Beginning with the next reporting period, AD Plastik Group will improve the collection of sustainability data from key suppliers, with a gradual increase in the scope and reliability of reporting expected as a result.

The information disclosed in this report is partially based on estimates and assumptions, which may give rise to measurement uncertainty. The main sources of uncertainty relate to the application of emission factors, the measurement and calculation methods used, the availability and quality of data from upstream and downstream segments of the value chain, as well as the dependence of certain amounts on future events. During the reporting period, no indicators or monetary amounts with a very high level of measurement uncertainty were identified. Estimates and assumptions were used, for example, in the calculation of greenhouse gas emissions based on energy source consumption and emission factors, in estimating energy savings based on technical equipment data, and in determining the share of recycled materials, whereby their level of uncertainty does not significantly affect the reliability and understanding of the disclosed information.

Disclosure exemptions due to business confidentiality and contractual obligations

In accordance with the applicable regulatory requirements, the option of limited exemption of certain information constituting trade secrets and intellectual property has been applied. The exemption relates to data on specific products and business relationships with customers, including technical and commercial details of components developed and manufactured for certain vehicle manufacturers, which have not been disclosed due to contractual confidentiality obligations and the need to protect market competitiveness.

Furthermore, information related to future business activities, planned projects, and negotiations with customers has not been publicly disclosed in order to protect strategic business interests, in line with contractual obligations and the applicable regulatory framework.

Standards for the period of impact, risk, and opportunity assessments

The definition of time periods according to the ESRS has been applied, where the short-term period is defined as one year (reporting period), the medium-term as up to five years, and the long-term as more than five years. However, within strategic financial planning, the medium-term is currently considered to be three years, while anything beyond that is regarded as long-term. In the future, gradual alignment with ESRS is planned to ensure greater comparability and consistency of data in sustainability statements.

The option to refer to other information sources has been used to avoid data repetition and ensure clarity in reporting. References within the report are used for specific indicators to ensure consistency, while external sources are applied for policies, codes, and strategic documents that are regularly updated. All data available through references are clearly marked, along with the location of the document or link.

Changes in the preparation and presentation of sustainability information

During 2025, AD Plastik Group further improved methodological framework for the preparation and calculation of greenhouse gas emissions information, with the aim of improving the quality, completeness, consistency, and comparability of the disclosed data across reporting periods. The improvements primarily related to the calculation of Scope 3 emissions, particularly in the category of Purchased Goods and Services, as well as to the improvement of the market-based approach for calculating Scope 2 emissions. The objective of all implemented changes was to ensure a more methodologically comprehensive, representative, and consistent presentation of emissions at the consolidated Group level, along with a more consistent application of the same principles across comparative periods.

In order to ensure greater comparability between 2024 and 2025, a recalculation of the comparative data for 2024 was performed for the relevant Scope 3 categories. The recalculation applied the same data scope, the same classification logic, and the same emission factors as used in the 2025 calculation. Such an approach was required to eliminate methodological differences between periods and enable a more meaningful, consistent, and higher-quality comparison of emissions trends over time. The purpose of the recalculation was not to change the representation of business activities from the prior period, but to ensure that the data for both years are prepared on a comparable methodological basis. The aforementioned changes are based

on improvements in the quality of input data that form the basis for estimating emissions in the category of purchased goods and services. Difference in emissions for 2024: Category 3.1 — originally 83,790.3 tCO₂e; revised 60,754.1 tCO₂e

Additionally, a recalculation of Scope 2 emissions for 2024 was carried out. The reason for this adjustment is that the residual factor had not been used in the previous market-based calculation, whereas in the improved approach this element has been included to ensure a more accurate, higher-quality, and methodologically appropriate representation of emissions associated with purchased electricity. The introduction of the residual factor in the 2024 recalculation was implemented specifically to increase the representativeness of the market-based calculation and to align the methodological basis for 2024 and 2025. This further strengthened the consistency of Scope 2 emissions reporting across comparative periods.

Difference in emissions for 2024, Scope 2 – location-based approach: originally 8,369.3 tCO₂e; revised 6,798.8 tCO₂e

Accordingly, changes in reported emissions between 2024 and 2025 should primarily be interpreted in the context of methodological improvements and the recalculation of comparative data to ensure higher quality and comparability of reporting. AD Plastik Group considers these changes to represent an improvement of the reporting process, as they result in a more complete, accurate, and methodologically consistent presentation of greenhouse gas emissions at the consolidated level.

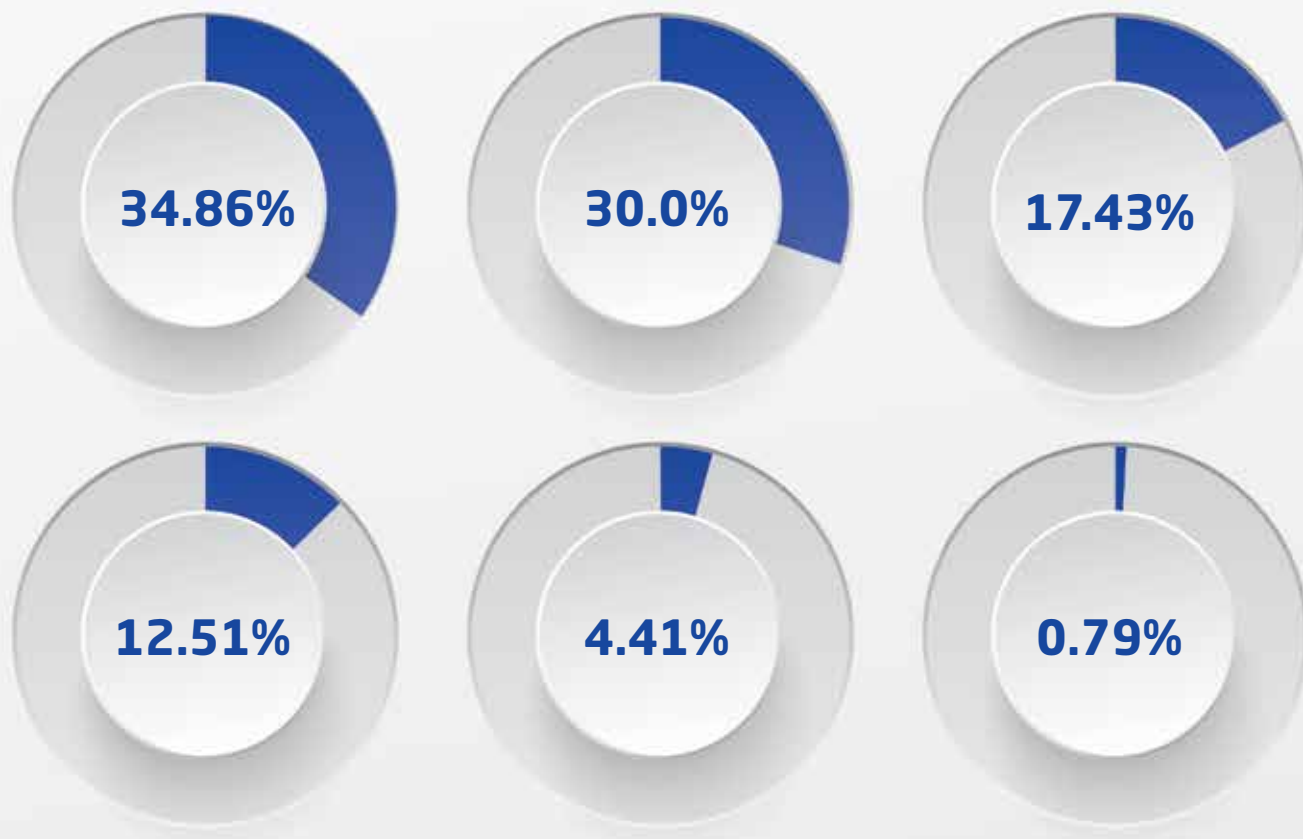
During the reporting period, an alignment and recalculation of comparative data for 2024 relating to the pay gap between male and female employees was carried out, as a result of refining the reporting methodology. In the previous period, the calculation included gross I salary and non-taxable benefits, whereas in this report the methodology has been aligned with ESRS requirements and is based exclusively on gross I salary. This methodological alignment was implemented to ensure greater comparability and consistency of data across reporting periods.

Pay gap for 2024: originally 22.1%; revised 23.6%

Independent Audit of the Sustainability Statement

The Sustainability Report is subject to an independent audit in accordance with the Directive on Corporate Sustainability Reporting and the Delegated Regulation setting out European sustainability reporting standards. The audit is conducted by the independent professional body KPMG, and their audit opinion can be found on page 182-185 of this report.

OWNERSHIP STRUCTURE

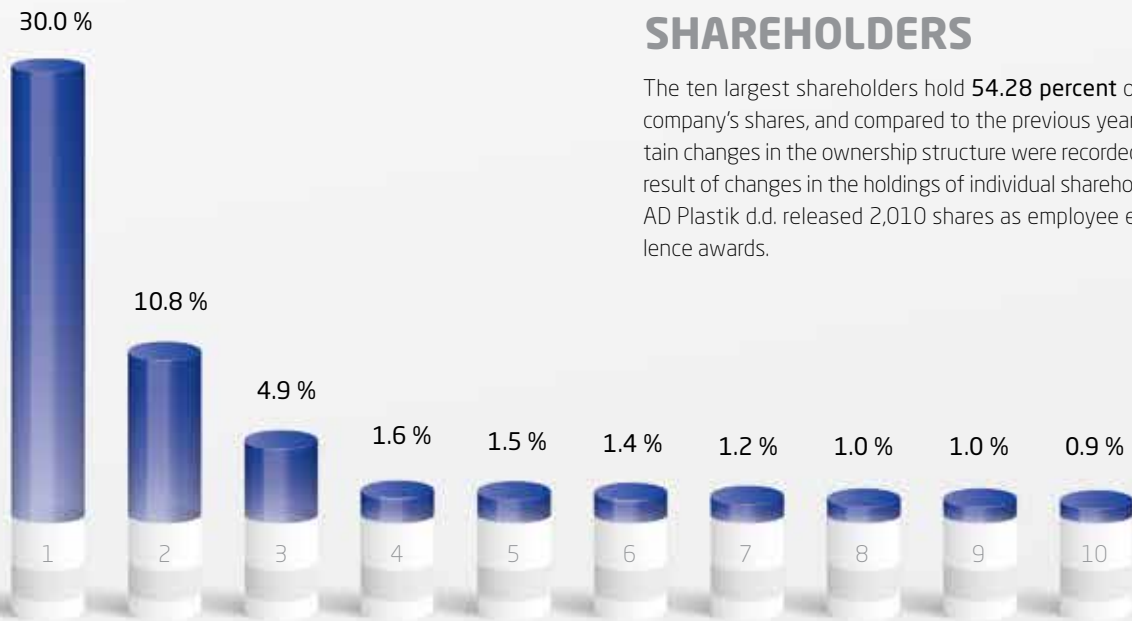


Small shareholders	34.86%
AO HAK	30.00%
Pension funds	17.43%
Management, employees and ex-employees	12.51%
Other institutional investors	4.41%
Treasury shares	0.79%

During 2025, there was no significant change in the ownership structure of AD Plastik Group.

10 LARGEST SHAREHOLDERS

The ten largest shareholders hold **54.28 percent** of the company's shares, and compared to the previous year, certain changes in the ownership structure were recorded as a result of changes in the holdings of individual shareholders. AD Plastik d.d. released 2,010 shares as employee excellence awards.



No	Owner / Account Holder / Co-holder / Shareholder	Share [%]
1.	AO HOLDING AVTOKOMPONENTY	30.0
2.	PRIVREDNA BANKA ZAGREB D.D./ RAIFFEISEN MPF CATEGORY B	10.8
3.	RAIFFEISENBANK AUSTRIA D.D./ RAIFFEISEN VOLUNTARY PENSION FUND	4.9
4.	KLEPO KATIJA	1.6
5.	PRIVREDNA BANKA ZAGREB D.D. / CUSTODY OMNIBUS CLIENT ACCOUNT	1.5
6.	BOBAN JOSIP	1.4
7.	OTP BANKA D.D./ OTP INDEKS FUND - OIF WITH A PUBLIC OFFERING	1.2
8.	PRIVREDNA BANKA ZAGREB D.D./ RAIFFEISEN MPF CATEGORY A	1.0
9.	TOLIĆ IVICA	1.0
10.	MILIŠIĆ MARIN	0.9
		54.3

OVERVIEW OF MARKETS AND CUSTOMERS

MARKETS:

Belgium, Czech Republic, France, Italy, Hungary,
Germany, Poland, Romania, Russia, Slovakia, Slovenia,
Serbia, Spain, Sweden, United Kingdom



KEY CUSTOMERS:



Ford, Mercedes, Renault Group (Dacia, Renault),
Stellantis (Fiat, Peugeot, Citroen, Alfa Romeo, Jeep, DS, Opel),
Suzuki, Togg, Vaz, Volkswagen Group (VW, Audi, Bentley)



TECHNOLOGIES

Continuous product improvements, weight reduction, and the use of recyclable materials, alongside increasing levels of product safety and quality in the automotive industry, including the business operations of AD Plastik Group, are based on the systematic development of technology, the broad application of digital solutions, and the gradual automation and robotisation of production processes.

Production processes are regularly monitored and analysed to ensure their stability, repeatability, and operational efficiency, while technological solutions are simultaneously adapted to changing customer requirements, the regulatory framework, and industry trends.

The foundation of AD Plastik Group's technological portfolio is injection moulding, which has been implemented at all production sites and ensures high flexibility in the development and production of automotive components. Surface treatment and painting activities are centralised at the Zagreb site, where two modern and fully robotised lines enable consistent product quality, high process repeatability, and optimised utilisation of production capacities. As part of further technological advancement, pad printing in combination with two painting phases was introduced at the same site during 2025 as a new technology in serial production. This technology enables precise and durable marking as well as the aesthetic finishing of parts, in accordance with customers' functional and design requirements, and represents a further improvement of the Group's technological capacities.

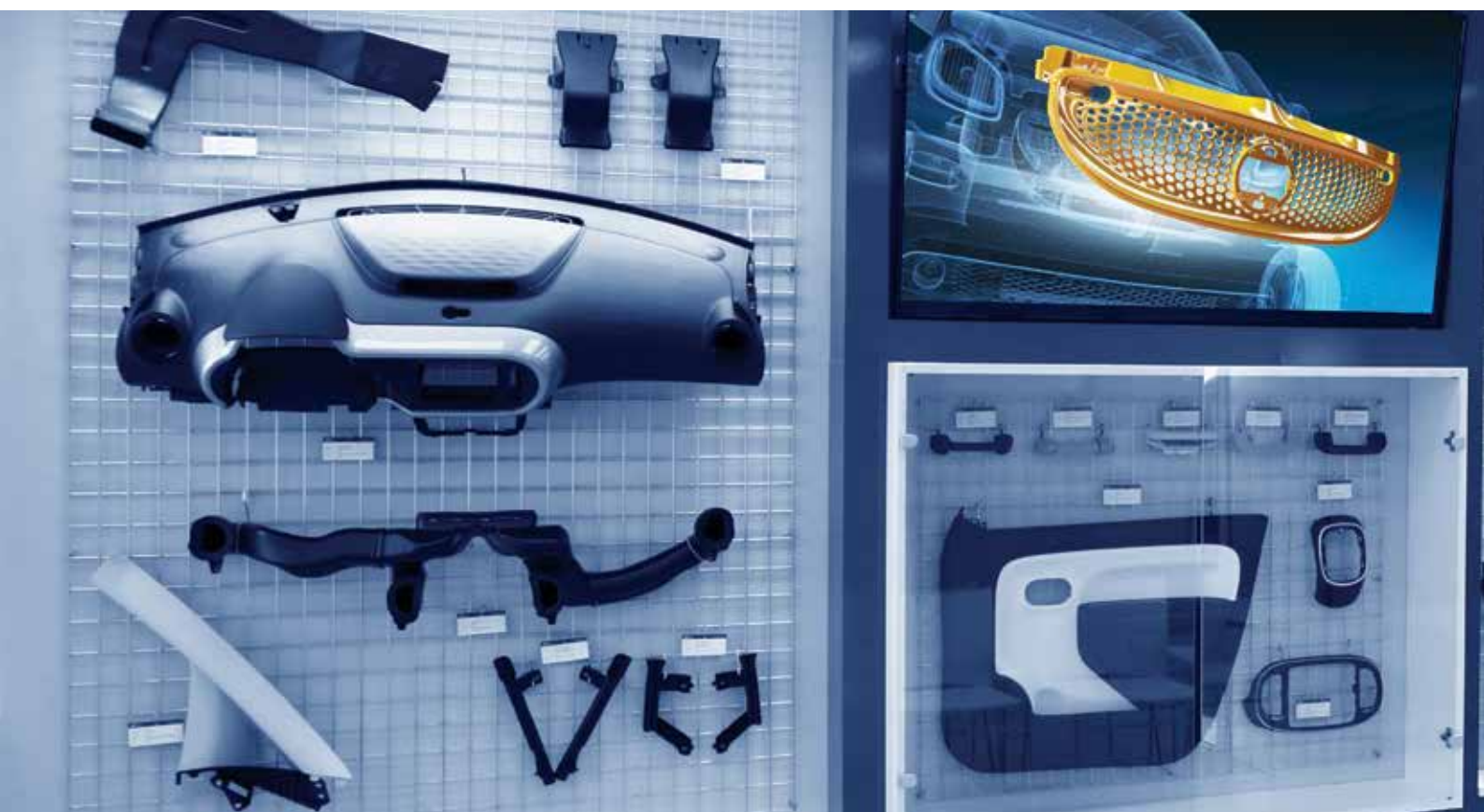
The Group's technological capabilities are further adapted to the specific characteristics of individual production sites. Extrusion is used at the Solin and Vintai plants, blow moulding technology at Mladenovac and Tiszaújváros, while thermoforming is retained exclusively at the Togliatti site. Such a distribution of technologies enables effective adaptation to market requirements and the management of development and production capacities.

In addition to the production of automotive components, AD Plastik Group also develops additional services that increase added value for customers. The assembly of parts enables the delivery of complete and functional assemblies ready for installation in vehicles, applying automated solutions and high technical standards. Further development is focused on increasing the efficiency of assembly processes, strengthening delivery reliability, and improving cooperation with logistics partners, particularly in the context of serving remote markets.

The final product value is ensured through the application of modern processing and finishing technologies, including ultrasonic and vibration welding, hot stamping, automated gluing, and automated quality control systems. These processes contribute to ensuring the required levels of product quality, safety, and reliability and support the long-term competitiveness of the Group's business model.

KEY PRODUCTS

During the reporting period, there were no significant changes in the product portfolio compared to the previous period. The new product is a roof rail, which is manufactured from the same materials and using the same technologies and production processes as the other products of AD Plastik Group.



EXTERIOR COMPONENTS

- Front and Rear Bumpers with components
- Front Grille
- Fender Protectors and Rocker Claddings
- Spoilers
- Rear Door Trim (Tailgate)
- Underbody Covers and Battery Covers
- Deflectors
- Roof Rack Covers
- Decorative Door Trim Panels

INTERIOR COMPONENTS

- Door Panels
- Central Console
- Instrument Panel and related parts
- Grab Handles
- Glass Run Channels
- Small injection-moulded components



QUALITY MANAGEMENT



Product and process quality is the fundamental premise of competitiveness in the automotive industry. The quality management system of AD Plastik Group is aligned with internationally recognized standards, and is a subject to regular checks. The system is continuously improved to ensure

high customer satisfaction, full compliance with regulatory requirements, and excellence in all aspects of operations.

The quality management policy clearly defines the principles, responsibilities, and objectives of the organization regarding the integrated approach to quality improvement..

CERTIFICATES

- **IATF 16949** - Quality Management System specific to the automotive industry (Croatia, Serbia, Hungary)
- **ISO9001** - Quality Management System (Togliatti)
- **ISO 14001** - Environmental Management System (all production sites, Kaluga currently does not hold any valid certificates)
- **ISO 45001** - Occupational Health and Safety Management System (Croatia and Serbia)
- **ISO 50001** - Energy Management System (Croatia and Serbia)
- **ISO 27001** - Information Security Management System (Croatia and Serbia)
- **TISAX** - Information security standard for the automotive industry (Croatia and Hungary)

AUDITS AND RECERTIFICATION

During the reporting period, all necessary re-certification and surveillance audits were conducted at the Group level, with independent certification bodies confirming the high effectiveness of the quality management system.

CUSTOMER AUDITS

In addition to external certification audits, customers conduct regular evaluations and supervision of production processes to ensure consistency in quality and compliance with their requirements. During the reporting period, 6 customer audits were conducted in Solin and Zagreb, along with three in Hungary, all of which were rated satisfactory with no critical non-conformities.

These results and positive customer feedback further confirm the high level of product and production process quality within AD Plastik Group. Through a systematic approach and continuous improvements, the company ensures long-term business sustainability and excellence in all aspects of quality.



BUSINESS ACTIVITIES

ENGINEERING

DRIVER OF DEVELOPMENT

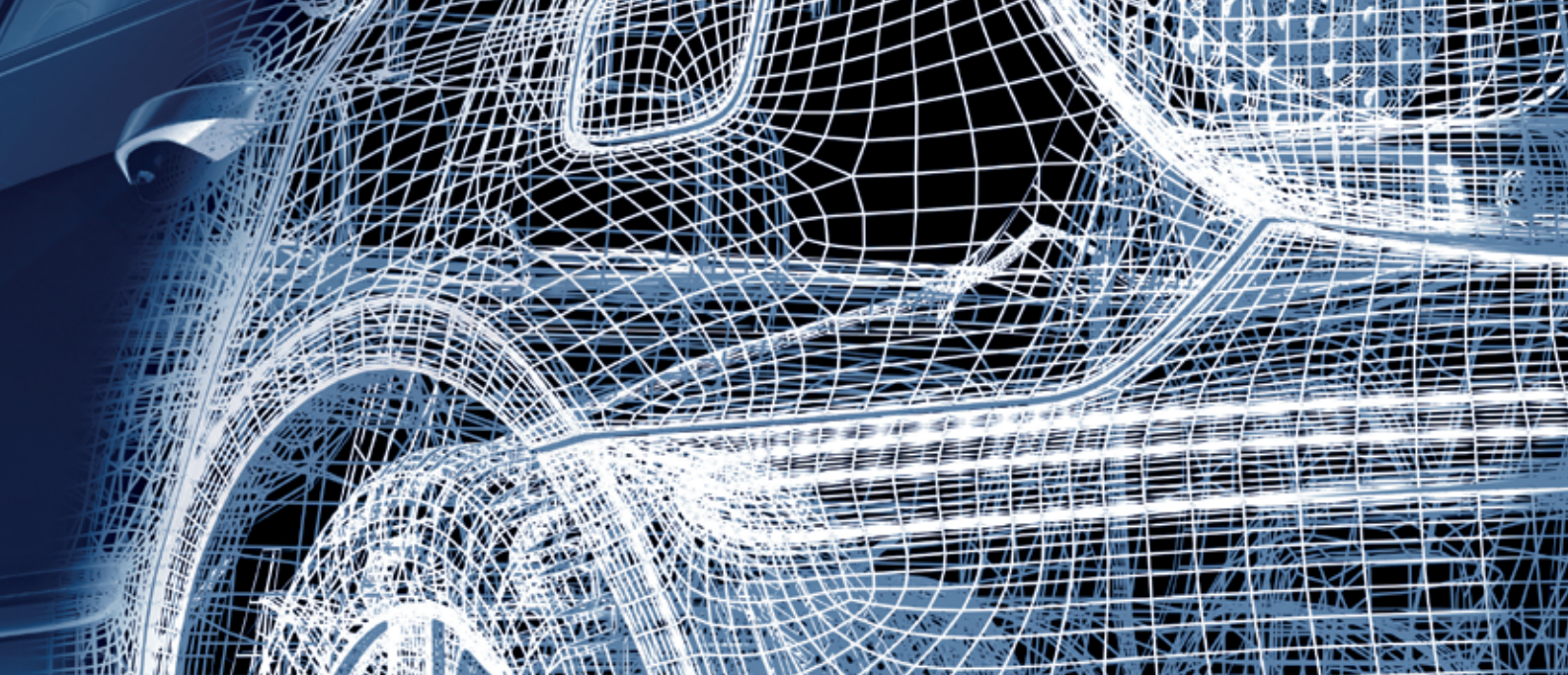
Engineering at AD Plastik Group represents one of the key pillars of future growth and development. In line with the annual plan, the process of strengthening the department in terms of human resources and infrastructure continued during the reporting period. In this context, an organisational step forward was also taken through the renaming of the department, which is now referred to as the Engineering Department instead of Research and Development. This further emphasises its key role in product and production process development, the creation of new business opportunities, and the systematic improvement and full utilisation of all the company's engineering capacities. During the reporting period, a new organisational segment was established within the Engineering Department, with a focus on market research and the development of innovative ideas, thereby further expanding the development potential and the potential base of future projects.

In addition, a prototype centre was launched, aimed at testing new approaches to the operation of process equipment, including the application of robots in the production of plastic products in the automotive industry, thereby laying the foundations for the establishment of a FABLAB. In the upcoming period, the implementation of a robotic

training station is planned, which will represent the initial technical foundation of the FABLAB. This will provide space for the training of newly employed staff, enable engagement with students through the preparation of Bachelor's and Master's theses in the fields of robotisation, automation, and mechanical engineering, as well as encourage the development of future experts. The FABLAB is conceived as an innovation and educational centre open to partners, the academic and local community, as well as investors, with the aim of fostering innovation, knowledge transfer, and the promotion of AD Plastik Group's technical and development competences.

DEVELOPMENT PRIORITIES

During the reporting period, a total of **eight new projects** were launched, with an emphasis placed on development activities. AD Plastik Group acted intensively in the role of a development supplier, independently developing products for customers and carrying out product design in close cooperation with them. In this way, the company's position as a reliable partner in the development of complex solutions for the automotive industry was further strengthened.



Within the framework of its development orientation, the Company secured funding from the **Research and Development Projects - Phase III (IRI S3)** programme, under which a research project for the development of a door frame is being carried out. The project relates to a plastic module integrating glass run channels, which is installed in the vehicle as a finished module. The developed solution represents a replacement for existing metal components and enables a higher level of functionality integration within a single module.

According to the current project calculations, the application of the developed solution in a four-door vehicle could result in a vehicle weight reduction of up to approximately 8 kilograms, thereby contributing to the overall reduction of vehicle weight. Vehicle weight reduction represents an important factor in the context of increasing energy efficiency, reducing fuel or energy consumption, and lowering emissions during the vehicle use phase, particularly in light of increasingly stringent regulatory requirements and market expectations.

The project is entirely research-oriented and demonstrates the Company's development potential in the field of new modular solutions for the automotive industry, with an emphasis on functional integration, weight optimisation, and the replacement of metal components with advanced polymer solutions. As part of the same project, an outer belt component is also being developed, integrating additional

functionalities, thereby further increasing the level of technical complexity and added value of the product.

All activities within the IRI 3 project were carried out in cooperation with local suppliers and the academic community, including the Faculty of Electrical Engineering, Mechanical Engineering and Naval Architecture, thereby confirming the Company's long-term commitment to integration into the local community, strengthening the domestic supplier base, and continuous investment in the development of knowledge and competences.

Alongside developments within the automotive industry, activities aimed at entering markets beyond the automotive sector were initiated during the reporting period. Drawing on knowledge acquired in the modern automotive industry and utilising the company's engineering capacities, innovative solutions are being developed whose application would be in industry, construction, and related sectors. Production would be based on the use of regranulate that is otherwise treated as waste and requires disposal, thereby ensuring its reuse. The planned business model envisages the possibility of taking back products after the end of their use, their reprocessing, and new production, thereby making a significant contribution to the circular economy. These activities are fully aligned with the strategic objectives of AD Plastik Group related to waste recovery, waste reduction, and the promotion of material reuse.

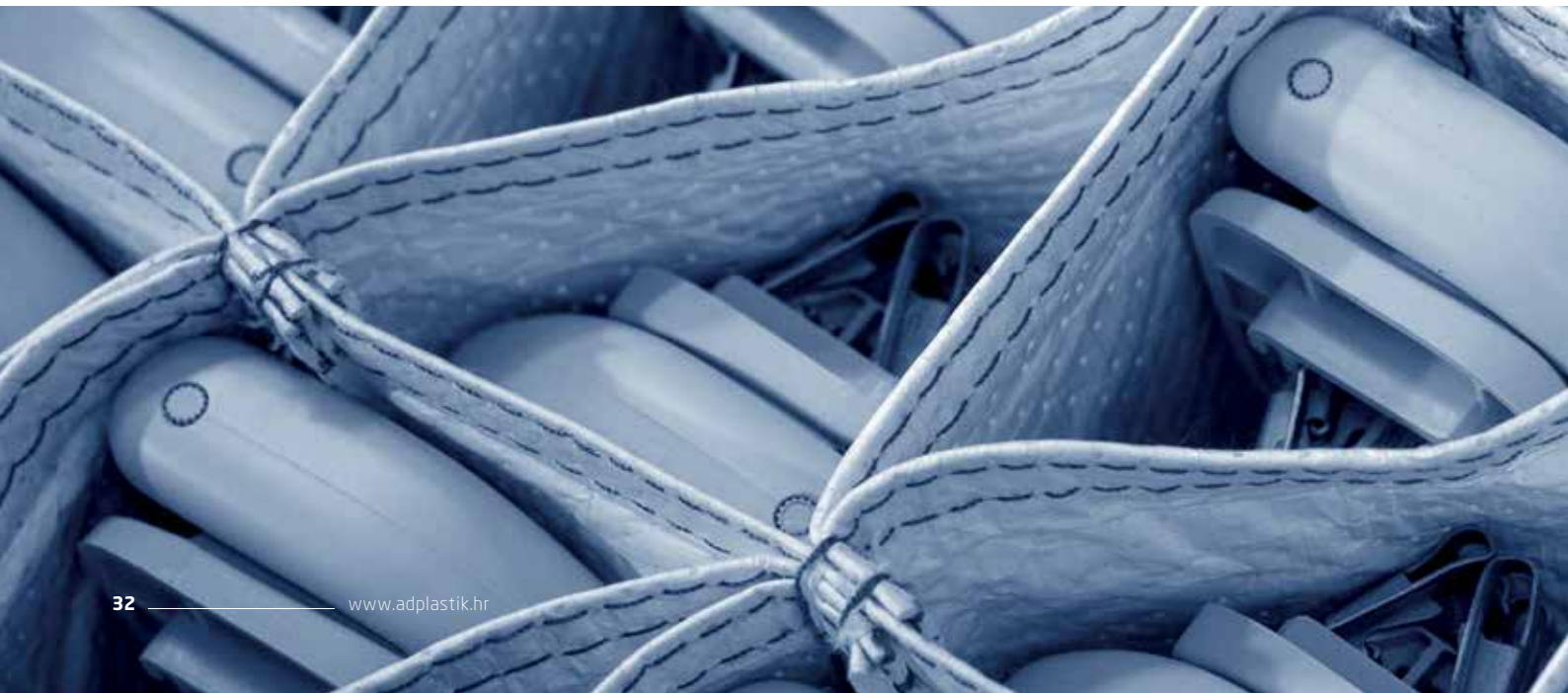
THE PATH TO NEW MARKETS AND BUSINESS OPPORTUNITIES

During 2025, AD Plastik Group operated in an environment of stabilisation of the European automotive industry, characterised by moderate market growth, stringent regulatory requirements, and the continuation of structural transformation towards electrification and sustainable solutions. Despite the challenges, the Group successfully maintained business stability, ensured the continuity of key projects, and at the same time undertook specific steps towards business diversification and expansion into new markets.

During the reporting period, the company generated total revenue in the amount of EUR 159.96 million, almost entirely derived from the production of plastic components for cars (p. 203).

Key customers of AD Plastik Group continue to be Renault Group, Ford, Stellantis, Suzuki, and VW Group. During 2025, serial production of new models for Fiat, Citroën, Opel, and DS commenced, further strengthening the portfolio of active projects and ensuring the continuation of long-term growth.

In 2025, AD Plastik Group further reinforced its market position by confirming its status as a stable and innovative partner through entering into cooperation with a well-known German company in the segment of plastic component manufacturing, representing a strategic expansion of the Group's business scope. This step confirms AD Plastik Group's ability to consistently meet high industry standards of quality, reliability, and sustainability, while simultaneously adapting to different market segments. The Group develops and delivers solutions that meet customers' technical, environmental, and operational requirements.



STRATEGIC DIVERSIFICATION

Alongside the strengthening of its position in the automotive industry, 2025 was also marked by the first specific steps in expanding business operations beyond the automotive sector. AD Plastik Group initiated the systematic exploration and development of projects outside its core business, recognising the growing market demand for lightweight, durable, modular, and sustainable solutions.

This step is based on the transfer of existing competences developed within the automotive industry, thereby creating the preconditions for further business diversification and the Group's long-term growth.

Entry into new sectors is being implemented selectively and gradually, with a focus on projects that enable the efficient use of existing production capacities, the development of new products, and long-term

cooperation with customers. Sustainability remains the common link across all development activities, through the increased use of sustainable materials, the optimisation of production processes, and the reduction of the environmental footprint of products.

Furthermore, in order to follow the latest market trends and ensure its competitiveness in a dynamic environment, AD Plastik Group decided to take a step forward across all business segments and direct its efforts towards the digitalisation of business operations. Through this strategy, the Group laid the foundations for improving production and business processes, as well as enhancing system responsiveness. Through the combination of a stable portfolio of key automotive customers, the expansion of cooperation into new segments such as commercial vehicles, and strategic steps beyond the automotive industry, AD Plastik Group further strengthened the resilience of its business model in 2025. This has laid solid foundations for further diversification, more stable growth, and the long-term strengthening of its market position in the years ahead.

AD Plastik Group does not manufacture or provide products or services whose sale is prohibited in any market.



STRATEGIC STABILITY AND DEVELOPMENT

AD Plastik Group's purchasing is one of the key elements in ensuring business stability and sustainable development. Through its activities, it plays an important role in implementing the principles of sustainable business, as supplier management directly affects the environmental, social, and ethical aspects of operations. Purchasing activities are focused on establishing and maintaining a stable, transparent, and responsible supply chain, with consistent compliance with relevant legal and reputational requirements.



KEY HIGHLIGHTS:

- Supply continuity – ensuring stable and uninterrupted availability of key materials and components
- Timely availability – optimization of delivery timelines and supplier reliability
- Supplier base adaptation – alignment with new market and technological requirements
- Support for business diversification – development and inclusion of new suppliers and markets
- Expansion into new markets – strengthening the supply chain in line with the company's geographic and strategic growth

AD Plastik Group's supply chain is based on stable and long-term relationships with suppliers, most of whom come from the European Union market, contributing to a high level of compliance with regulatory and sustainability standards. The purchasing process includes the selection, evaluation, and continuous monitoring of suppliers, applying clearly defined criteria of quality, reliability, and sustainability. Suppliers are integrated into the management system through a supplier database and, upon onboarding, are required to accept the company's policies and Code of Business Conduct, thereby actively promoting the improvement of a responsible and sustainable value chain.



PRODUCTION

The operational focus during the reporting period was aimed at maintaining the stability of production processes and ensuring timely deliveries to customers, while strengthening operational efficiency and business resilience.



During the reporting period, AD Plastik Group's production activities took place in a challenging market environment, characterized by high volatility in customer orders, supply chain challenges, and difficulties in the availability of an adequate workforce for the automotive industry. Despite these challenges, the operational focus remained on maintaining production stability and ensuring timely deliveries to customers. At the same time, activities related to the introduction of new products into serial production were carried out, alongside continuous improvements of existing processes. Occasional shifts in project deadlines by customers, as well as extended material purchasing deadlines, required additional coordination in purchasing planning and inventory management to ensure production continuity. Special attention was given to managing technologically demanding processes and products with a high share of labor and material costs, with the aim of optimizing them.

The company maintained a competitive cost level and high product quality, while continuously adapting work organization and optimizing processes.

Sustainability has been continuously integrated into production activities, with a focus on more efficient use of energy and materials, as well as waste reduction.

In parallel with production activities, the development of customer relationships continued, along with further diversification of the product portfolio, focusing on higher value-added projects, thereby additionally strengthening business resilience in the context of changes in the automotive industry.



OPERATIONAL FLOWS IN FUNCTION OF STABILITY AND EFFICIENCY

Focus of logistics activities on optimising serial logistics processes with the aim of increasing operational efficiency and the stability of supply flows.



KEY HIGHLIGHTS:

- Optimisation of inventories of incoming materials and components
- Improvement of serial delivery conditions, including logistics flows, packaging solutions, logistics resources, cooperation with logistics partners, and EDI communication with suppliers
- Optimisation of the organisational structure of the Logistics Department
- Strengthening the capacities of logistics teams through targeted training programmes

The implemented activities resulted in high customer ratings within logistics assessments, improvements across several serial packaging solutions, and a more efficient organisational structure. A deal has been sealed with a new logistics partner, and preparatory activities were carried out for the introduction of advanced technologies into logistics flows, thereby establishing a solid foundation for further improvements.

AD Plastik Group continues the strategic strengthening of its logistics processes through digitalisation and further enhancement of the supply chain, with the aim of increasing business resilience and competitiveness, improving resource management efficiency, and gradually reducing the environmental footprint while enhancing long-term sustainability.





RISKS AND OPPORTUNITIES

AD Plastik Group identifies risks from external and internal sources that affect business results and the environment. Timely monitoring and continuous improvement of risk management are key to the company's success. The impact on external factors is limited, while internal factors are controlled by the company through the development of policies and procedures.



TYPES OF RISKS

STRATEGIC RISKS	Market and industry risk
	Geopolitical risk
	Customer concentration risk
	Technological and innovation risk
	Regulatory and ESG risks
OPERATIONAL RISKS	Risk of supply disruption
	Risk of labor shortage
	Cyber and IT risks
FINANCIAL RISKS	Currency risk
	Interest rate risk
	Price risk
	Credit risk
	Liquidity risk
SUSTAINABILITY RISKS	Climate risks
	Reputational risks

RISK MANAGEMENT

AD Plastik Group continuously identifies, assesses and manages key risks that may affect the achievement of the Group's strategic and financial objectives. Risks arise from a combination of macroeconomic, industry, regulatory, technological and operational factors, with an increasingly pronounced impact of geopolitical and ESG aspects.

Compared to the previous reporting period, the need for further emphasis has been identified for:

- proactive and anticipatory risk management,
- stronger integration of risks into business and financial planning,
- linking risks with cash flows, investments and sustainability.

STRATEGIC RISKS

Strategic risks threaten business objectives and include market changes, technological innovations, political instability and regulatory adjustments. In 2025, the focus is on vehicle electrification, geopolitics, increasing competition and sustainability requirements.

MARKET AND INDUSTRY RISK

Changes in the global automotive industry are taking place more slowly and unevenly than previously expected. The following trends are observed:

- a slowdown in the pace of vehicle electrification in the EU,
- delays or redefinition of OEM investment plans,
- increased price sensitivity of customers.

At the same time, Chinese vehicle and component manufacturers are increasing their presence in the European market, often supported by aggressive pricing policies.

MANAGEMENT

- Focus on diversification of the product portfolio
- Monitoring global and regional trends, including the entry of new manufacturers into the EU market
- Stronger cooperation with customers in early stages of development

SUSTAINABILITY: The development of products with a lower carbon footprint contributes to long-term alignment with ESG requirements and investor expectations.

GEOPOLITICAL RISK

Increased geopolitical tensions (Ukraine, the Middle East, EU-China trade relations, sanctions regimes) affect:

- the stability of supply chain,
- energy and logistics costs,
- currency and market volatility.

A particular risk is posed by the fragmentation of global trade and the potential introduction of additional tariffs, protective measures or localisation requirements.

MANAGEMENT

- dispersion of production and sourcing locations,
- monitoring of EU regulatory and trade decisions

SUSTAINABILITY: The dispersion of business ensures the company's resilience to external influences.

CUSTOMER CONCENTRATION RISK

Despite continuous diversification, the structure of the automotive industry still carries the risk of revenue concentration among large OEMs.

MANAGEMENT

- expansion of the customer base
- development of solutions applicable across multiple models and brands
- expansion into markets outside the automotive industry

SUSTAINABILITY: A focus on manufacturers that integrate sustainability into their business models contributes to AD Plastik Group's long-term success.

TECHNOLOGICAL AND INNOVATION RISK

Accelerated technological development (new materials, lightweight structures, digitalisation of production) requires continuous investment. The risk arises from untimely adaptation of technology and misalignment of investments with market demand.

MANAGEMENT

- Continuous investments in new technologies, with a focus on automation and energy efficiency, as well as reducing the carbon footprint
- partnerships with customers in the development of new solutions

SUSTAINABILITY: The Group's core technologies are not direct environmental pollutants, thereby minimising the risk of compliance with increasingly stringent environmental protection regulations.

REGULATORY AND ESG RISKS

Changes in the legislative and regulatory framework, such as fiscal regulations, labour legislation and sustainability regulations, may have a significant impact on business. Given the exposure to the Russian market, significant regulatory risks for the Group arise from sanctions and Russian counter-sanctions, as well as their consequences. Although these measures have not so far led to a change in the Group's business model, they have completely transformed the automotive industry in Russia and significantly complicated the business of subsidiaries.

Requirements related to the reduction of greenhouse gas emissions and compliance with ESG standards are particularly challenging.

MANAGEMENT

- Monitoring legislative changes in all countries of operation
- Proactive planning and adjustment of operations to meet new sustainability standards
- Cooperation with industry associations to influence more favourable legislative frameworks
- Integration of ESG indicators into financial planning

SUSTAINABILITY: Special attention is given to regulations requiring the reduction of CO₂ emissions and the increase of energy efficiency. The development of products with a lower carbon footprint and potential investments in renewable energy sources are aligned with these requirements.

OPERATIONAL RISKS

Operational risks include internal processes, resource management, and external factors that may affect the company's day-to-day operations. During 2025, the focus was on issues related to supply chains, the workforce, and cybersecurity.

RISK OF SUPPLY DISRUPTION

Instabilities in supply chains caused by geopolitical conflicts, sanctions and market changes, including shortages of raw materials and logistical difficulties, may disrupt production continuity.

MANAGEMENT

- Diversification of suppliers and securing multiple sources of supply
- Maintenance of safety stocks for key materials to avoid disruptions
- Development of crisis protocols and flexible supply plans
- Digital monitoring of supplier risks

SUSTAINABILITY: Logistics optimization contributes to more sustainable business.

RISK OF LABOR SHORTAGE

The shortage of qualified workers in the EU and rising labour costs remain a structural challenge. The ramp-up of production of new projects in 2025 required additional workforce and specialised skills, which, due to the shortage of labour in the domestic labour market, was addressed through the employment of foreign workers.

MANAGEMENT

- Increasing the attractiveness of the company as an employer and detailed planning of employment needs
- Training and reskilling of employees for specific production processes
- Automation and robotisation of production processes

SUSTAINABILITY: By developing internal training programs and inclusive employment practices, AD Plastik Group contributes to social sustainability and the long-term development of the workforce.

CYBER AND IT RISKS

The increased number of cyberattacks and security threats represents a risk to data integrity, business processes, and confidential information about clients and partners. The intensified digitalisation of systems and processes increases exposure to cyberattacks and potential business disruptions.

MANAGEMENT

- Investment in advanced cybersecurity systems and regular updating of security protocols
- Training of employees on the importance of information security and prevention of attacks
- Regular testing of security systems and audits of IT infrastructure

SUSTAINABILITY: The application of digital technologies in a secure and sustainable manner enables long-term data protection and business optimisation.

FINANCIAL RISKS

Financial risks may jeopardise the company's financial stability, such as significant exchange rate fluctuations, increases in interest rates, delays in the collection of receivables and similar factors. In 2025, particular attention was given to market developments, changes in the exchange rate of the Russian rouble, movements in interest rates and maintaining the company's liquidity. The management of these risks is centralised and carried out within the Finance Department of the parent company, which manages activities in domestic and international financial markets and consolidates the cash flows of the Group's members.

CURRENCY RISK

Currency risk has been significantly reduced with Croatia's transition to the euro. However, international operations and the fact that some Group members are located outside the EU or do not use the euro as their official currency still pose certain currency risks. The Group is exposed to exchange rate fluctuations of EUR/RUB, EUR/HUF, EUR/RSD, and EUR/LEI, which can impact financial results, especially due to market volatility and geopolitical influences.

** Additional information on the management of this risk is available in the notes to the financial statements on pages 241 and 289.*

MANAGEMENT

- Balancing open foreign exchange positions for each currency within the balance sheet positions
- Adjusting sales prices for euro-denominated components with changes in the euro exchange rate relative to the sales currency, ensuring the protection of profitability
- Regular monitoring of currency markets and conducting analyses to maintain flexibility in managing exchange rate risks

SUSTAINABILITY: Stable currency risk management enables sustainable growth and reduces the company's vulnerability to changes in the global economic environment. Established price adjustment mechanisms ensure business resilience to long-term macroeconomic shifts, while continuous risk assessment allows for timely decisions that support financial stability.

INTEREST RATE RISK

The rise in interest rates can increase financing costs, reducing profitability and limiting the availability of capital for investments. Although interest rates declined in 2025, the repayment of older loans with lower (fixed) interest rates and new borrowings at higher interest rates led to an increase in financing costs.

MANAGEMENT

- Negotiating more favorable borrowing terms, including variable interest rates in high-interest rate conditions and fixed rates in low-interest rate conditions
- Refinancing existing debt obligations in line with market conditions, aiming to optimize financing costs
- Transferring part of investments into long-term project assets to the customer

SUSTAINABILITY: Reducing financial costs allows for resource allocation to sustainable projects and eases pressure on operating margins.

PRICE RISK

Changes in raw material and energy prices can significantly impact production costs and the company's profitability. During the reporting period, strong inflationary pressures continued, primarily affecting services and labor costs.

MANAGEMENT

- Long-term contracts with suppliers to stabilize raw material costs
- Passing increased costs onto customers in accordance with contractual clauses

SUSTAINABILITY: Increased use of recycled materials and optimization of energy efficiency reduce costs and improve environmental responsibility.

CREDIT RISK

The risk of non-payment by customers can lead to cash flow issues and reduce the company's liquidity. AD Plastik Group collaborates with reputable customers that are financially stable companies, thereby minimizing the collection risk and ensuring receivables are realized within agreed terms. The credit risk related to loans granted is under the company's control, as these loans are provided to subsidiary companies, where the parent company is the sole owner.

MANAGEMENT

- Sealing deals with customers that have high financial ratings
- Monitoring receivable due dates and taking timely action in case of delays

SUSTAINABILITY: Stable credit risk management enables better cash flow planning and reduces financial risks.

LIQUIDITY RISK

In conditions of increased uncertainty, the availability and cost of capital may change rapidly. Failure to meet obligations to creditors in a timely manner may jeopardize the company's operations. Therefore, AD Plastik Group maintains optimal cash balances, with available credit lines in place. Liquidity risk can increase in conditions of rising inflation and reduced access to financing.

MANAGEMENT

- Proactive cash flow management through regular planning on a monthly, quarterly, and annual basis
- Maintaining available credit lines, and securing additional credit lines and reserves to ensure the availability of the necessary financial resources
- Increasing flexibility in payment and collection terms to optimize cash flows during periods of intensive investments

SUSTAINABILITY: Stable liquidity management enables the company to maintain long-term financial stability and finance sustainable projects, while reducing reliance on expensive short-term financing sources.

** Additional information on the management of this risk is available in the notes to the financial statements on pages 236 and 295.*

SUSTAINABILITY RISKS

Sustainability risks relate to challenges associated with environmental, social and governance aspects of business, identified through the double materiality assessment process. In 2025, particular emphasis was placed on climate risks and reputational risk, taking into account increasingly stringent regulatory requirements, customer and investor expectations, and changes in the market environment.

CLIMATE RISKS

Climate risks are increasingly affecting business operations through both physical and transition aspects. Extreme weather conditions, such as heatwaves, floods and disruptions in supply chains, may negatively impact production continuity and the availability of key resources. At the same time, transition risks arise from regulatory changes, including requirements related to the reduction of greenhouse gas emissions, as well as from growing customer expectations for products with a lower carbon footprint.

AD Plastik Group responds to these challenges through investments in energy efficiency, the development of renewable energy projects and the optimisation of production processes. This reduces exposure to climate risks and strengthens the resilience of the business model.

MANAGEMENT

- Investments in energy efficiency and renewable energy projects
- Reduction of emissions through optimisation of production processes
- Monitoring of climate risks and integration into risk management processes
- Development of products and materials with a lower carbon footprint

SUSTAINABILITY: Investments in the energy transition and emission reduction contribute to compliance with regulatory requirements and strengthen the company's resilience to climate risks.

REPUTATIONAL RISK

Reputational risk is gaining additional importance in the context of increased transparency and requirements for compliance with ESG standards and the regulatory framework. Failure to meet expectations in the area of sustainability, including reporting in accordance with ESRS standards, may negatively affect the company's perception, access to markets, and relationships with customers and investors.

In addition, reputational challenges are also related to the perception of business in certain markets, as well as to value chain management and supplier compliance with ESG requirements.

MANAGEMENT

- Strengthening transparency through reporting in line with ESRS standards
- Active collaboration with customers, suppliers and regulators
- Improvement of internal policies and procedures in the area of sustainability
- Conducting ESG compliance assessments in business operations and the value chain

SUSTAINABILITY: Transparent and responsible management of ESG practices contributes to the preservation of reputation, strengthening of stakeholder trust, and long-term business stability.

OPPORTUNITIES

Polymer components are becoming important for reducing the carbon footprint in the automotive industry due to decarbonisation, providing AD Plastik Group with opportunities for innovation and increased energy efficiency. Growing demand for sustainable solutions and the expansion of electrification, autonomy and digital connectivity open up opportunities to expand the portfolio and collaborate with new customers.



The entry of new manufacturers into the European market, particularly Chinese ones, is changing the competitive landscape and offers opportunities for partnerships. Geopolitical stabilisation may stimulate economic growth and strengthen supply chains.

Opportunities also exist in other sectors – logistics, transport and energy – through the development of materials and the digitalisation of processes.

With the advancement of new technologies and materials, digitalisation and robotisation continue to raise industry standards, bringing improved performance, greater safety and higher product quality. In this context, AD Plastik Group has the opportunity to further strengthen its position as an innovative and reliable partner in the market in the coming years.





FINANCIAL RESULTS 2025



In 2025, AD Plastik Group continues its positive financial trends and revenue growth, primarily from serial production, achieving better profitability, capacity utilization, and increased operational efficiency. The Group's total income in the observed year amounted to EUR 159.96 million, which is 4.9% higher than in the same period last year. Operating revenue of the parent company amounted to EUR 123.22 million, up 6.2% compared to the previous year. The revenue structure makes a significant positive difference visible in profitability indicators; thus, Group EBITDA increased by 43.1% to EUR 19.19 million, while in the parent company it is higher by 87.2% and amounts to EUR 14.37 million. The Group's EBITDA margin is 12.0%, while the parent company's EBITDA margin is 11.7%. The margin movements were mainly influenced by the increase in revenues from serial production of new projects, accompanied by a simultaneous decrease in revenues from tooling. The Group's net profit amounts to EUR 14.26 million. Alongside the previously mentioned growth in EBITDA margin, the significant increase in the Group's net profit was largely contributed by the substantial growth in the share of profit from the associated company. The parent company's net profit in 2025 amounts to EUR 5.42 million and is the

result of increased revenues from serial production, higher production capacity utilization, and simultaneous cost optimization.

The Group continued its deleveraging trend, started in the previous year, so the Group's net financial debt in the observed year decreased from EUR 40.35 million to EUR 26.44 million, while in the same period the parent company's net financial debt decreased from EUR 37.60 million to EUR 26.02 million, which enabled the optimization of financing costs in 2025.

In the upcoming period, further expansion of the customer base is planned, entry into new market niches both within and outside the automotive industry, which should positively impact revenue from own production, capacity utilization, efficiency, and overall profitability. Sales activities remain strongly focused on the European market, which continues to be the Group's primary focus.

The achieved results confirm the Group's ability to effectively adapt to market conditions and challenges, with an emphasis on increasing efficiency and greater flexibility of production locations, all aimed at creating a more agile and adaptable system that will enable faster responses to changes in market conditions and customer requirements.



KEY PERFORMANCE INDICATORS

Indicators (in EUR 000)	ADP Group			AD Plastik d.d.		
	2024	2025	Index	2024	2025	Index
Sales revenue	147,967	157,872	106.29	111,152	121,189	109.03
Other income	4,476	2,083	46.54	4,877	2,029	41.60
Operating expenses	149,841	152,954	102.08	118,928	119,268	100.29
EBITDA*	13,413	19,187	143.05	7,676	14,373	187.24
Net profit	2,133	14,259	668.50	397	5,415	1,363.98
NFD*	40,345	26,442	65.54	37,598	26,023	69.21
EBITDA margin*	8.80%	12.00%	320 bps	6.62%	11.66%	463 bps
Net profit margin*	1.40%	8.91%	752 bps	0.34%	4.39%	405 bps
ROE*	2.16%	13.38%	1,122 bps	0.43%	5.74%	531 bps
Capex*	12,907	5,240	40.59	11,348	4,515	39.79

* In addition to the measures defined by International Financial Reporting Standards (IFRS), AD Plastik Group also uses alternative performance indicators in its reports. An overview and definition of the indicators used in this document are provided in Appendix 1.

OPERATING EXPENSES

Indicators (in EUR 000)	ADP Group			AD Plastik d.d.		
	2024	2025	Index	2024	2025	Index
Change in inventories of work in progress and finished goods	-418	-331	-	-41	-709	-
Cost of raw material and supplies	64,871	74,290	114.52	45,904	56,923	124.00
Cost of goods sold	24,229	9,145	37.74	27,850	10,953	39.33
Service costs	11,726	12,652	107.90	8,354	9,092	108.83
Staff costs	34,638	40,646	117.34	24,175	29,945	123.87
Depreciation and amortisation	10,811	12,186	112.72	8,290	9,911	119.55
Other operating expenses	3,960	4,065	102.65	4,155	2,401	57.79
Provisions for risks and charges, (net)	1	264	44,740	1	264	26,400
Impairment of loans and trade receivables, (net)	23	37	158.88	240	488	203.33

NET FINANCIAL RESULT

Net financial result (in EUR 000)	ADP Group			AD Plastik d.d.		
	2024	2025	Index	2024	2025	Index
FINANCIAL REVENUE	271	1,088	402.15	4,065	3,192	78.52
Positive exchange differences	-	918	-	-	-	-
Interest income	271	170	62.84	595	720	121.09
Dividends	-	-	-	3,470	2,472	71.23
FINANCIAL EXPENSES	2,917	1,283	43.98	1,323	1,175	88.79
Negative exchange differences	1,323	-	-	3	68	2,324.82
Interest expenses	1,595	1,283	80.46	1,320	1,107	83.84
FINANCIAL RESULT	-2,647	-195	7.37	2,742	2,017	73.57

The Group's net financial result reflects a positive impact from the appreciation of the Russian rouble, in contrast to the same period last year. Within the parent company, a significant contribution to the financial

result, amounting to EUR 2.47 million, stems from the decision to pay a dividend in the affiliated company in Romania, as well as from reduced interest expenses compared to the previous year.

FINANCIAL POSITION

Abbreviated balance sheet (in 000 EUR)	ADP Group			AD Plastik d.d.		
	31 Dec 2024	31 Dec 2025	Index	31 Dec 2024	31 Dec 2025	Index
ASSETS	180,877	186,349	103.03	157,704	157,007	99.56
Noncurrent assets	123,919	123,766	99.88	115,403	108,446	93.97
Current assets	56,958	62,583	109.88	42,301	48,561	114.80
LIABILITIES	81,970	72,049	87.90	66,159	60,005	90.70
Noncurrent liabilities	20,635	20,722	100.42	17,748	17,642	99.40
Current liabilities	61,335	51,327	83.68	48,411	42,363	87.51
CAPITAL	98,908	114,300	115.56	91,545	97,002	105.96

The ongoing deleveraging process, which began at the end of last year, is evident throughout 2025. The Group's net financial debt stands at EUR 26.44 million, representing a reduction of EUR 13.90 million compared to the end of the previous year. Concurrently, the net financial debt of the parent company decreased by EUR 11.57 million and now amounts to EUR 26.02 million.

The Group's and parent company's NFD/EBITDA indicators have also improved significantly. At Group level, this ratio is now 1.38, while for the parent company it stands at 1.81. Further improvement is expected, driven by continued deleveraging and increased profitability.

The Group's debt ratio has decreased from 0.45 as at December 31, 2024 to 0.39, while in the parent company it has fallen from 0.42 to 0.38.

Most major investments related to new projects, including development, specialised equipment, and returnable packaging, were carried out in previous periods. As a result, planned investments for the current and upcoming years are considerably lower, which will also influence debt trends.

As previously reported, activities concerning the optimisation of the structure and maturity of financial debt, initiated last year, were successfully completed in February. Partial debt restructuring deferred repayment of EUR 9.39 million in liabilities to the following years, which were initially scheduled for 2025. This has balanced the repayment schedule of existing loans and further improved the company's financial position.

AFFILIATED COMPANY EAPS

In order to provide a clearer insight into business operations, a comparable, abbreviated, consolidated profit and loss account of the AD Plastik Group for 2024 and 2025 has been prepared, including the profit and loss account of the affiliated company Euro Auto Plastic Systems s.r.l., Mioveni, Romania, in which AD Plastik d.d. holds a 50 percent ownership interest.

AD PLASTIK GROUP WITH THE CONSOLIDATION OF THE CORRESPONDING PART IN THE AFFILIATED COMPANY

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Positions (in EUR 000)	2024	2025	Index
OPERATING REVENUE	214,967	238,013	110.7
OPERATING EXPENSES	208,575	220,537	105.7
Material costs	126,329	142,434	112.7
Staff costs	43,741	44,223	101.1
Amortization	11,992	13,654	113.9
Other costs	26,513	20,226	76.3
FINANCIAL REVENUE	286	1,393	487.9
FINANCIAL EXPENSES	2,983	1,470	49.3
TOTAL REVENUE	215,253	239,407	111.2
TOTAL EXPENSES	211,558	222,007	104.9
Profit/loss before taxation	3,695	17,399	470.9
Profit tax	1,561	3,140	201.1
PROFIT/LOSS OF THE PERIOD	2,133	14,260	668.4
EBITDA	18,384	31,130	169.3

Operating revenue of the AD Plastik Group, including the consolidation of its corresponding share in the affiliated company, amounted to EUR 238.01 million, representing an increase of 10.7% compared to the

corresponding period. EBITDA calculated on the same basis amounted to EUR 31.13 million and increased by 69.3%.

ABBREVIATED P/L AND THE BALANCE SHEET OF THE AFFILIATED COMPANY EAPS

Positions (in EUR 000)	2024	2025	Index
Operating revenue	130,250	162,881	125.1
Operating expenses	-122,671	-141,933	115.7
Net financial result	-103	238	-
Profit before taxation	7,477	21,186	283.3
Profit tax	-1,295	-3,166	244.6
Profit of the period	6,183	18,020	291.5

*100% realization shown

Positions (in EUR 000)	31 Dec 2024	31 Dec 2025	Index
Noncurrent assets	19,650	16,562	84.3
Current assets	62,432	63,711	102.0
TOTAL ASSETS	82,082	80,273	97.8
Capital and reserves	20,264	32,763	161.7
Noncurrent liabilities and provisions	1,194	1,344	112.6
Current liabilities	60,624	46,166	76.2
CAPITAL AND LIABILITIES	82,082	80,273	97.8

The results of EAPS are included in the results of AD Plastik Group using the equity method. EAPS's operating revenue in 2025 increased by 25.1% compared to the same period last year, reaching EUR 162.88 million. This level of revenue confirms that new projects have reached full production volumes. The strong revenue growth had a positive impact on capacity utilization, operational efficiency, and overall profitability, as evidenced by the net profit achieved in the amount of EUR 18.02 million.

After successfully renewing the machinery fleet in previous years, capital investments are again at lower levels, totaling only EUR 0.3 million. The majority of EAPS revenue is generated in the Romanian market, while a smaller portion relates to the markets of Turkey, Morocco, Brazil, Colombia, and Argentina.

ALTERNATIVE PERFORMANCE MEASURES

In addition to financial performance measures defined by International Financial Reporting Standards (IFRS), AD Plastik Group also uses certain alternative performance indicators in its reports, as it considers them beneficial for business performance analysis by investors. Alternative performance measures present comparative periods to enable the company's results to be assessed across different timeframes.

EBITDA AND EBITDA MARGIN

EBITDA (earnings before interest, taxes, depreciation and amortisation) represents operating profit (operating income less operating expenses), increased by depreciation of tangible and intangible assets. The company also presents the EBITDA margin, which represents the percentage of EBITDA in relation to operating revenue.

NET PROFIT MARGIN

Calculated as the ratio of net profit achieved to operating revenue. The company uses this measure to monitor its profitability in relation to operating revenue.

NET DEBT AND NET DEBT TO EBITDA

Net debt represents the sum of short-term and long-term liabilities to banks, as well as short-term and long-term loans from non-banking institutions, reduced by cash and cash equivalents. AD Plastik Group uses the ratio of net debt to EBITDA as an indicator of financial stability and the company's ability to meet its financial obligations. When calculating this indicator on a quarterly basis, EBITDA achieved in the last four quarters is taken into account.

AD Plastik Group (in EUR 000)	31 Dec 2024	31 Dec 2025
Non-bank loans	2,282	-
Long-term liabilities to banks	17,850	18,451
Short-term liabilities to banks	24,475	15,767
Cash	-4,262	-7,777
Net financial debt	40,345	26,441

AD Plastik d.d. (in EUR 000)	31 Dec 2024	31 Dec 2025
Non-bank loans	1,904	-
Long-term liabilities to banks	16,178	16,526
Short-term liabilities to banks	22,562	14,994
Cash	-3,046	-5,497
Net financial debt	37,598	26,023

ROE

This measure is used to monitor the return achieved on equity. It is calculated on both an annual and a quarterly basis. On an annual basis, the ratio compares net profit for the current period with the average equity (calculated as the average of equity at the end of the reporting period and equity at the beginning of the reporting period). On a quarterly basis, ROE is calculated as the ratio of net profit for the last four quarters to the average equity (the average of equity at the end of the reporting period and equity at the end of the same period of the previous year).

CAPEX

Capital expenditures represent an item within indirect cash flow and relate to payments for tangible and intangible assets. This measure is used as an indicator of the use of funds to generate future economic benefits and to ensure the allocation of resources in line with the Group's strategy.

DEBT RATIO

The debt ratio represents the ratio of total liabilities to total assets. This measure is used to monitor the company's financial risk in terms of the growth of liabilities relative to assets.

MARKET CAPITALIZATION

Market capitalization represents the total market value of the company and is calculated as the product of the total number of shares outstanding and the closing share price on the reporting date.

	31 Dec 2024	31 Dec 2025
Last price in the period (EUR)	9.5	20.4
Number of shares (000)	4,200	4,200
Market capitalization (in EUR 000)	39,728	85,672

EPS AND P/E

These measures are used by investors to assess the value of a company's shares. Earnings per share (EPS) is calculated by dividing net profit by the weighted average number of shares outstanding. For quarterly calculations, net profit generated over the last four quarters is used.

	31 Dec 2024	31 Dec 2025
Net profit /loss of the period (u 000 eur)	2,133	14,259
Average weighted number of shares (000)	4,161	4,165
EPS (eur)	0.51	3.42

P/E is the ratio of price to earnings per share (EPS). The price represents the share price on the last day of the reporting period, and in the quarterly calculation, net profit represents the realized profit in the last four quarters.

ADPL SHARE

In 2025, global capital markets continued the positive trend initiated in previous years, despite heightened volatility in the first half of the year driven by geopolitical risks and trade restrictions. In the second half of the year, market conditions stabilized, supported by a gradual easing of inflationary pressures and a relaxation of monetary policy, which had a positive impact on overall investor sentiment.

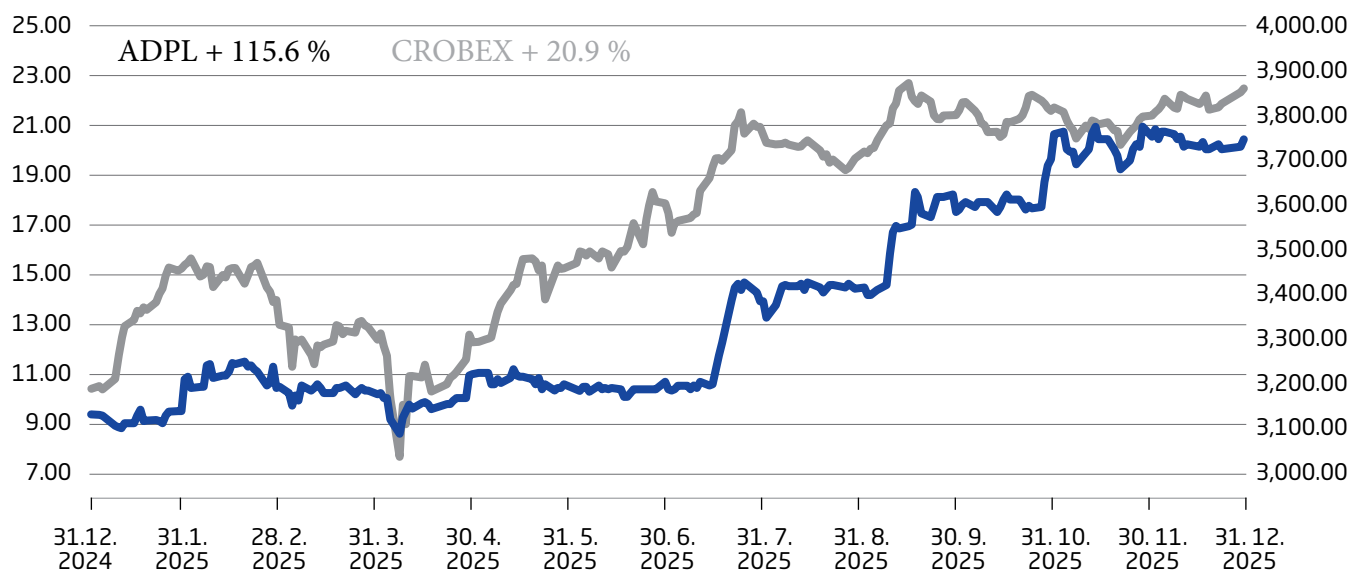
The U.S. capital market, as measured by the S&P 500 index, recorded growth of approximately 16% in 2025, largely driven by strong performance of large technology and communication companies, particularly those associated with the development of artificial intelligence and digital infrastructure.

European capital markets posted even stronger gains. The EURO STOXX 50 index increased by around 19%, supported by the recovery of the industrial and financial sectors, more attractive valuations compared to the U.S. market, and more stable macroeconomic prospects within the euro area.

Among Asian markets, Japan stood out, with the Nikkei 225 index rising by approximately 26%, driven by improved export competitiveness, a weaker yen, and improvements in corporate governance practices.

ADPL	31 Dec 2024	31 Dec 2025	Index
Final price (EUR)	9.5	20.4	215.6
Average price (EUR)	12.4	14.5	116.9
The highest price (EUR)	13.9	21.2	152.5
The lowest price (EUR)	9.4	8.5	90.4
Volume	410,813	889,541	216.5
Turnover (EUR)	5,088,190	12,882,645	253.2
Market capitalization (EUR)	39,728,065	85,671,514	215.6
EPS (EUR)*	0.5	3.4	668.3

The ADPL share price as at 31 December 2025 amounted to EUR 20.40, representing an increase of 115.6% compared to the end of 2024, while the CROBEX index rose by 20.9% in 2025 compared to the end of 2024.



DIVIDEND

Taking into account the achieved business results, business plans, and other relevant factors, the Company's objective is to pursue dividend payments. Subject to meeting legal and statutory requirements, the payment of a dividend amounting to at least fifty percent of distributable profit is proposed.

The aforementioned amount is defined by the Charter, which, together with the Dividend Policy, is available on the Company's website. When making a decision on the proposed allocation of profit, the Company takes into account business conditions, as well as the sustainability of its operations and development objectives.

EVENTS CALENDAR

6 Feb 2026 -	Supervisory Board meeting
26 Feb 2026 -	Unaudited Annual Financial Report 2025
27 Mar 2026 -	Extraordinary General Assembly
27 Mar 2026 -	Supervisory Board meeting
22 April 2026 -	Supervisory Board meeting
24 April 2026 -	Audited Integrated Annual Report 2025
29 April 2026 -	Financial Statement for the first quarter of 2026
30 April 2026 -	Presentation of the Integrated Annual Report 2025 and Financial Statement for the first three months of 2026 to interested financial analysts and public representatives
29 May 2026 -	Supervisory Board meeting
16 July 2026 -	General Assembly
24 July 2026 -	Financial Statement for the second quarter of 2026 and Semi-Annual Financial Statement 2026
28 July 2026 -	Dividend payment (if voted at the General Assembly)
18 Sept 2026 -	Supervisory Board meeting
28 Oct 2026 -	Financial Statement for the third quarter of 2026 and Financial Statement for the nine months of 2026
11 Dec 2026 -	Supervisory Board meeting

BUSINESS PLAN 2026

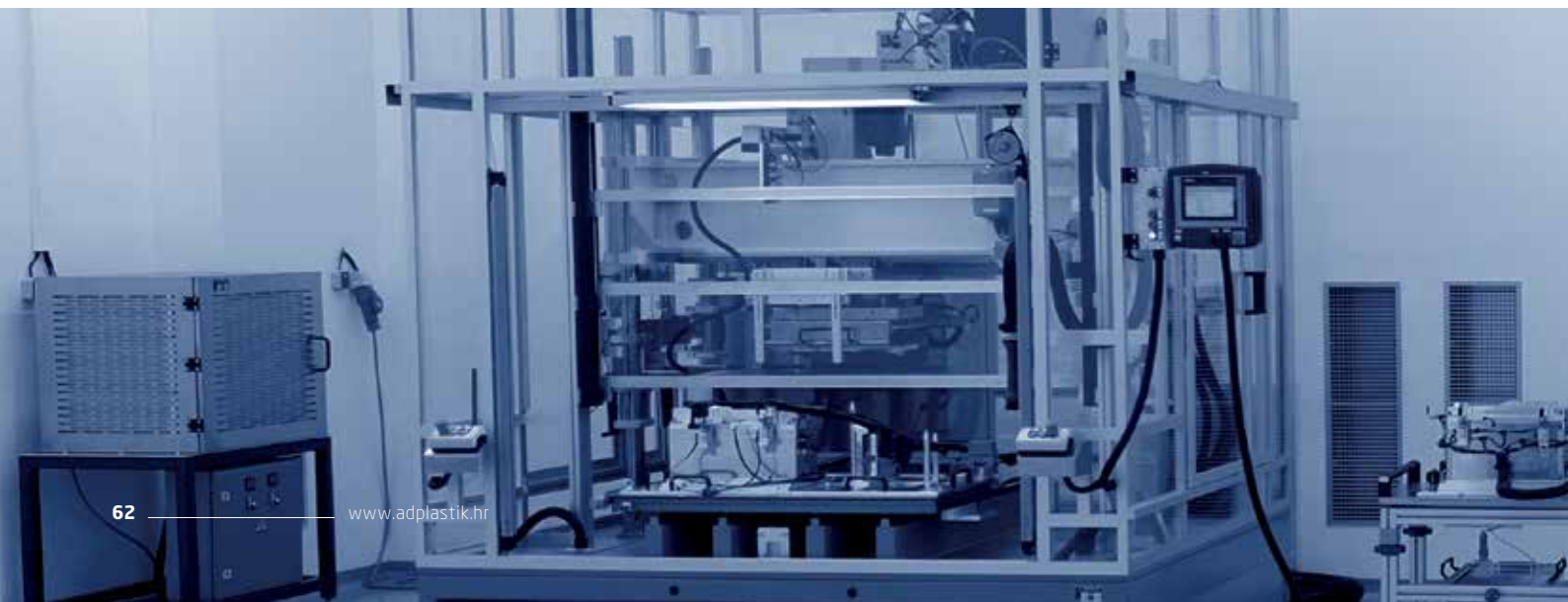
AD Plastik Group is adapting its strategy to the electrification and restructuring of the automotive industry, focusing on the growth of serial production, profitability, and sustainable business operations. Over the next three-year period, an annual revenue growth of 5% is expected, along with achieving an EBITDA margin of 13%, with CAPEX amounting to EUR 8 million per year. Increased efficiency, deleveraging, investments in research and development, and process digitalization will ensure a competitive advantage and stability, while the company strengthens its position as a strategic partner to automotive manufacturers in Europe.

As part of its diversification within the automotive industry, the Group is placing additional focus on the market niche of commercial vehicles, which typically have longer serial production cycles, more stable purchasing plans, and slower model change cycles. Such a portfolio enables more predictable capacity utilization, longer-term contractual relationships, and better absorption of fixed costs, while reducing exposure to short production series and frequent tooling changes characteristic of certain passenger car models.

At the same time, customer diversification within the automotive industry is being pursued in order to balance exposure to specific OEMs and platforms. The focus is on expanding the customer base in Europe through new nominations based on existing competencies (exterior and interior), as well as on selectively entering projects with higher added value.

To further reduce the cyclical nature of the automotive market, part of the portfolio is gradually being directed beyond the automotive industry into selected segments that require similar competencies in the development and serial production of plastic components. In this way, the aim is to expand the revenue base, increase the utilization of production infrastructure, and create opportunities for more stable orders with different demand dynamics.

Further strengthening of competitiveness is based on grouping technologies by the Group's production sites, with clear specialization of each site according to key technologies. Such an approach enables process standardization, concentration of expertise, rationalization of investments in tooling and equipment, and a reduction in the



complexity of production management, while at the same time allowing for faster ramp-up of new products into serial production.

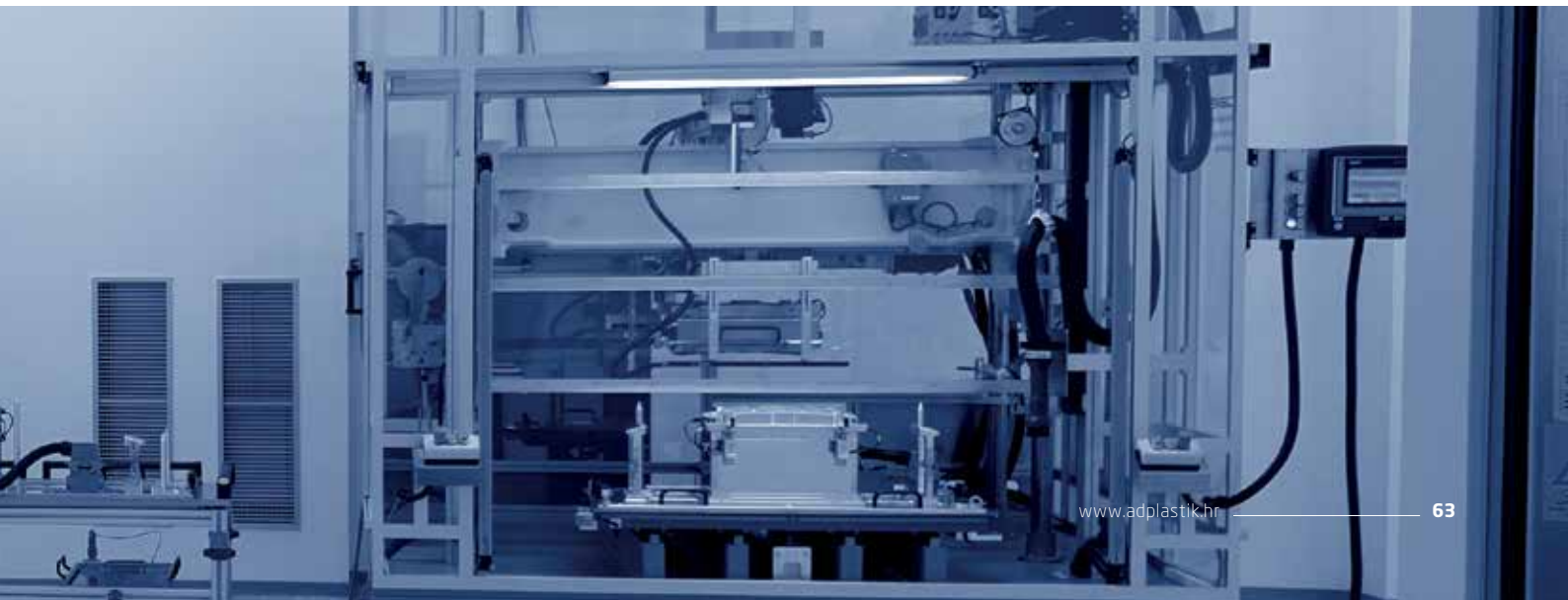
Achieving operational efficiency and manufacturing effectiveness will be pursued through continuous productivity improvements, optimization of planning and scheduling, reduction of scrap, and an increase in overall equipment effectiveness. Priorities include further automation of selected operations, improvement of preventive and predictive maintenance, energy efficiency improvements, and strengthening of the quality control system with a focus on process stability and the reduction of internal and external claims.

The Group's development strategy is further reinforced through the securing of support under the IRI S Call – Increasing the development of new products and services which arise from research and development activities, which contributes to strengthening the Group's competitive advantage. Planned activities are focused on the development of new products, optimization of design and processes, and the commercialization of higher value-added solutions, while shortening development time, improving product performance, and increasing profitability in targeted programs.

The Group's digital transformation will be carried out through the standardization and integration of key business and production systems, as well as the systematic use of artificial intelligence across the Group's operations. Artificial intelligence will be applied for advanced analytics in demand and production planning, optimization of process parameters, identification of patterns in quality, and the automation of administrative processes. This will strengthen management transparency, accelerate decision-making, and increase supply chain resilience, while delivering measurable cost reductions, all with the aim of improving the Group's profitability and productivity.

ANNUALLY (OVER THE NEXT THREE YEARS)

5%	REVENUE GROWTH FROM OWN PRODUCTS
13%	EBITDA MARGIN
EUR 8 million	CAPEX





SUSTAINABILITY REPORT

The sustainability reporting of AD Plastik Group is based on the requirements of Directive (EU) 2022/2464 on corporate sustainability reporting and is aligned with the European Sustainability Reporting Standards (ESRS). The Report also includes relevant information in accordance with national regulations, including the Companies Act, the Accounting Act, and the Corporate Governance Code of the Zagreb Stock Exchange. In cases where other reporting standards or frameworks are applied, their application is clearly indicated in the relevant sections of the Report.

STRATEGIC SUSTAINABILITY OBJECTIVES

SUSTAINABILITY OF PRODUCTS AND SERVICES



DEVELOPMENT OF LIGHTER MATERIALS
reduction of vehicle weight



OPTIMIZATION OF MANUFACTURING PROCESSES
increase in energy efficiency



REDUCTION OF CO₂ EMISSIONS
by **50%**
by 2030



NET ZERO CO₂ EMISSIONS
by 2050



ENERGY EFFICIENCY

+30%

by 2030

+50%

by 2050



REDUCTION OF LANDFILL WASTE BY
80%
by 2030



100%

PRODUCT RECYCLABILITY
by 2050



40%
INCREASE IN THE SHARE OF ECOLOGICAL MATERIALS
by 2030

MARKET EXPANSION AND LOGISTICS



INCREASING MARKET SHARE

in the EU and expanding into markets with high environmental standards



OPTIMIZATION OF LOGISTICS AND DISTRIBUTION

- reduction of CO₂ transport emissions



INCREASING THE USE OF RETURNABLE PACKAGING

STAKEHOLDER AND EMPLOYEE ENGAGEMENT



INCREASE EMPLOYEE ENGAGEMENT

by 20 % by 2030

INCREASE EMPLOYEE SATISFACTION

by 20 % by 2030

IMPLEMENTATION OF WELL-BEING

and lifelong learning programs

INCREASED STAKEHOLDER ENGAGEMENT

- related to ESG strategies

INJURY-FREE WORK ENVIRONMENT

by 2030

SUSTAINABLE VALUE CHAIN

75 %
SUSTAINABLE SUPPLIERS
by purchasing value by 2030



85 %
SUSTAINABLE SUPPLIERS
by purchasing value by 2040

100 %
SUSTAINABLE SUPPLIERS
by purchasing value by 2050



REDUCE PRODUCT COMPLAINTS
by **20 %**
by 2026

REDUCE OPERATIONAL RISKS
by **20 %**
by 2030



PRINCIPLES OF THE UN GLOBAL COMPACT

AD Plastik Group has been a signatory of the UN Global Compact (UNGC) since 2013, the world's largest initiative for promoting sustainable and responsible business. As one of the founders of the local UNGC network in Croatia, with the active participation of the President of the Management Board in the Management Committee, the Group contributes to the development and promotion of sustainable business practices in accordance with the principles of the UNGC.

The principles of the UN Global Compact form an integral part of the company's value framework and are fully aligned with its long-term strategic objectives. Through the continuous improvement of business processes and management practices, AD Plastik Group reaffirms its commitment to responsible growth and the building of a sustainable future.



ANTI-CORRUPTION

The Anti-Corruption Policy and ethical business system ensure zero tolerance for all forms of corruption, including extortion and bribery.



ENVIRONMENT

Operations follow the Environmental Policy, ISO 14001, and sustainability strategies, ensuring a systematic approach to environmental challenges. Environmental impact is continuously reduced through plans to reduce CO₂ emissions, optimize production, and use recyclable materials, thereby supporting the circular economy.



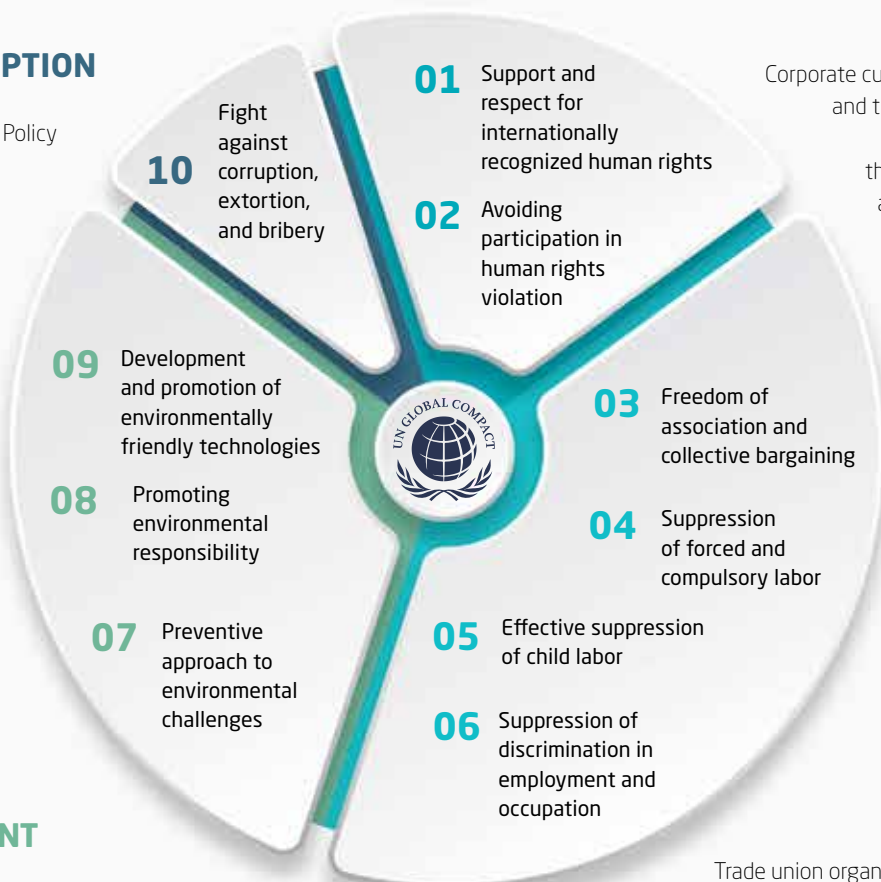
HUMAN RIGHTS

Corporate culture promotes responsibility and transparency, with operations based on the Code of Ethics, the Code of Business Conduct, and the Human Rights Policy. Fair market conditions are ensured through the Advertising Code and the Antitrust Policy, while irregularities are reported through the whistleblowing system.



LABOR

Trade union organization, collective bargaining, and the protection of labor interests are actively supported. Company policies prohibit forced and child labor, with strict controls over employment practices. Inclusion and equal opportunities are ensured through the Diversity Policy, supported by the Diversity Charter and the engagement of the President of the Management Board as its ambassador.





CORPORATE GOVERNANCE

**GENERAL
ASSEMBLY**

**MANAGEMENT
BOARD**



**SUPERVISORY
BOARD**

— REMUNERATION COMMITTEE
— APPOINTMENT COMMITTEE

**AUDIT
COMMITTEE**

GOVERNANCE STRUCTURE

The corporate governance structure is based on a dualistic system, which includes the Management Board and the Supervisory Board. Together with the General Assembly and the Audit Committee, they form the four key functions of the company. This ensures effective decision-making and oversight of the company's operations.

GENERAL ASSEMBLY

Shareholders exercise their rights at the General Assembly, where decisions are made on key issues such as the election and removing from the office of members of the Supervisory Board, appropriation of profit, granting of discharge to Management Board and Supervisory Board members, appointment of auditors, amendments to the Charter, increase or decrease of share capital and other important issues provided by law.

At the regular General Assembly held on July 17, 2025, in Solin, 2,573,323 votes were present or represented, accounting for 61,28 % of the company's share capital. The Assembly discussed the Annual Financial Statement of AD Plastik d.d. and Consolidated Annual Financial Statement of the AD Plastik Group for 2024 and the Supervisory Board's assessment report on the performance of its supervisory activities for 2024. Decisions were adopted regarding the appointment of Auditors for 2025/2026, the use of profits for 2024, and approval of reports on the remuneration of management bodies as well as decision on remuneration of Supervisory Board's members.

SUPERVISORY BOARD

The Supervisory Board oversees the company's operations, provides strategic guidance, and ensures the protection of shareholders' interests, in accordance with the Charter.

The Supervisory Board consists of seven members, four of whom are elected by the General Assembly, one by the Workers' Council and two by the joint-stock company Holding Avtokomponenty, Saint Petersburg, Russia. Their term of office lasts four years and they can be reappointed. To ensure expertise and diversity, the Profile of the Supervisory Board was adopted in 2021, tailored to the business model and strategy of the AD Plastik Group.

During the reporting period, six meetings were held, attended by all members except for one meeting at which the following members were

not present: Ivica Tolić, Bože Plazibat and Anđelka Čulo. Decisions were adopted in accordance with the Rules of Procedure of the Supervisory Board, which are available on the company's website.

Pursuant to the aforementioned Rules of Procedure, any member who identifies a conflict of interest involving themselves or others is required to immediately notify the other members of the Supervisory Board. If there is suspicion of an undisclosed conflict of interest, it must be reported to the President of the Supervisory Board. In the event of suspected conflict of interest involving the President, the Deputy President shall be informed.

The Supervisory Board maintains records of all notifications regarding conflicts of interest.

MEMBERS OF THE SUPERVISORY BOARD

Ana Luketin, President

- term of office from June 17, 2025 to June 17, 2029
- President of the Supervisory Board since June 30, 2025
- appointed by the shareholder Holding Avtokomponenty
- 1,078 ADPL shares

Bože Plazibat, Vice President

- Vice President since September 13, 2024
- term of office from February 1, 2023 to February 1, 2026;
- elected by the General Assembly
- **independent member** - in accordance with the Zagreb Stock Exchange Code

Ivica Tolić, member

- term of office from August 25, 2024 to March 27, 2026
- elected by the General Assembly
- 40,881 ADPL shares
- **independent member** - in accordance with the Zagreb Stock Exchange Code

Igor Anatolyevich Solomatin, member

- term of office from July 25, 2023 to July 25, 2027
- elected by the General Assembly

Alina Viktorovna Koretskaya, member

- term of office from July 21, 2024 to July 21, 2028
- appointed by the shareholder Holding Avtokomponenty

Andjelka Čulo, member

- term of office from May 15, 2024 to May 15, 2028
- appointed by the Workers' Council - employee representative

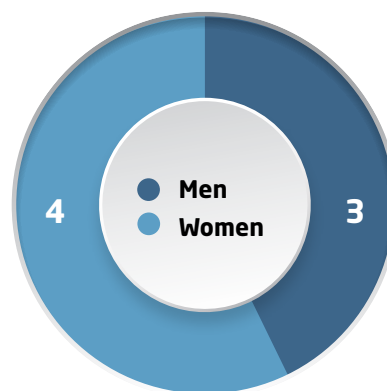
Ivka Bogdan, member

- term of office from February 1, 2023 to February 1, 2027
- elected by the General Assembly
- 20,000 ADPL shares
- **independent member** - in accordance with the Zagreb Stock Exchange Code

In accordance with the Stock Exchange Rules and the requirements of the Corporate Governance Code, the Vice President of the Supervisory Board performs their role as an independent member, ensuring objectivity and impartiality in their work. Furthermore, one member of the Supervisory Board has been elected as a representative of the employees, allowing for the integration of employees' perspectives into the management processes.

Based on their professional experience, one member of the Supervisory

DISTRIBUTION BY GENDER



	18-30	30-50	>50	Average age	
Men	0	0	3	70	43%
Women	0	1	3	56	57%

43% INDEPENDENT MEMBERS

Three members of the Supervisory Board are independent members in accordance with the rules of the Zagreb Stock Exchange

Board has significant expertise in the field of accounting and financial management, while four members possess experience in the automotive sector gained through their previous or current work within the company. In addition, three members are legal professionals and contribute to corporate governance with their professional expertise in this field. This combination of expertise and practical knowledge ensures high-quality oversight of operations and the making of informed and responsible decisions.

SUPERVISORY BOARD COMMITTEES

The company's Supervisory Board has established three committees as advisory bodies, which, through their work, enable more efficient decision-making.

AUDIT COMMITTEE

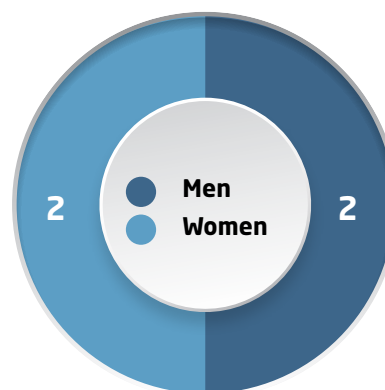
President: Alina Viktorovna Koretskaya

Members: Ivka Bogdan, Bože Plazibat, Igor Anatolyevich Solomatin

The Audit Committee monitors the financial reporting process, accounting policies, and provides recommendations on the engagement and effectiveness of the external auditor. The company meets the Zagreb Stock Exchange requirement that at least one member of the committee must be independent.

During 2025, the Committee held four meetings, all attended by its members. Discussions covered the annual internal audit plan, reports of the internal and external auditors, decisions on the allocation of profit and the appointment of the auditor for 2025/2026, the appointment of the President and Deputy President of the Audit Committee, the annual internal audit plan for 2026, and the external auditor's audit plan for 2025. The Committee also discussed amendments to the Rules of Procedure of Internal Audit and quarterly reports on completed audits. The Audit Committee provided recommendations to the Supervisory Board regarding the adoption of these reports and plans.

DISTRIBUTION BY GENDER



	18-30	30-50	>50	Average age	
Men	0	0	2	68	50%
Women	0	1	1	55	50%

REMUNERATION COMMITTEE

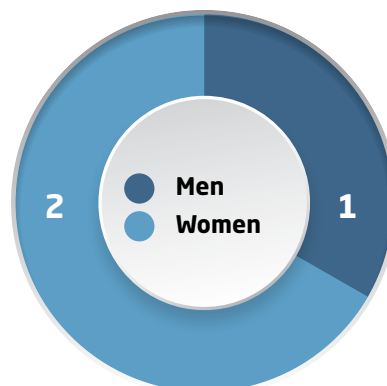
President: Ana Luketin

Members: Igor Anatolyevich Solomatin, Alina Viktorovna Koretskaya

The Remuneration Committee proposes the remuneration policy for the Management Board, compensation for members of the Supervisory Board approved by the General Assembly, and the contractual terms for the members of the Management Board.

In 2025, one meeting was held, with all members in attendance. The discussion focused on the proposal for the appointment of the President of the Appointment Committee, the decision on non-payment of bonuses to members of the Management Board for 2024, the draft decision on the remuneration of members of the Supervisory Board, and the consideration of the Remuneration Report for members of the Management Board and the Supervisory Board for 2024.

DISTRIBUTION BY GENDER



	18-30	30-50	>50	Average age	
Men	0	0	1	64	33%
Women	0	1	1	44	67%

APPOINTMENT COMMITTEE

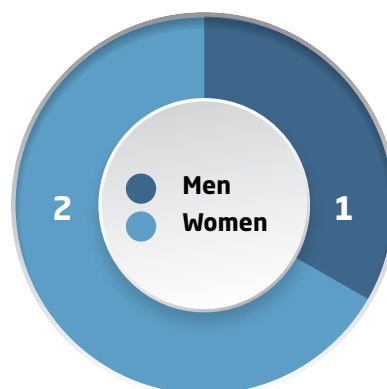
President: Alina Viktorovna Koretskaya

Members: Ana Luketin, Igor Anatolyevich Solomatin

The Appointment Committee proposes candidates for the Management Board and the Supervisory Board, taking into account the objectives of the Diversity Policy.

During 2025, two meetings were held, attended by all members, during which two members of the Remuneration Committee, two members of the Audit Committee, and one member of the Appointment Committee were proposed. The selection of the President of the Appointment Committee was also discussed.

DISTRIBUTION BY GENDER



	18-30	30-50	>50	Average age	
Men	0	0	1	64	33%
Women	0	1	1	44	67%

MANAGEMENT BOARD

According to the Rules of Procedure of the Management Board, members of the Management Board are required to avoid decisions arising from personal interests or the interests of related parties and must not participate in decision-making that could lead to a conflict of interest.

If any member of the Management Board notices an existing or potential conflict of interest, either with themselves or another member, they are obligated to immediately inform the other

members of the Management Board and the President of the Supervisory Board. In the event of suspicion that a member has not reported a conflict of interest, this information must be forwarded to the President of the Supervisory Board.

To prevent potential conflicts of interest, management contracts include clauses prohibiting competition during and after the termination of employment, as well as a confidentiality obligation.

MANAGEMENT BOARD MEMBERS

Katija Klepo, **President of the Management Board**

Management Board President since July 22, 2025
the current term of office from June 30, 2025 to July 22, 2027
67,633 ADPL shares

She graduated from the Faculty of Economics at the University of Split and began her professional career at AD Plastik in 1994. She was quickly recognized for her analytical skills and systematic approach, which led her to assume a number of responsible roles in the areas of finance, program development, purchasing, and business support. With the establishment of the controlling and internal audit department, she took over its leadership, setting up financial oversight processes across all companies within the AD Plastik Group. In 2008, she was appointed as a member of the Management Board, where over the next twelve years she actively shaped the Group's strategic direction and managed key business segments, from financial management and controlling to purchasing and sales. During this period, she made a significant contribution to the development of corporate governance, improvement of internal processes, and strengthening of the Group's market position. Following the end of her term, she continued to work as an advisor to the Management Board, with a continued focus on strategic consulting and supporting business decision-making. She was appointed President of the Management Board of AD Plastik Group in 2025.



Mladen Peroš,
Management Board Member for Sales and Engineering
Management Board member since November 9, 2011
the current term of office from July 22, 2025 to July 22, 2027
25,613 ADPL shares

He graduated from the Faculty of Mechanical Engineering and Naval Architecture in Zagreb, orientation Engines and Motor Vehicles. He began his business career as a construction engineer at the Department of Research & Development at the company Končar EVA in Zagreb. In June 1999, he joined the team of AD Plastik as a construction engineer at the Department of Construction. His career within the company advanced quickly. He soon became a project manager, director of construction, director of development, assistant to the member of the Management Board for commerce and development, and member of the Management Board for commerce and development. During that period he spent significant time in Russia developing the market and launching newly formed companies. From July 2012 to February 2015 he was President of the Management Board of AD Plastik Group, after which he has been working as member of the Management Board.



Goran Soko, Management Board Member for Finance, Controlling, Accounting and IT

Management Board member since July 22, 2025
the current term of office from July 22, 2025 to July 22, 2027

He earned his master's degree in economics from the Faculty of Economics in Split, specializing in Financial Management. He has 15 years of professional experience in the fields of accounting, corporate finance, controlling, and working in an international business environment. He began his career in the construction sector and later continued in the commercial sector as Head of Accounting and Finance, managing the financial operations of both retail and wholesale units. He joined the AD Plastik Group in 2019 as Head of Accounting, taking responsibility for the preparation of tax and financial reports both domestically and abroad, as well as communication with auditors and tax authorities. Recognized for his exceptional motivation, precision, decision-making ability in complex business situations, and extensive experience in an international environment – all of which further contribute to his expertise and strategic role in the Group's operations – he was appointed a member of the Management Board in 2025.



COMPANY'S COMMITMENT TO GENDER EQUALITY

The representation of women at the highest levels of governance is 50 %, which is above the requirements of the Companies Act and confirms the company's commitment to gender equality.

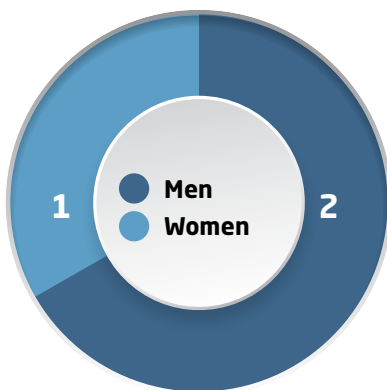
According to the Companies Act, 272 p

The Company implements a succession plan in accordance with the Diversity Policy for members of the Management Board and the Supervisory Board, as well as the adopted target of at least 25% female representation on the Management Board by the end of 2026. The current share of women on the Management Board is 33%, thereby

achieving the set target of at least 25% female representation in the Management Board planned for completion by the end of 2026. In 2025, a new Management Board was appointed, with a female President of the Management Board also appointed, thereby achieving the targeted share of women in the composition of the Management Board.

The composition of the Management Board and Supervisory Board reflects a high level of professionalism, diversity, and equality, thereby creating all the prerequisites for effective, responsible, and transparent corporate governance. A balance has been established based on criteria of skills, experience, and competencies, which is evident from the CVs of the members of the Management Board.

DISTRIBUTION BY GENDER



	Average age	
Men	48	67%
Women	56	33%

CORPORATE FUNCTIONS

EXECUTIVE DIRECTORS

- Production, Logistics, Quality, Occupational Safety and General Affairs
- Engineering
- Legal Affairs
- Controlling and Accounting
- Purchasing

DIRECTORS

- Solin Site
- Technical Director at Solin Site
- Zagreb Site
- Production at Zagreb Site
- ADP Mladenovac
- AD Plastik Tisza
- AD Plastik Togliatti
- Human Resources and Business Organization
- Information Technology
- Internal Audit
- Quality
- Logistics
- Sales
- Projects
- Process Development
- Product Development
- Strategic Purchasing of Materials
- Occupational Safety and General Affairs

STATEMENT ON THE REMUNERATION POLICY FOR SUPERVISORY BOARD MEMBERS

In 2025 the General Assembly adopted a Decision on the remuneration of Supervisory Board members for a four-year period.

This decision is based on the principles of ensuring quality and professional members of the Supervisory Board and the fulfilment of the company's mission and long-term strategy, for the benefit of all its stakeholders. The decision ensures the transparency of the remuneration of the Supervisory Board members, taking into account external and internal factors, economic conditions, employee remuneration, and best practices.

Members of the Supervisory Board are entitled to remuneration for

their participation in the work of the Supervisory Board and its committees, with the aim of ensuring independence and avoiding conflicts of interest. Their remuneration is not dependent on the company's performance but is defined as fixed amounts, in accordance with the guidelines of the Corporate Governance Code of the Zagreb Stock Exchange and HANFA.

The amount of remuneration depends on the function of each member of the Supervisory Board and remuneration is paid once a quarter. Members who are also part of the Supervisory Board committees are additionally compensated for their involvement, with payments being made after the respective committee meetings.

STATEMENT ON THE REMUNERATION POLICY FOR THE MANAGEMENT BOARD MEMBERS

Since 2021, the company has been implementing the Management Board Members' Remuneration Policy, which was adopted by the Supervisory Board on the proposal of the Remuneration Committee. After approval by the General Assembly, the Remuneration Policy for the Management Board members was publicly disclosed.

This Policy establishes a system of remuneration for the Management Board members that promotes transparency, long-term interests, and the ethical and successful implementation of the business strategy and development of the entire group.

The Remuneration Policy ensures a balance between fixed and variable remuneration for the members of the Management Board, contributing to transparent and effective management.

Management contracts define the rights and obligations of the members of the Management Board in accordance with their function:

- **monthly salary**
- **the annual bonus (award)** - can be paid in accordance with the achieved result in the business year, depending on the degree of fulfillment of certain key business indicators determined by individual management contracts. One of the criteria for bonus payment is a non-financial objective, defined as achieving a positive assessment of the sustainability report by an independent external expert body. The decision on bonus payment is made by the Supervisory Board, having in mind the degree and scope of achieving the objectives. The bonus is paid in company shares or cash.

- **life insurance policy**
- right to **use an official vehicle** 24 hours a day
- **severance payment in the event of the termination of the term of office**, unless the member was repealed prior to the expiry of the term of office caused by their fault or they resigned themselves

In 2025, there were no bonus payments to members of the Management Board.

Pursuant to the law, data on the remuneration of members of the Management Board and the Supervisory Board are published as part of the Remuneration Report previously approved by the General Assembly. In the AD Plastik Group's remuneration system, non-financial effects related to climate aspects are part of the Management Board remuneration system, but not for other bodies, so no compensation related to climate issues was paid out during the reporting period.

Each corporate function has a clearly defined management level that reports directly to the highest governance body. Improving common knowledge on all relevant business issues of the company and its sustainable development are integral elements of regular business operations. Management regularly holds consultations with individual stakeholders and is obliged to regularly report on this to the Management Board. Consultations with the Management Board are organized from time to time as needed or requested by individual stakeholders.

STATEMENT ON THE APPLICATION OF THE CORPORATE GOVERNANCE CODE

In accordance with the rules of the Zagreb Stock Exchange, the Management Board of AD Plastik Group declares that it applies the Corporate Governance Code, edition December 2024, published on the official website of the Zagreb Stock Exchange (www.zse.hr).

The company operates in accordance with good practices and the majority of the recommendations of the Corporate Governance Code. Deviations, explanations, and additional alignments can be found in the Annual Compliance Questionnaire for 2025, which is published on the company's website simultaneously with the Integrated Annual Report, and will also be published on the websites of the Croatian Financial Services Supervisory Agency (Hanfa) and the Zagreb Stock Exchange in accordance with the deadlines set by these bodies.

Internal control is carried out by the controlling and internal audit departments, with Controlling reporting to the Management Board, while Internal Audit reports to the Audit Committee and the Management Board.

Internal audit is an independent function that supports management in achieving the company's objectives through a systematic and professionally grounded approach to oversight, as well as an assessment of the effectiveness of risk management, control systems, and corporate governance.

The findings and recommendations of internal audit aim to enable management to improve processes, proactively manage risks, or reduce them to an acceptable level.

Ten significant direct and indirect shareholders are listed on page 21 of this report. The company does not have securities holders with special control rights, nor those with voting rights restricted to a certain percentage or number of votes. Additionally, there are no special rules regarding the appointment and dismissal of members of the Management Board, nor their powers. The Charter stipulates that two members of the Supervisory Board are appointed by the joint-stock company Holding Avtokomponenty from St. Petersburg, Russia.

On July 14, 2022, the General Assembly gave authorization to the Management Board to acquire treasury shares on behalf of the company for a period of five years.

As of December 31, 2025, the company held 32,968 treasury shares.

Shareholders exercise their rights via the General Assembly which is competent for making decisions on the following issues:

- election and removing from the office of members of the Supervisory Board
- appropriation of profit
- granting of discharge to Management Board members
- appointment of auditors
- amendments to the Charter
- increase or decrease of share capital and
- other issues that are within its authority as prescribed by law.

Activities of the General Assembly are regulated by the Companies Act and the Rules of Procedure of the General Assembly published on the company's website.

Data on members of the Management Board and Supervisory Board is listed on pages 73., 76., and 77., of this report. In accordance with the Companies Act and the Company Charter, the Management Board makes decisions at its meetings. In 2025, 11 meetings of the Management Board were held, in line with good corporate practices. In accordance with the Act and the Rules of Procedure of the Supervisory Board, the company has three committees that support its work by preparing decisions and overseeing their implementation - the Audit Committee, the Remuneration Committee, and the Appointment Committee.

The Diversity Policy of the AD Plastik Group is applied to the company's governing bodies and ensures diversity in the composition of the Management Board and the Supervisory Board, with particular attention given to professional competencies, skills, age, gender, and education, which contributes to better quality decision-making. A detailed overview can be found on page 72., 73., and 78., of this report.

The average age of the members of the Supervisory Board is 62 years, and their age range is diverse, from 36 to 74 years.

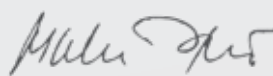
Katija Klepo

President of the
Management Board



Mladen Peroš

Member of the
Management Board



Goran Soko

Member of the
Management Board





SUSTAINABILITY MANAGEMENT AND STRATEGIC INTEGRATION

AD Plastik Group systematically integrates sustainability principles into its business model and development strategy with the aim of strengthening long-term resilience, reducing negative environmental impacts, and generating positive social effects throughout the entire value chain. The business model is based on the development and production of plastic components for the automotive industry, with a continuous increase in production process efficiency, rational resource management, and the implementation of sustainable solutions in cooperation with key stakeholders.

In addressing environmental challenges, the Group takes a continuous and structured approach to climate change, energy efficiency, materials and resource management, and emissions. Strategic priorities include the reduction of greenhouse gas (CO₂) emissions, increasing the energy efficiency of production sites, implementing technologies with a lower environmental footprint, and developing and applying more environmentally friendly materials in line with regulatory requirements and customer expectations. These activities contribute to mitigating

identified risks and leveraging opportunities related to the transition to a low-carbon economy.

The business model is further developed through the diversification of production capacities and technological solutions, with a strong focus on the digitalization and automation of processes. This approach enhances operational efficiency, reduces resource consumption and the emissions intensity of production, and strengthens the Group's market position in the global automotive industry environment.



The sustainability of the value chain is integrated into the strategic management of the business. The Group continuously improves its purchase processes with the aim of increasing transparency, resilience, and reducing environmental impacts associated with production and distribution. Particular attention is given to cooperation with suppliers, including increasing the share of local and regional partners where feasible, thereby reducing logistics-related emissions while simultaneously supporting the development of local economies.

Strategic purchase is carried out in accordance with policies that promote respect for human rights, employees' rights and the rights of vulnerable groups, equal opportunities, and other labor and social standards within the value chain. Through the systematic enhancement of policies and procedures, clear guidelines for sustainable supplier management have been established, with the objective of reducing negative environmental impacts, strengthening social responsibility, and ensuring

long-term economic sustainability. Within this framework, a structured and analytical approach is applied to the assessment of impacts, risks, and opportunities. To further strengthen sustainability governance, a Sustainability Assessment Questionnaire for suppliers has been implemented, enabling the systematic evaluation and ranking of suppliers according to environmental, social, and governance (ESG) criteria, as well as monitoring their compliance with the Group's sustainability policies. In addition to technological and process innovations, the sustainability strategy also encompasses the development of internal capacities through continuous investment in employee competencies, the enhancement of occupational health and safety, and employee well-being programs. Such an integrated approach enables timely adaptation to regulatory and market changes and confirms the Group's role as a responsible and relevant participant in the sustainable transformation of the automotive industry.

STRATEGIC FRAMEWORK AND DECISION-MAKING

The Management Board and the executives, in collaboration with the Sustainability Group, are responsible for implementing the sustainability strategy and making key decisions based on the assessment of double materiality. The Sustainability Group identifies significant impacts, risks, and opportunities, conducts a double materiality assessment, and analyses stakeholders' views and interests, and reports thereon to the Management Board. Based on the approved analysis, as well as defined impacts, risks and opportunities the Management Board integrates the key findings into strategic decisions and further business activities.

Defined material impacts, risks, and opportunities within material topics:

- are regularly presented to the Supervisory Board through a sustainability interim report
- are integrated into the management remuneration system through the monitoring and evaluation of the achievement of sustainability objectives
- are included in the financial statements to ensure alignment with sustainable business objectives

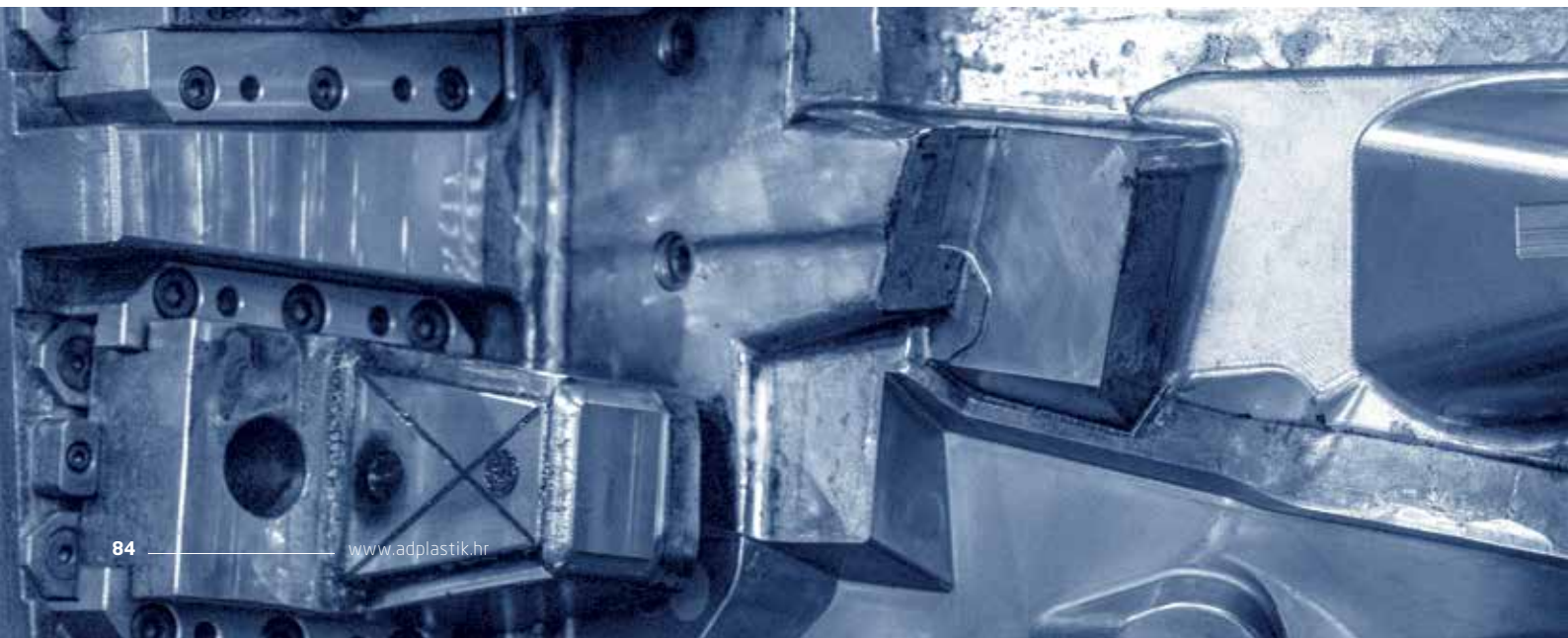
The Sustainability Group coordinates the implementation of the defined strategic sustainability objectives across business areas and functions. Sustainability objectives are integrated into operational planning and daily processes in a manner that ensures alignment with the Group's long-term strategic direction.

The implementation of the sustainability strategy is based on the systematic monitoring of key indicators, regular reporting, and cooperation between relevant organisational units. This ensures that sustainability initiatives are consistently embedded in operational activities, with an appropriate allocation of resources and support for their implementation. Through this coordinated approach, the Sustainability Group promotes the integration of sustainability indicators into business processes, the definition of medium- and long-term objectives, and the development of the necessary policies and internal guidelines. Particular emphasis in the forthcoming period will be placed on strengthening competences and increasing the level of knowledge through targeted training programmes, thereby contributing to the continuous development of sustainable business practices within AD Plastik Group.

The company does not have specific incentive programs related to sustainability factors for administrative, management, and supervisory bodies, except for the Management Board, whose variable remuneration is also dependent on the achievement of non-financial objectives (pg. 80).

SUSTAINABILITY GROUP

Sustainability management within AD Plastik Group is organised through a clearly defined structure of responsibilities, oversight, and operational implementation, with the aim of systematically managing environmental, social, and governance matters and integrating them into the business model and strategic decision-making. The Sustainability Group plays a central role in coordinating sustainability activities, conducting the assessment of impacts, risks, and opportunities, monitoring regulatory requirements, and preparing guidelines and recommendations for the management of material topics at the Group level.



During 2025, the organisation of sustainability management was further enhanced through the establishment of a new structure of the Sustainability Group, within which the responsibilities, authorities, and roles of individual members were more precisely defined. At the same time, a Sustainability Specialist job position was established, with exclusive responsibility for coordinating and implementing sustainability activities, including the assessment of material impacts, risks, and opportunities and sustainability reporting. The Sustainability Specialist reports directly to the President of the Management Board, thereby ensuring a clear link between operational implementation and the highest level of governance.

The Sustainability Group is structured by thematic areas and includes leads for environmental, social, and governance topics, as well as members responsible for value chain matters and general requirements. This organisation enables a targeted approach to managing individual aspects of sustainability and their consistent implementation across relevant business functions.

In addition to the core members of the Sustainability Group, a formal decision was also adopted on the appointment of operational members of the Sustainability Group from all organisational units of the parent company and its subsidiaries. Their role is to ensure the operational implementation of activities, data collection, the identification of locally specific impacts, risks, and opportunities, as well as the strengthening of sustainability awareness throughout the organisation. In this way, sustainability is integrated into daily business operations and across all functions of AD Plastik Group.

The Sustainability Group reports directly to the President of the Management Board, while the executive sponsor of the Group is the Management Board member responsible for finance, accounting, and controlling. Their continuous involvement in the activities of the Sus-

tainability Group, monitoring of progress, and participation in key decision-making further contribute to linking sustainability matters with financial planning, risk management, and strategic decision-making, and confirm the strong commitment of the Management Board to sustainability management.

Members of the Management Board possess relevant and extensive professional experience gained through their work in the industry, enabling them to understand the challenges and opportunities associated with sustainable business. Through active participation in professional associations related to sustainability, the Management Board continuously monitors the development of practices and trends and applies them in business management.

MONITORING AND REPORTING

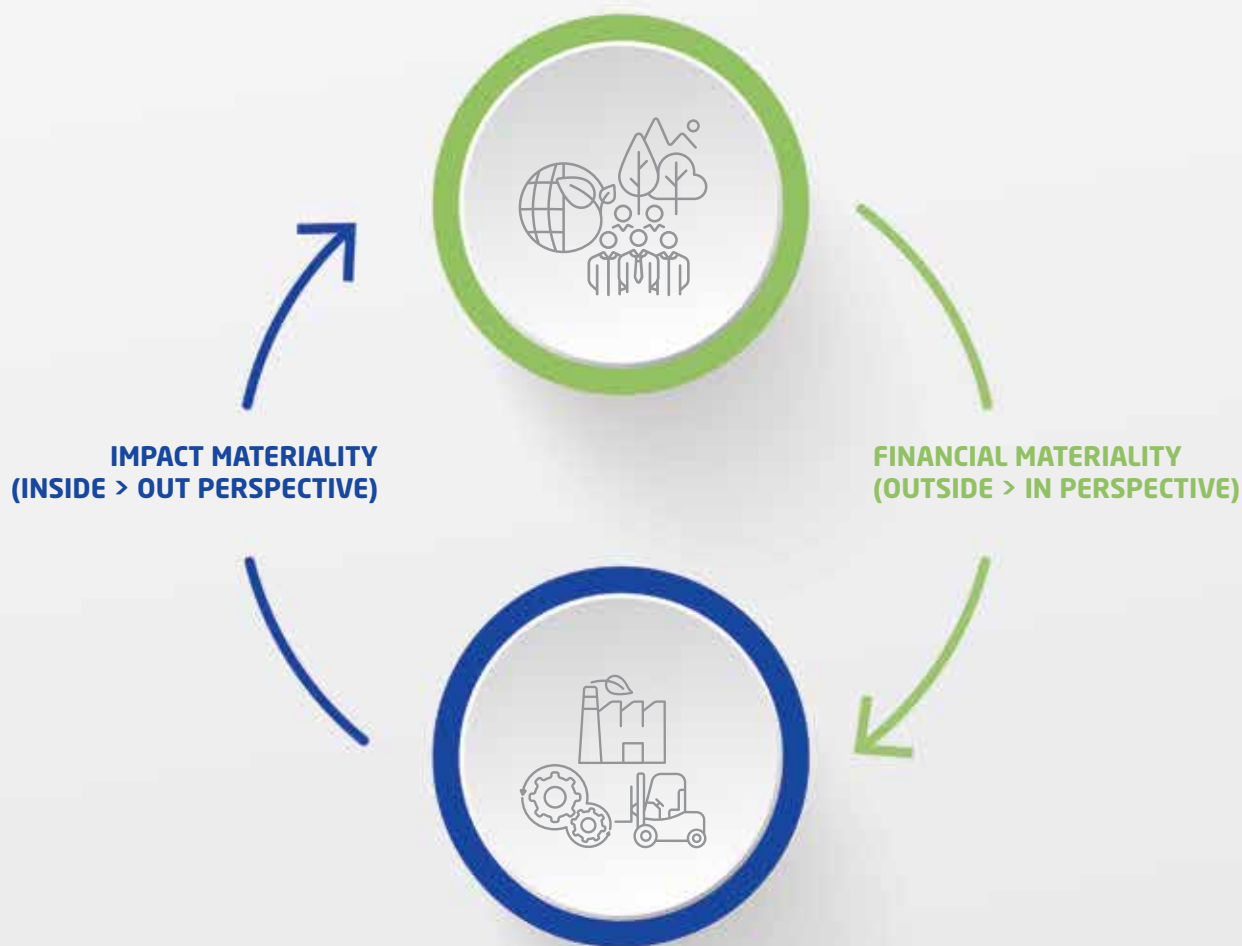
The Management Board and executives of AD Plastik Group are regularly informed about sustainability matters, regulatory compliance, and the progress of activities through monthly meetings of the Management Board and executives. At these meetings, key environmental, social, and governance aspects of business are reviewed, along with the results of conducted assessments of impacts, risks, and opportunities, and the status of the implementation of planned measures and activities.

In addition, regular quarterly reporting to the Supervisory Board on sustainability matters has been introduced as part of the Supervisory Board's quarterly reports. In this way, continuous oversight of sustainability management is ensured, supervisory bodies are informed in a timely manner, and sustainability matters are integrated into the corporate governance and strategic decision-making system.



DOUBLE MATERIALITY ANALYSIS

PLANET AND SOCIETY



AD PLASTIK GROUP

AD Plastik Group has conducted a double materiality assessment in accordance with European sustainability reporting standards and the internal Double Materiality Assessment Procedure. The assessment process is aligned with the principles of due diligence and includes the systematic identification, evaluation and prioritization of actual and potential impacts on people and the environment, as well as related risks and opportunities that may have financial implications for the Group's business operations.

For the purpose of determining the information to be disclosed, AD Plastik Group applied a structured approach based on the results of the conducted double materiality assessment. The assessment included the identification and evaluation of material actual and potential impacts on people and the environment, as well as related risks and opportunities with a financial impact on the Group's business model and strategy.

Within the double materiality assessment process, the Sustainability Group analyzed its own activities, business relationships within the value chain, and the geographical areas in which it operates in order to identify areas where there is an increased risk of negative impacts on people and the environment. The analysis covered impacts arising from its own operations, as well as impacts related to business relationships, including suppliers, customers and other partners within the value chain.

Based on the identified material impacts, risks, and opportunities, the Group determined which information is necessary to understand their nature, causes, and consequences, their connection to the business model and strategy, and the manner in which they are managed. In selecting the information for disclosure, thresholds and criteria defined by the internal double materiality assessment methodology were applied.

Methodology and materiality criteria

The materiality of information was assessed taking into account the scale, scope, remediability, and likelihood of impacts, as well as the fi-

ancial materiality of related risks and opportunities over the short-, medium-, and long-term time horizons. Information enabling a comprehensive understanding of material topics and their implications for the business was identified as material for disclosure and included under the relevant disclosure requirements within the thematic ESRS.

Negative impacts were prioritized based on their relative severity and likelihood of occurrence, while positive impacts were considered in relation to their magnitude, scope and potential likelihood. Financial materiality was assessed through an analysis of the potential financial consequences of the identified risks and opportunities on the Group's business model, financial position and future business performance.

In cases where certain information was assessed as not material or not applicable, decisions on its omission were made based on a documented double materiality assessment and in accordance with the principle of relevance. This ensured that the disclosed information is focused, consistent, and proportionate to the material impacts, risks, and opportunities identified, while at the same time ensuring transparency and clarity of the report.

The applied methodology is based on the independent internal identification of material impacts, risks, and opportunities, while stakeholders' interests and views are considered separately as an important qualitative contribution to the process. Unlike the previous approach, internal and stakeholder assessments are no longer consolidated into an average score; instead, the assessments of each stakeholder group are analysed separately and further considered in cases of significant deviations from the internal assessment.

For certain subtopics and sub-subtopics, although the internal assessment did not exceed the materiality threshold, stakeholder assessments were above the defined threshold. Given their importance from the stakeholders' perspective and their potential impact on reputation, value chain relationships, and the long-term resilience of the business, the company will report on these topics in order to ensure transparency and address the expectations of key stakeholders.

The double materiality assessment process was carried out through a structured decision-making procedure of the Sustainability Group, which, among other things, included relevant organizational units and experts responsible for specific sustainability areas. The results of the assessment were reviewed and adopted at the level of the Sustainability Group, while key decisions regarding material topics and information for disclosure were confirmed by the company's Management Board, and the Supervisory Board was informed accordingly.

The results of the double materiality assessment are taken into account when considering overall risks and within the processes of risk management and business decision-making.

STAKEHOLDERS



STAKEHOLDER INTERESTS AND VIEWPOINTS

Stakeholder engagement

AD Plastik Group systematically engages stakeholders in sustainability management in order to understand their interests, expectations, and views, and to ensure that these are appropriately taken into account in the development of its strategy and business model. Stakeholder

engagement is conducted as a structured and continuous process, adapted to the nature of the relationship, the level of influence, and the relevance of individual groups to the Group's business.

The Group's key stakeholders include employees, customers, suppliers, shareholders, financial institutions, and representatives of the academ-

ic community. Stakeholders are grouped according to their role in the value chain, their influence on the business, and their exposure to the impacts of business activities. Engagement is carried out through various forms of interaction, including structured questionnaires, regular business communication, workshops, customer audits, supplier assessments, meetings with shareholders, and cooperation with representatives of the academic community.

Stakeholder consultations were conducted through a structured process aimed at gathering insights into their interests, expectations, and perceptions of the materiality of individual sustainability topics. Stakeholders participated through structured questionnaires in which they assessed relevant sustainability topics from their own perspective. The results obtained were compared with the internal materiality assessment, and in cases of more significant deviations, additional analyses were carried out in order to understand differences in perception and their relevance for sustainability management.

The consultation process included employees of all AD Plastik Group companies, investors and financial institutions, suppliers, and representatives of the academic community as part of the local community in which the Group operates. Customers, although representing one of the key stakeholder groups, were not separately included in the survey process during the reporting period, as their expectations are systematically known through formalised processes typical of the automotive industry, including supplier platforms, audits, sustainability

questionnaires, and contractual and operational requirements. These requirements were fully taken into account within the internal identification and assessment of material impacts, risks, and opportunities.

The purpose of stakeholder engagement is to identify relevant sustainability-related impacts, risks, and opportunities, to understand how individual groups perceive the materiality of topics, and to ensure that the Group's strategic decisions are based on actual impacts and the legitimate expectations of stakeholders.

The results of stakeholder engagement are used as a qualitative contribution to the double materiality assessment process, strategic planning, and the development of business priorities. During the reporting period, no need for fundamental changes to the business model was identified; however, the insights obtained contributed to the further improvement of the management of material topics.

Further steps include the continued integration of material impacts, risks, and opportunities into the risk management system, regular monitoring of changes in stakeholder interests, and the enhancement of engagement practices, with the aim of strengthening transparency, trust, and the quality of stakeholder relationships in the medium term. The Management Board is regularly informed about stakeholders' interests and views through the results of the double materiality assessment, reports of the Sustainability Group, and the findings of internal and external assessments.

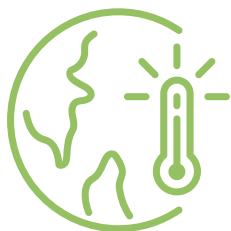
STATEMENT ON DUE DILIGENCE

Elements of the Due Diligence Process	Application within AD Plastik Group	page
INTEGRATION OF DUE DILIGENCE INTO GOVERNANCE AND POLICIES	Due diligence is integrated into the corporate governance system through the work of the Sustainability Group, internal policies and procedures, and the clearly defined responsibilities of the Management Board and the Supervisory Board. Sustainability forms part of strategic decision-making and the risk management system.	84-87
IDENTIFICATION OF ACTUAL AND POTENTIAL ADVERSE IMPACTS	The identification of impacts is carried out through the regular double materiality assessment, which covers own operations and the value chain, as well as environmental, social, and governance topics.	86-87, 92-95
ASSESSMENT OF THE SEVERITY AND MATERIALITY OF IMPACTS	Impacts are assessed according to defined criteria (scale, scope, remediability, likelihood), while financial materiality is assessed separately. The assessment is conducted on a gross basis.	87
STAKEHOLDER ENGAGEMENT	Stakeholders are engaged through structured materiality questionnaires. Their assessments are analysed by group and compared with the internal assessment, and significant deviations are further considered and documented.	88, 89
PREVENTION AND MITIGATION OF ADVERSE IMPACTS	Based on the identified material impacts, management measures are defined, with particular emphasis on the value chain through sustainable purchase policies and supplier assessments.	102, 123, 130, 150
MONITORING THE EFFECTIVENESS OF MEASURES	The effectiveness of measures is monitored through operational and financial indicators, the risk management system, supplier assessment results, and stakeholder feedback.	102, 123, 130, 150
COMMUNICATION AND REPORTING	The results of the due diligence process are communicated through the Sustainability Report, regular reports to the Management Board, and quarterly reports to the Supervisory Board.	87, 88
REMEDICATION AND CONTINUOUS IMPROVEMENT	The process is regularly reviewed through the repeated double materiality assessment, improvement of the methodology, and adaptation to regulatory and market changes.	87-89



MATERIAL SUSTAINABILITY TOPICS

MATERIAL IMPACTS



ENVIRONMENT

E1 CLIMATE CHANGE

	impact	goals / expected consequence	activities and progress	time period	value chain
■ Positive	Transition plan to reduce emissions and increase energy efficiency	Reduction in CO2 emissions by 50% and use of 50% of energy from renewable sources by 2030	Construction of a photovoltaic power plant in the next reporting period, energy consumption optimization, improvement of energy efficiency, monitoring of Scope 1, 2, and 3 emissions	Long-term	Own operations
■ Negative	Use of exclusively non-renewable energy sources, difficult data collection from Scope 3, emissions of greenhouse gases from Scopes 1 and 2 and their impact on the environment and climate change	Reduction of emissions from Scope 1 and 2 - zero CO2 emissions by 2050	Modernization of energy systems, increasing energy efficiency, annual monitoring of emission reductions	Short-term	Higher and lower levels Own operations
■ Risks	Financial and operational exposure due to the transition to a low-carbon economy	Achieving strategic sustainability goals and regulatory challenges	Use of subsidies and development of products with a smaller carbon footprint	Medium-term	Own operations

Strategies and policies

Sustainability strategy and goals, Code of Business Conduct and Policies.



ENVIRONMENT

€5 CIRCULAR ECONOMY

	impact	goals / expected consequence	activities and progress	time period	value chain
■ Positive	Reducing the ecological footprint through resource optimization and waste management	Increase in the share of recycled materials by 30%, eco-friendly materials by 40%, and returnable packaging share by 2030, with full product recyclability at end-of-life targeted by 2050	Inventory optimization, product development that can be a secondary raw material	Short-term	Higher and lower levels Own operations
■ Negative	The inability to separate complete waste, the use of materials made from non-renewable sources due to their qualitative performance and the limitations of waste disposal companies	Transition to a circular economy - recycle all production waste by 2050	Development of sustainable alternative materials and improvement of production processes to reduce production waste	Medium-term	Lower levels
■ Risks	Price and quality non-competitiveness of environmentally friendly materials and the high costs of their development	Failure to meet environmental standards and consequent reputational and regulatory challenges	Contracting new projects with a higher share of ecological materials	Medium-term	Lower levels Own operations

Strategies and policies

Sustainability strategy and goals, Code of Business Conduct and Policies.



S1

OWN WORKFORCE

	impact	goals / expected consequence	activities and progress	time period	value chain
■ Positive	Adequate measures to protect working conditions, health and social security of employees	Safe and stable jobs, greater employee engagement, increase the share of training hours by 30% by 2030	New collective agreements with improved material conditions, covering all employees of the Group, preventive safety and health protection measures	Short-term	Own operations
■ Negative	The inability to fully adjust to inflationary pressures, which exceed the realistic capabilities, create challenges in preserving economic stability and the social standard of employees	Monitoring and aligning salaries with industry standards	Collective bargaining	Medium-term	Own operations
■ Potential	Increasing job stability and competence development improve working conditions, but higher workloads and less flexibility can cause dissatisfaction	Increasing employee satisfaction and motivation increases productivity, operational efficiency and long-term competitiveness, while the consequences can be dissatisfaction and increased turnover	Job position analysis and systematic training, identifying opportunities for flexible work models	Medium-term	Own operations
■ Risks	Increased turnover due to changing labor market conditions and inflationary pressures can cause labor shortages	Reduced operational efficiency, difficulties in maintaining production continuity, increased costs of hiring and training new workers, and long-term weakened competitiveness	Improving the working climate, working conditions and employment system	Medium-term	Own operations

Strategies and policies

Sustainability strategy and goals, Code of Business Conduct and Policies.



G1

BUSINESS CONDUCT

	impact	goals / expected consequence	activities and progress	time period	value chain
■ Positive	The Code of Business Conduct and Policies ensure ethical and transparent business through clear standards, compliance with regulations, systematic audits and mechanisms for the protection of whistleblowers	Sustainable supplier management, zero tolerance for corruption and violence, protection of human rights, strengthening stakeholder trust, preventing corruption and continuous improvement of sustainability indicators	Employee education, compliance and adherence to prescribed procedures, and regular supplier audits to monitor sustainability standards	Long-term	Higher and lower levels Own operations
■ Negative	Promoting sustainability through conferences and professional organizations, optimizing the supply chain through supplier consolidation and long-term contracts, and educating employees on anti-corruption practices	Sustainable, ethical and transparent business through strengthening of regulatory initiatives, supply chain optimization and employee education	Active participation in professional panels, membership in professional organizations, consolidation of suppliers, long-term contracts and training	Medium-term	Higher and lower levels Own operations
■ Risks	Insufficient whistleblower protection, untimely payments to suppliers, and insufficient understanding of anti-corruption practice	Increased operating costs, legal consequences and reputational challenges	Promoting protection mechanisms, optimizing payments and educating employees	Short-term	Higher and lower levels Own operations

Strategies and policies

Sustainability strategy and goals, Code of Business Conduct and Policies.

NON-MATERIAL TOPICS AND CHANGES COMPARED TO THE PREVIOUS REPORTING PERIOD

Based on the double materiality assessment conducted for the 2025 reporting period, AD Plastik Group determined that certain topics do not meet the materiality criteria and, therefore, all disclosure requirements from the relevant topical ESRS standards have been omitted.

This conclusion is based on documented actual and potential impacts on people and the environment, as well as related financial risks and opportunities, identified and assessed in accordance with the internal methodology and the principles of double materiality.

Compared to the previous reporting period, changes have occurred in the structure of material topics. The topics ESRS E2 – Pollution, ESRS E3 – Water and marine resources, and ESRS S4 – Consumers and end-users, which were assessed as material in the previous period, no longer exceed the materiality threshold in 2025.

The topic ESRS E2 – Pollution was assessed as non-material within the conducted double materiality assessment, given the limited scale and scope of actual and potential impacts related to pollution within the Company's own operations. Identified impacts were assessed as low in intensity and largely controlled through existing technical and organisational measures, while no significant financial risks or opportunities related to this topic were identified. Emissions to air, water and soil within own operations are carried out strictly in compliance with applicable legal and regulatory requirements, further confirming the non-materiality of this topic in the context of ESRS E2.

The topic ESRS E3 – Water and marine resources was assessed as non-material within the conducted double materiality assessment, taking into account the nature of the company's production processes, relatively low water consumption, and the absence of activities associated with elevated water-related risks within own operations. Furthermore, no significant actual or potential impacts, nor significant financial risks or opportunities related to this topic, were identified,

and it was therefore concluded that ESRS E3 does not exceed the materiality threshold for reporting.

The assessment showed that water management does not represent a material risk or opportunity for the company's business model over the relevant time horizons.





The topic ESRS S4 – Consumers and end-users was assessed as non-material within the conducted double materiality assessment, taking into account the company's business model, which is predominantly based on B2B relationships in the automotive industry. The AD Plastik Group does not sell products directly to end consumers and has not identified significant actual or potential impacts, nor significant financial risks or opportunities related to consumers and end-users. Accordingly, this topic does not exceed the materiality threshold for reporting under ESRS S4.

In addition, the assessment confirmed that ESRS E4 – Biodiversity and ecosystems, ESRS S2 – Workers in the value chain, and ESRS S3 – Affected communities, which were not assessed as material in the previous reporting period, remain below the materiality threshold in 2025. No new or increased actual or potential impacts on people and the environment, nor significant financial risks or opportunities requiring their inclusion in the scope of disclosures, were identified for these topics. All decisions to omit disclosure requirements from the aforementioned topical ESRS standards are based on the results of the double materiality assessment, conducted and documented in accordance with the principles of relevance and proportionality.

This ensures that the Sustainability Report provides a focused, balanced and understandable representation of those topics that are truly material to the AD Plastik Group's business model, strategy and long-term sustainability.

MATERIALITY ANALYSIS RESULT

FINANCIAL MATERIALITY

Material topics	5		<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>€1</p>  </div> <div style="text-align: center;"> <p>€5</p>  </div> </div>			
	4		<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>S1</p>  </div> <div style="text-align: center;"> <p>G1</p>  </div> </div>			
	3					
	Non-material topics	2	<p>S2 Workers in the value chain</p> <p>S3 Affected communities</p>	<p>E2 Pollution</p>		
		1	<p>S4 Consumers and end users</p> <p>E4 Water and Marine Resources</p>	<p>E3 Biodiversity</p>		
		1	2	3	4	5
		Non-material topics		Material topics		

IMPACT MATERIALITY

ENVIRONMENT



**E1
CLIMATE
CHANGE**



**E5
CIRCULAR
ECONOMY**

CLIMATE CHANGE

RESILIENCE OF THE STRATEGY AND BUSINESS MODEL

In accordance with the applicable climate-related reporting requirements, AD Plastik Group conducts an internal assessment of physical climate risks that may affect business continuity, employee safety, and operational stability. The Group currently does not have a formalized resilience analysis based on structured climate scenarios developed or independently validated by external experts.

Within the existing risk management system, internal identification and assessment of crisis situations related to potential physical climate risks is performed, including extreme weather conditions, prolonged periods of very high or low temperatures, heavy precipitation, floods, fires, and potential disruptions in water supply. In addition to climate-related events, other force majeure crisis situations are also considered, such as earthquakes, pandemics, and explosions, which may have a significant impact on business operations.

For the identified crisis situations, the probability and severity of potential impacts are assessed, preventive measures to mitigate risks are defined, and contingency plans are developed for action in the event of crisis occurrences. Climate scenario assessments are conducted internally, relying on the operational experience and professional expertise of relevant organizational units, without external independent validation, and the results are integrated into the existing risk management and business continuity planning processes.

IDENTIFIED PHYSICAL RISKS

- Extreme weather events, such as floods and heatwaves, can impact production processes, increase operational costs, and cause disruptions in the supply chain
- Changes in resource availability and rising energy source prices can have long-term consequences on operational efficiency and stability in planning

Adaptation Measures

- Strengthening the resilience of production sites through vulnerability assessments of climate impacts and the implementation of protective infrastructural measures
- Optimizing energy consumption through digitalization and improving energy efficiency
- Diversifying the supply chain to reduce dependence on regions prone to extreme weather events
- Regular simulation of contingency plans for unforeseen situations



IDENTIFIED TRANSITIONAL RISKS

- Regulatory risks – stricter EU regulations may increase regulatory obligations and operational costs
- Market risks – customer and industry expectations for reducing carbon footprints may impact competitiveness and business opportunities
- Financial risks – investments in decarbonization and renewable energy sources represent significant costs and require long-term planning
- Assessment of the financial implications of climate change through stress tests and scenario analysis, considering the costs of emission allowances and potential carbon taxes

Adaptation Measures

- Gradual adjustment of the product portfolio to sustainability requirements through the development of lightweight and recycled materials, as well as products with lower CO₂ emissions
- Optimization of the supply chain through the assessment of Scope 3 emissions and collaboration with suppliers to reduce the carbon footprint
- Exploration of investment opportunities in sustainable technologies, including circular economy and renewable energy sources for own operation

AD Plastik Group recognizes the need for continuous improvement in managing climate-related risks and opportunities and will work on systematically enhancing resilience analysis methods and integrating the results into its strategic planning.

During the previous reporting period, although a transition plan had been envisaged, it was not formally developed, as the focus was placed on establishing the methodological and data foundations necessary for its preparation. In 2025, the methodology for data collection and the calculation of greenhouse gas emissions was enhanced, identifying all relevant emission categories within the Group. This methodology serves as the basis for the development of the future transition plan, the adoption of which is planned for 2027. The transition plan will consolidate existing emission reduction measures and activities into a structured framework aligned with the Group's long-term strategy. In this context, a climate scenario compatible with limiting global warming to 1.5°C was also considered as a basis for identifying environmental, social, technological, market, and regulatory trends, as well as potential decarbonization measures to be included in the plan, in line with the EU Taxonomy and the Paris Agreement.

In 2024, the strategic sustainability targets, including emission reduction objectives, were updated. They are not the result of additional internal research but are aligned with binding EU regulations and guidelines, taking into account expected regulatory changes, technological developments, and market trends. The emission reduction plan is based on the available parameters within the EU framework, and its progress will be regularly monitored and adjusted in line with the

latest requirements.

For monitoring progress towards achieving target values, 2023 has been set as the baseline year, taking into account external factors such as temperature variations that may affect energy consumption and emissions. In the case of significant deviations in future years, a three-year average may be used to ensure a more accurate representation of emission reduction trends.

CLIMATE CHANGE-RELATED POLICIES

AD Plastik Group is focused on responsible environmental impact management and continuously develops and implements policies that support climate change mitigation, business adaptation to climate challenges, and energy efficiency. Climate risks are managed through **the Code of Business Conduct, Environmental Protection Policy, energy management policies, and sustainable supplier management.** The company has not adopted a separate Climate Change Mitigation and Adaptation Policy; instead, the relevant aspects are covered by existing policies available on the company's website, the implementation of which is the responsibility of the Management Board.

- **Environmental Protection Policy** - aligning production and operational processes with the best available technologies and techniques to reduce the environmental footprint
- **Sustainable Supplier Management Policy** - setting requirements for reducing emissions across the supply chain
- **Energy Management Policy** - implementing an energy management system according to ISO 50001 standard to improve energy efficiency

The policies are applied to all operational activities of AD Plastik Group, including production processes, energy efficiency, and the supply chain. Special emphasis is placed on reducing emissions within the company's own operations, while the impact within the supply chain is reduced through requirements for suppliers. These policies are applied to all of the Group's production sites, while operations outside of production activities are not currently covered by specific climate objectives.

MITIGATION OF CLIMATE CHANGE

As part of the energy transition, AD Plastik Group develops projects that reduce dependence on fossil fuels, improve energy efficiency and optimize production processes. It adapts to climate change through the development of sustainable materials, with a particular focus on the introduction of recycled and biodegradable polymers, thereby

reducing the carbon footprint and dependence on fossil resources. One of the key projects in the coming periods is the construction of a rooftop photovoltaic power plant at the Zagreb production site, with a capacity of 1,725 kW. **The expected reduction in CO₂ emissions is 300 tonnes per year.** Co-financing has been obtained through the Modernisation Fund, and the project implementation is planned for 2026, with a total investment value of EUR 1,182,747.00.

In addition, the planned replacement of the old boiler with a new low-temperature boiler has been initiated through a planned investment of EUR 163,000, alongside the parallel modernization of the heating system. These measures are expected to result, in the coming reporting periods, in a reduction of gas consumption by 36,000 m³ annually and a reduction of CO₂ emissions by 80 tonnes per year.

The implementation of measures depends on the availability of financial resources, with affordable financing playing a crucial role in adapting to market changes and investing in decarbonization. Shareholder and financial institution trust in the sustainability of the strategy can secure better financing conditions and facilitate the realization of the planned measures.

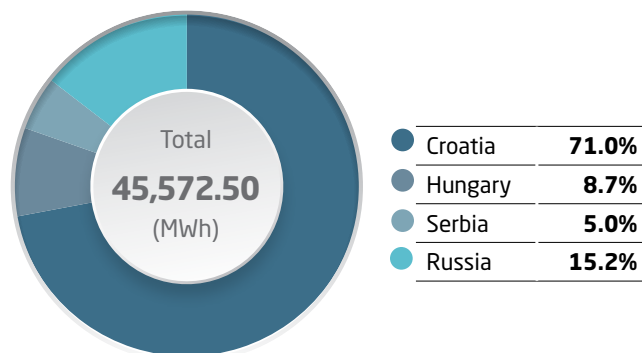
The company's activities related to reducing greenhouse gases and mitigating emissions are financed through alternative mechanisms (e.g., internal funds or other forms of financing), and therefore, there are no activities financed through carbon credits.

AD Plastik Group has not yet developed a detailed assessment of the financial consequences of climate risks, but it is aware of their impact and has started analyzing potential effects. Physical risks, such as extreme weather events and rising energy source prices, may affect operational efficiency and business stability, while transition risks, including stricter regulations and costs related to decarbonization investments, could increase financial obligations in the coming years. At the same time, opportunities such as energy efficiency and the use of renewable energy sources can reduce operational costs and ensure long-term stability. Projects like the photovoltaic power station and the development of recycled materials undoubtedly strengthen the market position and business sustainability.

Since the resilience analysis of the strategy is still in preparation, the quantification of financial consequences will be available in future reporting periods.

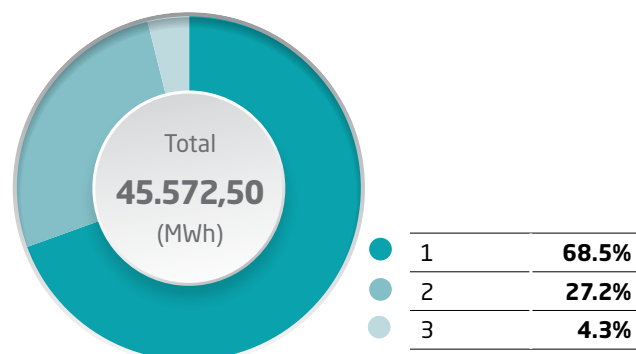
TOTAL ENERGY CONSUMPTION FROM FOSSIL FUELS (MWh)

	2024	2025	Δ
Croatia	26,201.732	32,371.91	23.5%
Hungary	4,293.35	3,962.57	-7.7%
Serbia	2,401.92	2,297.51	-4.3%
Russia	4,152.21	6,940.51	67.2%
Total	37,049.212	45,572.50	23.0%



TOTAL ENERGY CONSUMPTION FROM FOSSIL FUELS (MWh)

1	Consumption of purchased or acquired energy, heating, steam and cooling energy from fossil sources (Scope 2)	31,238.15
2	Fuel consumption from natural gas (Scope 1)	12,391.83
3	Fuel consumption from crude oil and petroleum products (Scope 1)	1,942.51
4	Fuel consumption from coal and coal products	0.00
5	Fuel consumption from other fossil sources	0.00



Intensity in 2024:
0.24 MWh/k€



**Energy intensity is measured as the ratio of total electricity consumption (MWh) to total revenue (k€).*

FUEL CONSUMPTION FROM CRUDE OIL AND PETROLEUM PRODUCTS (SCOPE 1)

	2024	2025	Δ%
Croatia	655.60	532.20	-18.8%
Hungary	509.32	311.69	-38.8%
Serbia	8.24	47.86	480.8%
Russia	841.21	1,050.76	24.9%
Total	2,014.37	1,942.51	-3.6%



FUEL CONSUMPTION FROM NATURAL GAS (SCOPE 1)

	2024	2025	Δ%
Croatia	5,915.64	8,247.65	39.4%
Hungary	624.03	757.43	21.4%
Serbia	336.68	510.70	51.7%
Russia	0.00	2,876.05	—
Total	6,876.35	12,391.83	80.2%

CONSUMPTION OF PURCHASED OR ACQUIRED ENERGY, HEATING, STEAM AND COOLING ENERGY FROM FOSSIL SOURCES (SCOPE 2)

	2024	2025	Δ%
Croatia	19,630.49	23,592.05	20.2%
Hungary	3,160.00	2,893.45	-8.4%
Serbia	2,057.00	1,738.95	-15.5%
Russia	3,311.00	3,013.70	-9.0%
Total	28,158.49	31,238.15	10.9%

OTHER SOURCES

	2024	2025
 Total energy consumption from nuclear sources	0	0
Share of energy from nuclear sources in total energy consumption	0	0
Total energy consumption from renewable sources	0	0
Energy consumption for renewable sources including biomass	0	0
 Consumption of purchased or acquired electrical energy, heating, steam and cooling energy from renewable sources	0	0
Consumption of energy from renewable sources from own production, except for fuel	0	0
Share of energy from renewable sources in total energy consumption	0	0

EMISSIONS

During the reporting period, total greenhouse gas emissions did not record a decrease, despite clearly defined targets. The increase in emissions is attributable to a higher production volume and improvements in the calculation methodology, which is considered an important step toward more accurate and transparent reporting.

The calculation of emissions is carried out in accordance with the methodological principles of the GHG Protocol, applying the requirements of the ESRS E1 standard.

For Scope 1 and Scope 2 emissions, the base year has been defined as 2023, when a more systematic calculation of emissions from direct sources and energy consumption was first conducted at the Group level. For Scope 3 emissions, the base year is 2024, when a comprehensive analysis of emissions generated within the Group's value chain was

carried out for the first time, i.e., from sources that are neither owned nor under the operational control of the Group but are related to the Group's business activities. In that year, the relevant Scope 3 categories were identified and the systematic collection of data required for their calculation was initiated.

During 2025, a methodological alignment of the emissions calculations for 2023 and 2024 was carried out in order to ensure greater accuracy, completeness and comparability of the data. In the initial calculations of Scope 1 emissions for the aforementioned years, fugitive emissions from refrigeration systems and process emissions related to technological processes in the paint shops were not included. In addition, Scope 2 emissions calculated according to the market-based approach were based on the overall production mix of the electricity supplier.

	tCO₂e	location-based target values	
	base year 2023	2030	2050
Scope 1 and 2	9,739.71	4,870	-
		-50%	net zero
Scope 1	1,790	895	-
		-50%	-
Scope 2	7,359	3,680	-
		-50%	-
Scope 3	86,092.0	68,874	-
		-20%	net zero

As part of the subsequent alignment carried out in 2025, the calculations were supplemented by including fugitive and process emissions in Scope 1, while Scope 2 emissions under the market-based approach were recalculated using the residual mix of the electricity system. In accordance with the principles of the GHG Protocol, the methodological alignment performed was also applied to the base years in order to ensure the consistency of the emissions inventory and the comparability of data across reporting periods. The revised comparative data are presented in this report.

In determining the organizational boundary, AD Plastik Group applies the operational control approach. Emissions reporting includes all entities that are part of the consolidated financial statements, with the exception of the sites in Kaluga and Slovenia, which have limited operational and sustainability relevance.

The target values are not based on scientifically grounded scenarios or methodologies, but are defined based on internal assessments, operational capabilities, and the company's business plans.

TOTAL EMISSIONS SCOPE 1, 2, 3

MARKET-BASED (tCO₂e)

	2024 Recalculated	2025	Δ%
Croatia	54,927.7	65,395.9	19.1%
Hungary	8,523.5	7,076.3	-17.0%
Serbia	8,682.8	7,082.4	-18.4%
Russia	9,657.9	10,096.6	4.5%
Total	81,791.8	89,651.2	9.6%

LOCATION-BASED (tCO₂e)

	2024 Recalculated	2025	Δ%
Croatia	43,969.4	55,609.2	26.5%
Hungary	7,910.3	6,634.9	-16.1%
Serbia	8,563.5	7,082.4	-17.3%
Russia	9,360.4	10,096.6	7.9%
Total	69,803.5	79,423.1	13.8%

TOTAL EMISSIONS SCOPE 1, 2, 3

Greenhouse gas intensity is measured as the ratio of total emissions (tCO₂e) to total sales revenue (k€).
Total sales revenue in 2025 amounted to 157,872 k€ (2024: 147,967 k€).

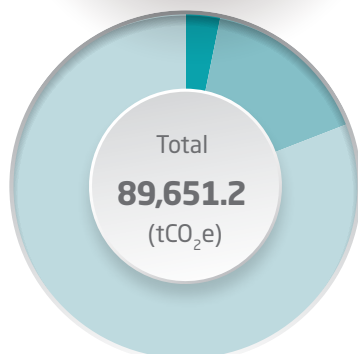
Intensity in
2024:
0.55 tCO₂e/k€



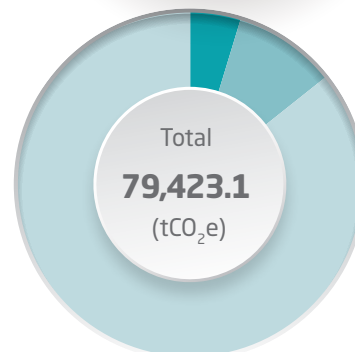
Intensity in
2024:
0.47 tCO₂e/k€



MARKET-
BASED
(tCO₂e)



LOCATION-
BASED
(tCO₂e)

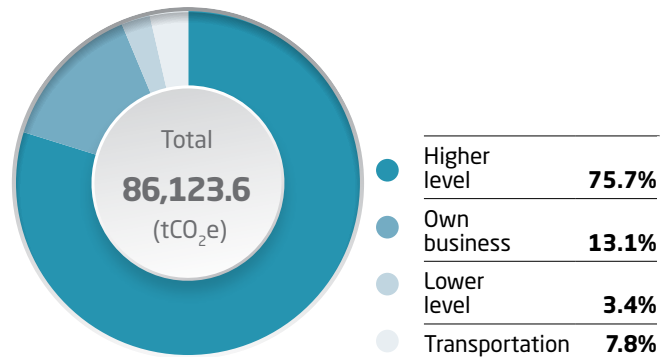


Scope 1	3,721.1	4.2%
Scope 2	17,860.0	19.9%
Scope 3	68,070.1	75.9%

Scope 1	3,721.1	4.7%
Scope 2	7,631.9	9.6%
Scope 3	68,070.1	85.7%

DISTRIBUTION OF EMISSIONS IN THE VALUE CHAIN (tCO₂e)

	2024 Recalculated	2025	Δ%
Higher level	81,833.4	65,156.3	-20.4%
Own business	8,818.2	11,353.0	28.7%
Lower level	4,207.4	2,913.7	-30.7%
Transportation	2,489.8	6,700.6	269.1%



SCOPE 1 ENERGY CONSUMPTION

Scope 1 greenhouse gas emissions of AD Plastik Group include the following sources:

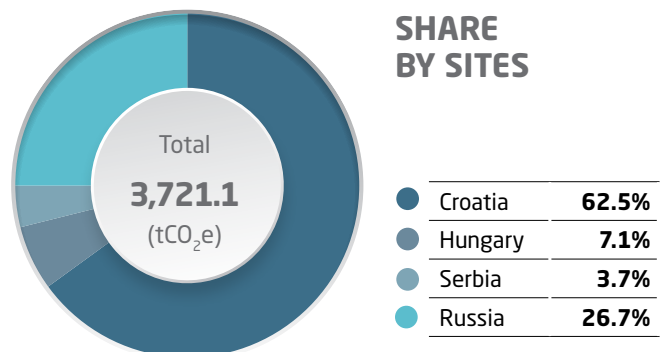
- Greenhouse gas emissions from stationary sources used for heating office and production facilities
- Greenhouse gas emissions from mobile sources (company vehicles) used by company for the purpose of conducting regular business operations
- Greenhouse gas emissions from production processes that generate greenhouse gases (e.g., drying, surface preparation in the paint shop)

- Fugitive emissions resulting from leakages in process equipment, for example during the refilling of gases used in cooling systems and fire extinguishers.

For the calculation of emissions, emission factors were used from various sources depending on the input data applied in the emissions calculations (National Emission Factor Database of the Republic of Croatia, DEFRA, EIB, EPA, Climatiq). These sources are internationally recognized and regularly updated in order to ensure the accuracy of emission estimates.

GROSS EMISSIONS (tCO₂e)

	2024	2025	Δ%
Croatia	1,475.6	2,325.9	57.6%
Hungary	257.3	262.7	2.1%
Serbia	76.5	139,4	82.2%
Russia	208.8	993,1	375.6%
Total	2,018.2	3,721.1	84.4%



SCOPE 2 ELECTRICITY

Scope 2 greenhouse gas emissions of AD Plastik Group include indirect emissions resulting from the consumption of electricity.

The Group's energy consumption in 2025 consists of purchased electricity supplied from the grid by:

- Hrvatska elektroprivreda –Solin, Zagreb I and Zagreb II
- Magyar Villamos Művek - AD Plastik Tisza Kft.
- Elektroprivreda Srbije - ADP d.o.o
- RAO UES (Unified Energy System) - AO AD Plastik Togliatti

The calculation of Scope 2 emissions was carried out using both the location-based and the market-based approach in accordance with the GHG Protocol methodology.

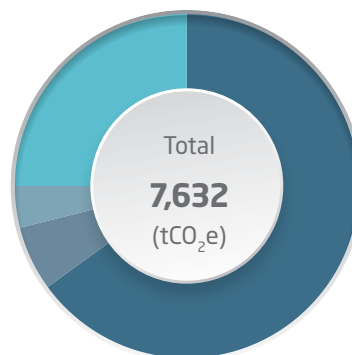
Emission factors for the location-based approach were obtained from the National Emission Factor Database of the Ministry of Environmental

Protection and Green Transition for Croatia, and from the European Investment Bank – Project Carbon Footprint Methodologies (EIB, 2023) for other countries in which the Group operates. For the market-based approach, electricity residual mix factors from the Carbon Data Intelligence database (CaDi, 2025) were used.

Total electricity consumption in 2025 increased compared to the previous reporting period, primarily due to higher production volumes. The increase was particularly pronounced at production sites in Croatia and Russia, where a significant rise in manufacturing activity was recorded. The increase in electricity consumption is therefore mainly attributable to higher production intensity rather than changes in technology or the structure of energy consumption. To ensure data comparability, 2024 figures were recalculated, as the previous calculation applied the generation emission factor of Hrvatska elektroprivreda (HEP), the Croatian national electricity company, whereas the recalculation applied the residual emission factor to ensure methodological consistency.

LOCATION-BASED GROSS EMISSIONS (tCO₂e)

	2024 Recalculated	2025	Δ%
Croatia	3,729.7	4,547.4	21.9%
Hungary	647.8	575.8	-11.1%
Serbia	1,361.7	1,084.1	-20.4%
Russia	1,059.5	1,424.7	34.5%
Total	6,798.8	7,631.9	12.3%

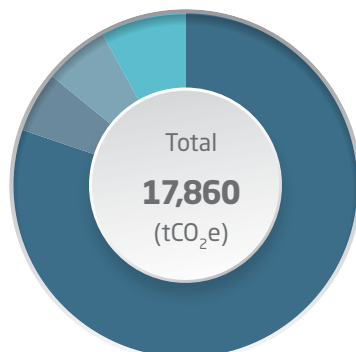


SHARE BY SITES

Croatia	59.58%
Hungary	7.54%
Serbia	14.20%
Russia	18.67%

MARKET-BASED GROSS EMISSIONS (tCO₂e)

	2024 Recalculated	2025	Δ%
Croatia	14,688.0	14,334.1	-2.4%
Hungary	1,261.0	1,017.2	-19.3%
Serbia	1,481.0	1,084.1	-26.8%
Russia	1,357.0	1,424.7	5.0%
Total	18,787.0	17,860.0	-4.9%



SHARE BY SITES

Croatia	80.26%
Hungary	5.70%
Serbia	6.07%
Russia	8%

SCOPE 3 OTHER EMISSIONS

During the reporting period, the development of the methodology for calculating Scope 3 emissions continued, alongside further improvements in data quality and consistency of calculations across individual categories. Emission calculations cover relevant upstream and downstream activities within the value chain, with methodologies and assumptions adapted to data availability for specific categories.

For certain categories, improved calculation approaches were applied, ensuring a higher level of methodological consistency compared to previous reporting periods, including the recalculation of comparative data to improve comparability. This particularly relates to Category 1 – Purchased goods and services, for which 2024 data were recalculated based on more complete and higher-quality input data, enabling a more

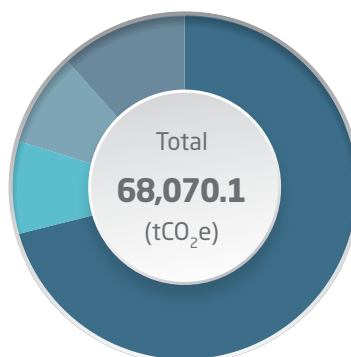
comprehensive coverage of material and service purchasing. This has improved the quality of calculations and ensured greater comparability of data between reporting periods.

At the same time, for certain categories, calculations continue to be partially based on estimates and assumptions due to the limited availability of more detailed data on the supply chain, product use, and end-of-life treatment.

The Company continuously works on further improving the scope and accuracy of Scope 3 emission calculations by monitoring industry guidance and gradually refining the methodology, with the aim of ensuring transparent, consistent, and comparable reporting of greenhouse gas emissions.

GROSS EMISSIONS (tCO₂e)

	2024 Recalculated	2025	Δ%
Croatia	42,851.0	48,736.0	13.7%
Hungary	11,092.1	5,796.4	-47.7%
Serbia	11,212.2	5,858.9	-47.7%
Russia	12,179.0	7,678.8	-37.0%
Total	77,334.5	68,070.1	12.0%



SHARE BY SITES

Croatia	71.7%
Hungary	8.5%
Serbia	8.6%
Russia	11.2%

	2024 Recalculated	2025	Δ%
1. Purchased goods and services	60,754.1	52,791.5	-13.1%
2. Capital goods	4,254.6	2,031.9	-52.2%
3. Fuel- and energy-related activities (not included in Scope 1 and 2)	3,169.6	3,352.0	5.8%
4. Upstream transportation and distribution	3,009.0	4,120.8	36.9%
5. Waste generated in operations	89.9	162.3	80.5%
6. Employee business travel	90.3	41.5	-54.1%
7. Employee commuting	1,756.4	2,649.9	50.9%
8. Leased assets (rental)	3.2	6.6	106.8%
9. Downstream transportation and distribution	1,307.4	2,579.8	97.3%
10. Processing of Sold Products	-	-	-
11. Use of Sold Products	-	-	-
12. End-of-life treatment of sold products	69.4	60.9	-12.3%
13. Leased Assets	-	-	-
14. Franchises	-	-	-
15. Investments - Euro APS (Croatia)	2,830.5	273.0	-90.4%

<p>1 Purchased goods and services</p>	<p>Input data for Category 1 include all purchased materials and services recorded through accounting records for the reporting year, excluding transactions between related entities in order to avoid double counting and to ensure that only actual upstream emissions from third-party purchasing are captured. The scope includes primary polymer materials, auxiliary materials and subcontracted inputs, as well as consumables and packaging materials. In the 2025 reporting year, additional accounts relating to the cost of tools sold and the cost of goods sold were included, thereby expanding the scope of purchasing flows relevant for emission calculations. In addition to material inputs, business-relevant services are also included, such as postal and courier services, telecommunications services, engineering and technical services, marketing, building and facility maintenance, security services, training, intellectual and professional services, financial and auxiliary financial activities, as well as other professional and administrative services. Compared to the previous period, the scope in 2025 was further expanded to include categories related to machinery and equipment maintenance, as well as intellectual services, ensuring more comprehensive coverage of relevant costs and improved input data quality. Emission factors used for the calculation were sourced from the DEFRA/BEIS and UK carbon footprint dataset (2022). For the most significant material flows, specific emission factors per unit of material mass were applied, while spend-based emission factors were used for service categories, which is a common approach for estimating Scope 3, Category 1 emissions. The calculation is based on a combination of activity-based and spend-based methodologies, in accordance with the GHG Protocol Scope 3 Standard.</p>
<p>2 Capital Goods</p>	<p>The data used for the calculation of emissions within the capital goods category were obtained from the organization's financial records, covering only two relevant groups of investments: buildings, and plant and equipment. Emission factors from the DEFRA/BEIS database were used. The spend-based method was applied, as data required for other calculation methods were not available. This method is based on the economic value of purchased goods (EUR) and relevant secondary emission factors (EF) (industry averages), expressed as average emissions per monetary value of goods.</p>
<p>3 Fuel - and energy-related activities (not included in Scope 1 and 2)</p>	<p>The company purchases and consumes energy sources for its business processes. All energy sources used for the calculation in this category were taken from Scope 1, specifically from the data used for calculating emissions from stationary, mobile and process sources. Within AD Plastik Group's energy consumption structure, natural gas represents the dominant energy source, particularly at AD Plastik Zagreb I site, where the highest annual gas consumption has been recorded. Consequently, natural gas also represents the most significant source of upstream fuel-related emissions. Although emissions from diesel and gasoline are relatively lower compared to natural gas, their contribution to upstream emissions is not negligible, as they include emissions associated with the production and refining of petroleum products. For the calculation of emissions from fuels and purchased electricity in this category, emission factors for the well-to-tank input flow are used, covering all emissions generated prior to the actual consumption of energy within the organization. These factors include emissions associated with raw material extraction, processing, transport, storage, distribution and other processes required to make the fuel or electricity available for use. The emission factors used for fuels were obtained from the National Greenhouse Gas Emission and Removal Factor Database, while emission factors for purchased electricity were partly taken from the same national database and partly from the open emission factor database "Climatiq."</p>

**4
Transport
and distribution**

The distance-based method was used for the calculation, meaning that the calculation is based on data on the quantity (mass; kg) of purchased products (materials), transport distance (km), and the emission factor (kgCO₂/tkm) for the respective mode of transport. In practice, tonne-kilometres were multiplied by the emission factor from DEFRA, specifically from the section relating to freight transport (freighting goods) by heavy-duty diesel trucks.

Only transports from first-tier suppliers to the Group's sites were included, and only in cases where the transport was organized by the company. Transports organized by customers, as well as internal transports within production sites in Croatia, are currently not included due to the unavailability of data.

For Croatia, the 30 largest suppliers (out of a total of 500) were included. The net mass of purchased materials was used, as data on gross mass are currently not available. For materials expressed in different units of measurement, weight was estimated using conversion factors.

**5
Waste generated
in operations**

Emissions associated with waste generated during operations were calculated based on data on the type of waste, quantity, and the method of its disposal, expressed in tonnes. The calculation includes emissions arising from waste treatment processes to which an appropriate disposal method was assigned during the reporting period.

Given the specific characteristics of this category and the available data, different sources of emission factors were used for the calculation depending on the type of waste and the disposal method applied. Waste was recorded according to its waste catalogue number and, for calculation purposes, was grouped into subcategories defined by the Waste Management Regulation (NN 106/22), as well as according to waste treatment processes. The emissions calculation was carried out using the average-data method, in accordance with the GHG Protocol Scope 3 Standard. This method is based on the total mass of waste for a particular treatment process (t), the share of waste sent to that treatment method relative to the total amount of waste generated (%), and the corresponding emission factor (kg CO₂e/t) for the relevant disposal process, such as landfill or incineration.

**6
Business
Travel**

Emissions from business air travel are based on data on kg of CO₂ emissions per passenger for each route, provided for every airline ticket by the travel agencies organizing the trips. Data for hotel accommodation and taxi transportation were not available at the time of preparing the Report; however, the basis for the calculation has been established and these categories will begin to be calculated in the next reporting periods.

**7
Employee
Commuting**

For employee commuting to and from work, estimated data are used based on employees' residential addresses, the usual mode of transport and the average distance of a single route. The estimate also includes the frequency of commuting to work during the year, enabling an estimation of annual emissions from this category.

For the calculation of emissions by type of employee transport, emission factors from the National Emission Factor Database were used for passenger cars (diesel, petrol, hybrid) and for urban bus transport for sites in Croatia, while for all other sites emission factors developed by the EPA were applied.

**8
Upstream
Leased Assets**

Most of the emissions from the use of leased properties, machinery, and vehicles have already been included in the Scope 1 and 2 calculations, based on actual energy and fuel consumption. In this category, emissions were calculated for the warehouse in Krapina, based on electricity consumption.

<p>9 Transport and distribution</p>	<p>For product deliveries to customers, transports of finished products from the Company's sites to customers have been included when carried out by vehicles and facilities that are not owned or controlled by the reporting company.</p> <p>Emissions were calculated using the distance-based method, which is based on the quantity of transported products (kg), the transport distance (km), and the corresponding emission factor expressed in kg CO₂e per tonne-kilometre. Emission factors were obtained from the DEFRA database for road freight transport by heavy-duty diesel vehicles.</p>
<p>10 Processing of sold products</p>	<p>The category Processing of Sold Products is not applicable to the Company, as its products are not subject to further processing that alters their physical or chemical properties. The components are only mechanically assembled into vehicles, which, according to the GHG Protocol, does not constitute processing.</p>
<p>11 Use of sold products</p>	<p>The category Use of Sold Products is not applicable, as the company does not sell finished products that have their own functional use. The components produced by the company are used exclusively as parts of vehicles, and emissions arising from the use of vehicles are, according to the GHG Protocol, attributed to the vehicle manufacturer rather than to the component supplier.</p>
<p>12 End-of-life treatment of sold products</p>	<p>Emissions were calculated based on the total quantity of sold products, expressed in tonnes. Although the constituent parts of the products are known, at the time of preparing the Report it was not possible to reliably determine the actual methods of handling product waste at the end of their life cycle by customers, due to the variability of practices across geographical regions and the relatively long lifetime of the Group's products, which ranges from approximately 10 to 40 years.</p> <p>Due to the limited availability of data on the geographical area of end use for all products, assumptions regarding end-of-life waste disposal methods were applied in the calculation, based on currently prevailing waste management practices. These assumptions do not necessarily represent the actual future treatment methods for the products and they are planned to be regularly reviewed and updated in each subsequent reporting period.</p>

	<p>For the previous reporting period (2024), the emissions calculation assumed that 50% of products are recycled at the end of their life cycle, 25% are disposed through incineration, and 25% are disposed of in landfills. To ensure the comparability of data between reporting periods, the calculations for the previous year were recalculated using the methodology applied in the current reporting period. This methodology is based on average end-of-life vehicle waste treatment rates at the European Union level, as published in relevant European Commission publications, according to which approximately 19% of waste is recycled, 41% is recovered for energy (incineration), and 40% is disposed of in landfills.</p> <p>The emissions calculation was carried out using the average-data method, which is based on the total mass of products, the share of waste sent to each disposal method, and the corresponding emission factor (kg CO₂e/t) for the relevant waste disposal process. Emission factors for landfill disposal and incineration treatment were obtained from the DEFRA database, and emissions were calculated as the sum by product types.</p>
13 Leased assets	Emissions are not separately reported, as emissions from rented spaces have already been included in the calculation of Scope 1 and 2, based on actual energy and fuel consumption
14 Franchises	The Franchises category is not applicable, as the company does not hold financial investments (capital investments, portfolio investments, credit products, or equity-financed projects) that would, under the GHG Protocol, create an obligation to include proportional emissions of third parties.
15 Investments	Emissions related to investments include Scope 1 and Scope 2 emissions of the affiliated company Euro APS, calculated proportionally to the ownership share of 50 percent. Data for Scope 3 were not available and efforts will be made to include them in the next reporting period. As the operational control approach is used to determine reporting boundaries, in this case guidelines allowing the inclusion of emissions in proportion to the ownership share in this entity were applied.

MEASUREMENT UNCERTAINTY, ESTIMATES AND VALUE CHAIN DATA

During the reporting period, it is estimated that approximately 19% of total Scope 3 emissions were calculated based on primary, i.e. directly collected activity and emission data. This primarily relates to categories where calculations are based on actual data on energy consumption, transport activities, waste generation, business travel, employee commuting, leased assets, downstream distribution of products, as well as the Investments category, for which directly reported Scope 1 and Scope 2 emissions data of relevant entities were used.

The remaining portion of Scope 3 emissions was calculated using secondary data, standard emission factors, and estimates and assumptions, including the application of a spend-based approach for categories where more detailed primary data were not available. This particularly relates to the Purchased goods and services category, which also represents the most significant share of total Scope 3 emissions.

In line with the nature of value chain data, the calculation of Scope 3 emissions inherently involves a certain level of measurement uncertainty and the use of estimates, particularly in cases where complete and detailed data from suppliers, customers, or other value chain participants are not available. In such cases, the Company applies the best available data, appropriate emission factors, and methodologically well-founded assumptions, with the aim of ensuring a reasonable and consistent representation of emissions.

The Company continuously undertakes activities aimed at increasing the share of calculations based on primary data, particularly in the areas of purchasing of materials and services and value chain data collection. The objective of this approach is to further improve data quality, reduce the level of estimates and measurement uncertainty, and ensure transparent, comparable, and reliable greenhouse gas emissions reporting.

CIRCULAR ECONOMY

The evolution of business today is unthinkable without sustainability, especially in the automotive industry, where reducing the impact on the environment through more efficient use of resources and the application of a circular economy is almost mandatory. As a long-term partner of leading vehicle manufacturers, AD Plastik Group recognizes the importance of innovations in sustainable materials, optimization of production processes and increased reuse of raw materials. By integrating circular economy principles into business strategies, the company reduces waste, improves energy efficiency and explores alternative materials with a smaller ecological footprint.

The double materiality assessment identified impacts related to resource inflows and outflows as material, given their effect on both the environment and business operations. The subtopic of waste management was assessed as material primarily from a financial perspective, taking into account the associated costs, regulatory requirements, and potential opportunities for optimization.

All three subtopics were recognized as material from a stakeholder perspective, confirming their relevance for transparent resource management and the long-term sustainability of the business model.

The main challenges arise from the fact that polymers are predominantly produced from non-renewable sources, such as petrochemicals, and that there is limited ability to fully separate production scrap in the



case of multi-component and painted products. An additional risk stems from the high costs associated with the research and implementation of new materials, which place a strain on available resources. On the other hand, positive progress is being achieved through the systematic monitoring of materials used and the integration of sustainable solutions into new projects, thereby actively reducing the environmental footprint of production processes.

Through continuous process improvements, resource efficiency is increased, and the negative impact is reduced. The sustainability strategy focuses on extending product lifecycles, optimizing recycling processes, and reducing dependence on primary raw materials.

The strategy for managing these topics is shaped in response to stakeholder expectations, market trends, and global sustainability objectives. Circular economy principles are integrated into business processes in accordance with internationally recognized standards ISO 14001 and ISO 50001, with regular performance assessments enabling continuous improvement. Through a systematic approach and close collaboration with suppliers and customers, resource usage is optimized, and the ecological footprint of the business is reduced.

In addition, the quality and sustainable supplier management policies, as well as the Code of Business Conduct, ensure the implementation of sustainability principles across all aspects of the business. These poli-

cies clearly define guidelines for responsible business practices, process improvements, and strengthening partnerships that support long-term sustainability. The environmental protection policy stipulates the reduction, reuse, and recycling of waste and packaging materials in line with circular economy practices, as well as the optimization of resource use and the increase of recycled materials in production processes.

By 2030, the goal is to reduce the amount of waste sent to landfills by 80 percent, increase the share of recycled input materials in the total amount of polymers by 30 percent, and increase the share of returnable packaging and eco-friendly materials to 40 percent. Additionally, it is planned that at least 50 percent of production waste will be directed towards further use, while the long-term goal is for all products to be 100 percent recyclable by 2050.

In order to contribute to the achievement of the set targets, in addition to the rooftop photovoltaic power plant at the Zagreb site, the implementation of which is currently underway (see page 102 for more details), the construction of a photovoltaic power plant at the Tisza site is being considered. In the medium term, the contracting of certified renewable electricity with suppliers is also being considered as an additional contribution to the integration of sustainable energy sources into business operations.

RESOURCE INFLOWS

In the reporting year, an analysis of input materials was conducted, with a special emphasis on those used in production processes and becoming an integral part of the final products. The analysis monitored the share of recycled materials and non-returnable packaging components. The basic materials used at all production sites of the Group are thermoplastic organic polymers. They are used in different proportions and combinations, depending on the product specifications. The analysis of the material inflow was conducted based on the official report of the controlling department, taking into account the original basic input materials, the recycled share of the original input materials and the regenerate as a by-product of the injection molding process. The recycled content rate of materials in the products is presented, with all processed material considered as recycled material incorporated into the final products.

Packaging data was taken from the internal ERP system where packaging was recorded in pieces, so the total quantity was estimated by multiplying the packaging surface area and the average specific densi-

ty of three-layer cardboard. The same weight estimation methodology was applied for plastic foil, and most of the packaging used is reusable and returnable.

The reuse of materials is optimized through a special calculation of the recycled content ratio for each processed material, based on reports of the total amount of raw materials used. The secondary raw material is identified within the Promis system by a special code, which is assigned immediately upon its creation and processing, allowing for the tracking of its integration into final products.

The source of information about the certification system used to determine the recycled material content in the base material is the customer's document, according to which the recycled content ratio is defined in accordance with their standard.

A detailed breakdown of material consumption by categories ensures a systematic assessment of material flows in production, allowing for a better understanding of the impact of used resources and their optimization in line with sustainable business principles.

SHARE OF RECYCLED MATERIAL IN PRODUCTION

	2024	2025	Δ%
	t	t	%
Croatia	14.8%	12.2%	-17.4%
Hungary	43.2%	68.2%	57.8%
Serbia	32.9%	3.8%	-88.4%
Russia	27.1%	8.3%	-69.4%
AD Plastik Group	23.2%	16.9%	-27.1%

TYPES OF MATERIALS

		2024	2025	share of recycled material
		t	t	
Croatia	Basic materials	5,929.6	7,577.1	12.2%
	Recycled part of basic materials	369.4	264.6	
	Secondary raw material	507.5	660.9	
Hungary	Basic materials	1,899.0	1,059.0	68.2%
	Recycled part of basic materials	821.0	722.7	
	Secondary raw material	-	-	
Serbia	Basic materials	661.1	646.65	3.8%
	Recycled part of basic materials	185.9	2.83	
	Secondary raw material	31.8	21.96	
Russia	Basic materials	1,322.4	1,217.00	8.3%
	Recycled part of basic materials	-	-	
	Secondary raw material	358.5	101.04	
	Total materials used	9,812.1	10,499.8	16.9%
	Total recycled materials used	2,274.1	1,774.0	
	Total secondary raw material	897.8	783.9	

OFFICE PAPER

	2024	2025	Δ%
Croatia	8.3	8.7	5.1%
Tisza	3.8	2.7	-30.0%
Mladenovac	1.0	1.4	40.0%
Vintai	1.6	1.0	-35.9%
Total	14.7	13.8	-6.0%

RESOURCE OUTFLOWS

AD Plastik Group's key products are plastic parts for the interior and exterior of cars, which mostly consist of basic and auxiliary materials listed in the table Materials consumption by categories. The amount of material in the outflow corresponds to the amount of processed materials in the resource inflow, since all processed material is ultimately incorporated into the final product that is delivered directly to customers. There are no internal warehouses that could accumulate larger quantities of goods and thereby disrupt the input-output balance, as customers of AD Plastik Group operate on a Just-in-Time basis. In cases where AD Plastik Group is a development supplier, the principles of circularity and sustainability are taken into account during product design, which is described in more detail on pg. 31.

The expected durability of the products is in line with automotive industry standards, with the quality of materials and products being highly regulated by car manufacturers that is customers of AD Plastik Group. According to data from the European Environment Agency (EEA) and the European Automobile Manufacturers' Association (ACEA), the average age of vehicles—thereby defining the service life of polymer products installed in vehicles—is between 15 to 20 years.

All products are designed to allow for disassembly and, where necessary, replacement. During product validation, testing is conducted in accredited laboratories, including assessments of the forces required for assembly and disassembly. The reparability of polymer components depends on the type and severity of the damage.

Currently, the calculation of recycled content rates at the level of individual products is not performed, but it is planned to establish a system that will enable more detailed monitoring of this indicator in the future. An analysis of the total amount of materials used has determined that the share of recycled material in the inflow is equal to the share of recycled material in the outflow, since all processed material is ultimately incorporated into the final products. This ensures the consistency of material flow and supports the principles of a circular economy within the production process.

PACKAGING

		2024	2025	Δ%
Croatia	Wooden pallets	324.6	284.8	-12.3%
	Cardboard	101.8	89.0	-12.6%
	Plastic foil	148.4	150.1	1.1%
Hungary	Wooden pallets	50.1	73.6	47.0%
	Cardboard	77.2	123.1	59.5%
	Plastic foil	21.5	204.0	849.0%
Serbia	Wooden pallets	77.4	57.1	-26.2%
	Cardboard	40.4	32.5	-19.6%
	Plastic foil	41.9	24.9	-40.5%
Russia	Wooden pallets	17.6	1.2	-93.1%
	Cardboard	7.8	13.1	67.8%
	Plastic foil	62.1	52.0	-16.2%

	Total Wooden pallets	469.7	416.8	-11.3%
	Total Cardboard	227.2	257.7	13.4%
	Total Plastic foil	273.9	431.1	57.4%

WASTE MANAGEMENT

STRATEGIC OBJECTIVES

Responsible waste management is one of the fundamental elements of the circular economy integrated into AD Plastik Group's sustainability strategy. It entails a commitment to preventing waste generation, recycling and reusing materials, as well as ensuring safe disposal in accordance with regulations. Current waste reduction targets are not set on the basis of scientifically defined environmental thresholds or sectoral allocations, but are voluntary and arise from internal analyses and operational strategies. The approach is based on optimizing production processes, increasing recycling and reducing waste ending up in landfills, while improving the waste management system.

An improvement in the methodology for setting goals is planned through the analysis of ecological thresholds and alignment with national and industry standards in the future. This process will also consider relevant regulatory frameworks and scientific guidelines, including EU circular economy goals and sectoral recommendations for waste reduction.

Waste is systematically managed in accordance with the **ISO 14001 standard**, where this is not only the responsibility of the professional services but also of all employees. Internal procedures clearly define waste management processes, with a mandatory regular assessment of the system's effectiveness on an annual basis.

**BY 2030, REDUCE
THE AMOUNT OF WASTE SENT
TO LANDFILLS
BY 80%
(2023: 321.32 t)**



**BY 2050, RECYCLE 100%
OF PRODUCTION WASTE
(2023: 45.1%)**



MANAGEMENT OF PRODUCTION WASTE

Waste represents a potential loss of resources, materials, and energy, so preventing its generation is an important premise of the business strategy. The primary raw material for production processes is thermoplastic polymers, which are processed using injection molding, extrusion, and thermoforming technologies, while plastic components are painted on painting lines in Zagreb.

The process of managing defective products:

- Visual and measurable control – defective products are separated into special containers
- Internal recycling – defective products are, wherever possible, ground and returned to the production process
- External disposal – in case recycling is not possible, waste is handed over to an authorized waste disposal company, with mandatory documentation as required by law.

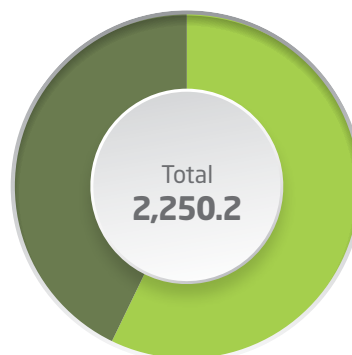
TOTAL AMOUNT OF WASTE

Key waste streams arise from the company's core activities and include production plastic waste generated from injection moulding and material processing, packaging waste associated with logistics activities, waste from surface treatment processes and the use of chemicals, as well as municipal waste.

The waste primarily consists of polymer materials (plastics and rubber), packaging materials (paper, cardboard, plastics, wood, and metals), production plastic waste, textiles, and municipal and mixed waste generated as part of operational activities. Hazardous waste is associated with industrial processes and includes solvents and solvent mixtures, sludge, waste oils, and packaging containing hazardous substances. Waste classification is based on direct measurements – upon completion of the production process, waste is handed over to authorized waste management companies who measure it and provide official data. Based on these measurements and the accompanying documentation, the shares of materials that can be recycled or reused are determined, ensuring consistent and transparent product classification. The amount of waste at the sites directly depends on the level of production, the type and quantity of raw material packaging, and additional activities such as extraordinary cleanings and the introduction of new products. As a result, the amount of hazardous waste increased at certain sites during the reporting period due to the following activities:

- Zagreb – due to the increase in the volume of serial production as a result of new projects and frequent trials
- Vintai – due to a change in waste classification

The total quantity of non-hazardous waste decreased due to the transition from the development, testing and temporary packaging phase to the phase of serial production and the use of original returnable packaging.



PRODUCTION WASTE

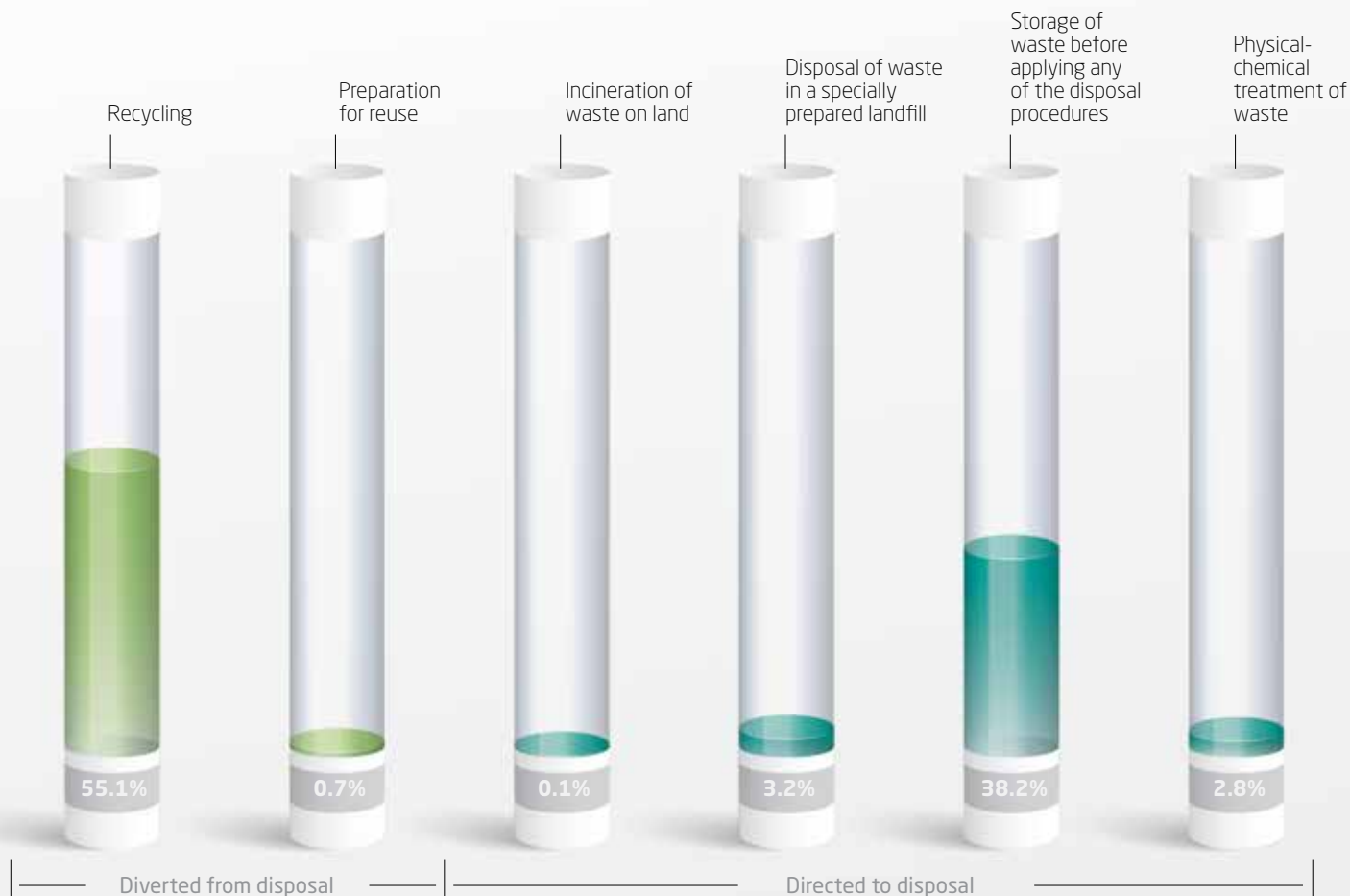
● non-hazardous waste	61.7%
● hazardous waste	38.3%

	2024	2025	Δ%
	t	t	
Total amount of waste	2,257.3	2,250.2	-0.3%
Croatia	1,823.1	1,979.1	8.6%
Hungary	173.7	131.8	-24.1%
Serbia	101.2	39.3	-61.2%
Russia	159.4	100.1	-37.2%

	2024	2025	Δ%
	t	t	
Total amount of non-hazardous waste	1,585.8	1,389.2	-12.4%
Croatia	1,174.3	1,166.5	-0.7%
Hungary	166.5	124.8	-25.0%
Serbia	101.2	37.9	-62.6%
Russia	143.7	60.0	-58.3%

	2024	2025	Δ%
	t	t	
Total amount of hazardous waste	671.5	861.1	28.2%
Croatia	648.7	812.6	25.3%
Hungary	7.2	6.9	-3.3%
Serbia	-	1	-
Russia	15.6	40.1	156.4%

WASTE DISPOSAL METHODS



	2024	2025	Δ%
	t	t	
	2,257.3	2,250.2	-
Diverted from disposal	1,599.4	1,255.2	-21.5%
Recycling	1,594.9	1,239.4	-22.3%
Use as fuel or other means of energy recovery (preparation for reuse)	4.5	15.9	252.2%
Directed to disposal	657.9	995.0	51.2%
Incineration of waste on land	303.1	2.3	-99.2%
Disposal of waste in a specially prepared landfill	192.3	71.0	-63.1%
Storage of waste prior to the application of any disposal method	103.0	859.0	733.6%
Physical-chemical treatment of waste	60.0	62.8	5.5%

WASTE MANAGEMENT METHODS BY LOCATIONS

DIVERTED FROM DISPOSAL

1. RECYCLING

	2024	2025	Δ%
	t	t	
non-hazardous waste	1,333.5	914.9	-31.4%
Croatia	1,159.9	731.6	-36.9%
Hungary	29.9	112.6	276.7%
Serbia	-	11	-
Russia	143.7	60.0	-58.3%
hazardous waste	261.4	324.5	24.2%
Croatia	261.4	324.5	24.2%
Hungary	-	-	-
Serbia	-	-	-
Russia	-	-	-

2. USE OF WASTE AS FUEL OR OTHER MEANS OF ENERGY RECOVERY (PREPARATION FOR REUSE)

	2024	2025	Δ%
	t	t	
non-hazardous waste	-	-	-
hazardous waste	4.5	15.9	252.2%
Croatia	4.5	15.9	252.2%
Hungary	-	-	-
Serbia	-	-	-
Russia	-	-	-

DIRECTED TO DISPOSAL

3. INCINERATION OF WASTE ON LAND

	2024	2025	Δ%
	t	t	
non-hazardous waste	-	-	-
hazardous waste	303.1	2.3	-99.2%
Croatia	303	2.3	-99.2%
Hungary	-	-	-
Serbia	-	-	-
Russia	-	-	-

4. DISPOSAL OF WASTE IN A SPECIALLY PREPARED LANDFILL

	2024	2025	Δ%
	t	t	
non-hazardous waste	167.7	23.4	-86.1%
Croatia	14.1	2.4	-83.0%
Hungary	136.6	-	-100.0%
Serbia	17.0	21.0	23.6%
Russia	-	-	-
hazardous waste	24.6	47.6	93.7%
Croatia	1.8	1.8	2.3%
Hungary	7.2	5.7	-20.5%
Serbia	-	-	-
Russia	16	40.1	156.4%

INNOVATIONS IN WASTE REDUCTION

AD Plastik Group does not use machines, devices, equipment, or raw materials that contain radioactive substances, and therefore, does not generate radioactive waste.

In order to reduce environmental impact, waste management processes are continuously improved:

- Internal solvent distillation – at the Zagreb site, **a total of 268 tonnes of solvent were purified** and reused in the painting process, representing an increase of 34% compared to the previous reporting period
- Circular economy model – in collaboration with partners, since 2017, a model of renting and eco-friendly cleaning of work rags and oil absorbents has been applied
- Solvent recycling – carried out in cooperation with partners since 2018. In 2025, a total of **259.35 tonnes of waste organic solvent** were purified and returned to the production process.

Solvents used on the painting lines in Zagreb are collected after use and sent to the supplier for recovery. Through this process, 73 percent of the collected solvent was returned to the production cycle, while the remaining part is replenished with the original solvent, thus optimizing consumption and reducing waste.

The collection of hazardous sludge in paint shops is an example of efficient waste management. The water collection system allows the collection of residual particles after painting, whereby the contaminated water is treated and reused, thereby reducing the ecological footprint of the process.

AD Plastik Group continuously adapts to new waste management requirements with the aim of reducing waste, increasing recyclability, and optimizing resources throughout the entire value chain.

Currently, the calculation of expected financial impacts from the effects, risks, and opportunities related to resource use and the circular economy is not being carried out, as a methodology has not yet been established to enable reliable quantification of these effects in monetary terms without significant costs or efforts.

At present, the qualitative aspects of related risks and opportunities are being analyzed, including identified challenges and potential benefits from increased use of recycled materials, resource optimization, and the transition to more sustainable production processes. Further improvements to the monitoring and analysis system are planned to allow for more accurate assessment of financial impacts in the future, in line with ESRS requirements.

5. STORAGE OF WASTE PRIOR TO THE APPLICATION OF ANY DISPOSAL METHOD

	2024	2025	Δ%
	t	t	
non-hazardous waste	84.5	450.9	433.5%
Croatia	0.3	432.5	144,080.3%
Hungary	-	12	-
Serbia	84.2	6.2	-92.7%
Russia	-	-	-
hazardous waste	18.5	408.0	2,103.2%
Croatia	18.5	408.0	2,103.2%
Hungary	-	-	-
Serbia	-	-	-
Russia	-	-	-

6. PHYSICAL-CHEMICAL TREATMENT OF WASTE

	2024	2025	Δ%
	t	t	
non-hazardous waste	-	-	-
hazardous waste	59.5	62.8	5.5%
Croatia	59.5	60.6	1.8%
Hungary	-	1.23	-
Serbia	-	0.94	-
Russia	-	-	-

SOCIAL RESPONSIBILITY



S1 OWN WORKFORCE

OWN WORKFORCE

TOTAL NUMBER OF EMPLOYEES 2025



People represent the foundation of the business model and a key resource for achieving the Group's long-term sustainability and competitiveness. The expertise, experience and engagement of employees directly contribute to business stability, product quality and the successful implementation of strategic objectives. The Group's business model relies on a qualified workforce in production and support functions, with occupational health and safety, competence development, and employee satisfaction forming an integral part of the management of business processes.

The reporting scope in this area includes all Group employees. Agency workers, as well as workers providing cleaning, catering, and similar services at the Group's sites, are not included in the scope, as they are not directly employed by the Group.

In the report, adequate wages, social dialogue, freedom of association, and the existence of a Workers' Council have been assessed as key topics related to the own workforce. Labour shortages, rising employee retention costs, wage adjustment expenses, and alignment with market standards have been identified as potential risks, which may affect employee turnover and production stability.



Despite continuous efforts to improve workforce stability by increasing the share of indefinite contracts, maintaining regular social dialogue, and improving working conditions, market volatility and rising living costs continue to pose a significant challenge. In the context of rising operating costs and pressures on financial sustainability, aligning wages with employees' expectations and needs requires careful balancing. Nevertheless, the company continues to invest in long-term solutions that ensure competitive working conditions, a better work-life balance, and opportunities for professional development, firmly believing that employee satisfaction is the foundation of stability and successful business.

There are clearly defined employee protection mechanisms that ensure confidentiality and security in the event of a violation of rights, with zero tolerance for retaliation. Detailed information on procedures for addressing negative impacts and available channels for raising concerns can be found on page 150. Active collaboration with the Workers' Council and trade unions ensures that the voice of employees is reflected in all decisions that affect them, ensuring their involvement in shaping the company's future.

Although potential negative impacts are rare and difficult to predict, they are addressed in a planned and consistent manner through existing risk management mechanisms. Special attention is given to employees who may be more exposed to risks due to specific working conditions, personal circumstances, or organizational changes. In such situations, workplace adjustments, additional training, and opportunities for professional development are provided, aiming to offer necessary support and strengthening long-term security.

The company recognizes that the transition to more sustainable business practices may result in changes that impact employees. Restructuring and optimization of production processes sometimes require reskilling or job adjustments, but at the same time, they open up new opportunities for employment in green industry sectors. To ensure a fair transition and maintain stability in changing conditions, education and professional development programs are being developed to support employees in adapting to new market demands.

MANAGEMENT POLICIES

Policies for managing impacts on company's own workforce, including policies on human rights protection and ethical employment, diversity and equal opportunities, as well as occupational health and safety, are aligned with EU standards, the UN Guiding Principles on Business and Human Rights, the International Labour Organization Declaration, and the OECD Guidelines. These policies contribute to the management of material sustainability factors and apply to all Group employees, with particular emphasis on vulnerable groups.

- **Human Rights and Ethical Employment Policy** - defines the principles of respecting fundamental human rights in employment, including the prohibition of discrimination, child labour and forced labour, respect for employee dignity, and the provision of lawful and fair working conditions.
- **Diversity and Equal Opportunities Policy** - promotes equal treatment of all employees and job applicants and encourages an inclusive working environment and equal opportunities for professional development, regardless of personal characteristics.
- **Occupational Health and Safety Policy** - focuses on the prevention of workplace injuries and occupational diseases, the continuous improvement of safety standards, and the promotion of a safety culture through preventive measures and employee training.

The above policies apply to all employees of the Group and constitute the foundation for managing impacts, risks and opportunities related to the Group's own workforce. Compared to the previous reporting period, there were no amendments or additions to these policies or to the Code of Business Conduct.

Policies related to employee rights place particular emphasis on the protection of children's rights and ethical employment. These policies include mechanisms to prevent child labour and human trafficking, as well as to align internal processes with the highest international standards in the field of labour and children's rights protection. The Code and related policies strictly prohibit forced labour, child labour, and human trafficking, with established monitoring mechanisms and reporting channels that ensure confidentiality and the protection of whistleblowers. The company does not operate in areas where there is a high risk of forced, compulsory, or child labour, either in terms of the nature of its business or the geographical regions in which it operates. The policies also prescribe the payment of wages in accordance with the laws of each country of operation, while extending the obligation to ensure that wages cover the basic living costs of employees and their families (living wage), enabling them to maintain a decent standard of living. The payment of adequate wages is defined as wages that exceed the statutory minimum and provide employees with stability and financial security. The Code and related policies are published on the company's website and intranet, and each employee receives a copy upon employment.

Employee safety is ensured through the occupational safety management system and the Occupational Health and Safety Policy, which include preventive measures, risk assessments, and regular training, thereby creating a safe and healthy work environment. The Code of Business Conduct and the Diversity and Equal Opportunities Policy prevent any form of discrimination based on gender, age, disability,

racial or ethnic origin, religion, and other protected categories, while the company actively promotes inclusivity and equality through training and monitoring mechanisms.

Open collaboration with employees is achieved through regular social dialogue, the Workers' Council, and trade unions, ensuring their active involvement in decision-making processes and the protection of their rights and interests.

EMPLOYMENT

AD Plastik Group is dedicated to ensuring transparent and fair employment, professional development and equal opportunities for all employees. Qualifications, skills and experience form the basis for employment, assignment of functions, training and advancement of employees, while continuous work is being done on further improvement of internal policies to ensure an inclusive approach to all candidates, taking into account possible obstacles in acquiring certain qualifications.

COLLABORATION WITH EMPLOYEES

Collaboration with employees and their representatives is carried out through social dialogue, collective bargaining, and internal communication channels. Employee perspectives are taken into account when making decisions that affect working conditions, professional development, and occupational safety.

Regular meetings with the Workers' Council, trade union representative and trade unions ensure transparency and active employee involvement in decision-making processes. Additionally, a worker representative participates in the Supervisory Board, having direct insight into business decision-making. Alongside formal dialogue methods, individual and group discussions with employees, satisfaction surveys, and systematic assessments of working conditions and their needs are encouraged.

Operational responsibility for implementing these processes lies with the Management Board in collaboration with the Human Resources and Occupational Safety departments. The effectiveness of the collaboration is assessed through employee feedback analysis, collective bargaining outcomes, and monitoring the impact of implemented measures. Special attention is given to the inclusion of vulnerable employee groups, including people with disabilities, women, and those working in roles with increased safety risks. Their needs are integrated through workplace adjustments, professional development programs, and ensuring equal opportunities.

Communication with employees is most intensive and occurs at various levels, including direct consultations and their involvement in assessing business impact. To ensure inclusivity and provide all employees with equal access to information, different communication channels are used, tailored to specific needs and potential barriers such as language and cultural differences, gender imbalances, or structural challenges within the organization.

For the purpose of collecting feedback and fostering dialogue, internal workshops, surveys, thematic meetings, and the option of anonymous feedback through the ADP Suggestion Box are used. Organizational climate and employee satisfaction surveys are conducted, as well as targeted surveys addressing diversity and inclusion challenges.

Employees are regularly informed about the company's activities and key decisions through the bulletin boards, intranet and other digital communication channels. Accessibility of information is also ensured by adapting content to the employees' needs, taking into account different work locations, levels of digital literacy and their ability to understand key topics.

In cases of potential conflicts of interest within the workforce, social dialogue mechanisms and internal procedures for dispute resolution are applied, ensuring transparency and fairness in the processes. Special attention is also given to the protection of human rights, including the right to privacy, freedom of expression, and peaceful assembly and protest. All protection and whistleblowing mechanisms are made available to employees in a clear and easily understandable manner.

Employees have access to various channels for submitting complaints and reporting irregularities, including contacting their direct supervisors, the Human Resources department, employee representatives, and using formal whistleblowing channels in accordance with internal policies and applicable legislation. All received complaints are reviewed in accordance with established internal procedures, while ensuring the confidentiality of the process and the protection of employees from any form of retaliation.

This approach creates open and accessible communication that encourages inclusiveness, transparency, and employee participation in shaping the work environment, enabling them to play an active role in business processes and decision-making.

Employee involvement in the double materiality assessment

In the double materiality assessment process, employees were systematically involved as key internal stakeholders, given their direct engagement in business processes and their understanding of the actual and potential impacts, risks, and opportunities related to the Group's operations. Their participation was carried out through structured internal analyses, targeted questionnaires, and workshops, in line with the adopted methodology and the internal double materiality assessment procedure.

During the reporting period, measures were implemented aimed at strengthening the involvement of employees and their representatives in decision-making processes that may affect working conditions and employee well-being. These measures include regular meetings with workers' councils and employee representatives, workshops and consultations within the double materiality assessment process, as well as communication channels for collecting employee feedback. In this way, employees are provided with the opportunity to express their views on matters related to their working conditions, rights and well-being. Social dialogue is conducted through formal and informal cooperation mechanisms between the Management Board and employee representatives, including workers' councils and trade union representatives, in accordance with applicable legislation and internal policies. The effectiveness of the measures undertaken is monitored through the analysis of employee feedback and workforce indicators, as well as through regular reporting to the Management Board.

As part of the Double materiality assessment process, employees identified as particularly material the topics related to adequate wages, social dialogue, and freedom of association, including the existence of workers' councils and employees' rights to information, consultation, and participation. These were recognized as essential for ensuring stable labour relations and the long-term sustainability of the business. At the same time, certain topics were assessed as material by employees and other relevant stakeholders, while in the internal assessment the same topics were classified as non-material, as the internal analysis did not identify material actual or potential negative impacts, nor significant financial risks or opportunities. These topics include collective bargaining, including the number of employees covered by collective agreements, work-life balance, health and safety, gender equality and equal pay for work of equal value, training and skills development, measures against workplace violence and harassment, diversity, child labour, forced labour, adequate housing, and privacy.

Differences between stakeholder assessments and the internal assessment were analysed, explained, and documented in accordance with the internal procedure, taking into account the importance of stakeholder expectations. In line with the principle of transparency and reporting requirements, the above topics, although internally assessed as non-material, have been included within the scope of reporting and are addressed in this Sustainability Report.

The process of identifying risks related to employees is carried out through regular management and operational processes at the Group level. Risks related to working conditions, occupational health and safety, the availability of qualified workforce, and labour relations are identified and analyzed in cooperation with relevant organizational units, including human resources management and occupational health and safety. The results of these analyses are taken into account when planning measures aimed at improving working conditions, safety and employee well-being.

Risk management is carried out systematically through assessments of the impact of business decisions on employees, particularly in the context of restructuring and technological change. The effectiveness of the measures implemented is monitored through regular analyses, employee feedback, and the tracking of key workforce indicators.

Objectives for improving working conditions and employee development

To further improve employee safety, health, professional development, and satisfaction, specific target values have been defined as part of the sustainability strategy:

Occupational Safety	eliminate workplace injuries by 2030 through strengthening safety standards and training
Employee Health	implement well-being programs at all sites by 2030, with a focus on physical and mental health
Education and Development	30 hours of training per employee annually by 2030 for lifelong learning and skill development
Talent Development	increase talent retention rate by 20 percent and introduce individual career plans by 2030
Engagement and Satisfaction	increase employee engagement by 25 percent and satisfaction by 20 percent by 2030 through flexible working conditions and social dialogue
Diversity and Inclusion	achieve 40 percent women in managerial positions by the end of 2025 and increase representation of underrepresented groups by 15 percent by 2030

These target values were developed in collaboration with employees and their representatives, and their progress is continuously monitored through surveys, audits, and workforce indicators. The objectives have been defined taking into account applicable regulatory requirements, customer expectations, and internal development priorities in the area of workforce management. In setting these objectives, no specific scientific scenarios or model-based calculations were used; instead, they were defined as strategic development guidelines based on available internal data and human resources management assessments. The base year for monitoring progress is 2023, and a detailed overview of the values and a list of all strategic sustainability objectives are presented on page 66 of this report.

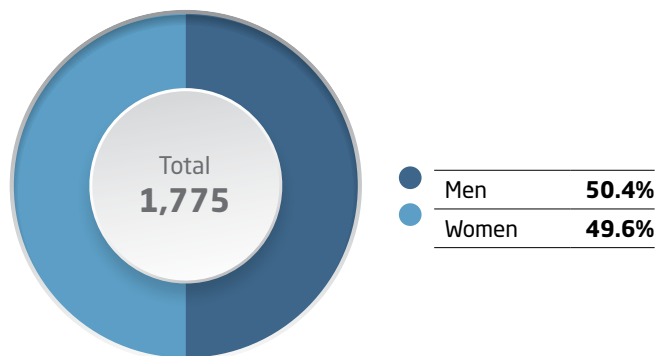
The achievement of the objectives is monitored through the tracking of defined indicators and periodic reporting to the company's Management Board. The achievement of these objectives is supported by the implementation of specific measures and activities in the areas of human resources management and occupational health and safety, including occupational safety improvement programs, employee health and well-being programs, training and competence development systems, and talent development programs. These measures are directly linked to the defined objectives and represent key instruments for their gradual achievement.

Appropriate organizational, human and financial resources are allocated for the implementation of these measures and the achievement of the objectives, including the engagement of the human resources department, occupational health and safety functions, training programs, and internal systems for monitoring and analyzing workforce indicators.

EMPLOYMENT STRUCTURE AND DYNAMICS

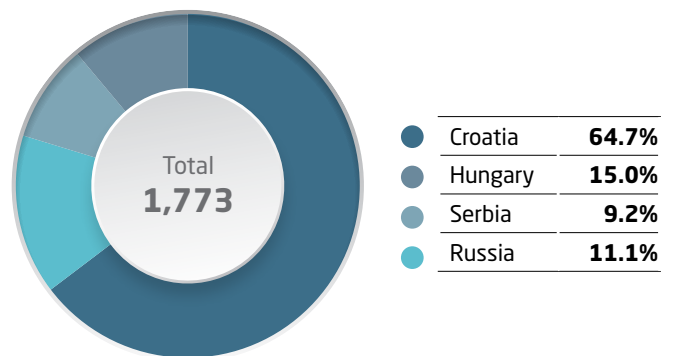
	2024			2025		
	Total employees	Men	Women	Total employees	Men	Women
Croatia	1,123	598	525	1,148	622	526
Hungary	278	112	166	267	111	156
Serbia	172	94	78	163	84	79
Russia	210	85	125	197	77	120
Total	1,783	889	894	1,775	894	881

TOTAL EMPLOYEES



*Gender as self-declared by employees; other categories are not applicable and are therefore not presented.

AVERAGE EMPLOYEES



The average number of employees per year is calculated by summing the number of employees at the end of each month and deriving the average over 12 months.

SHARE OF WOMEN

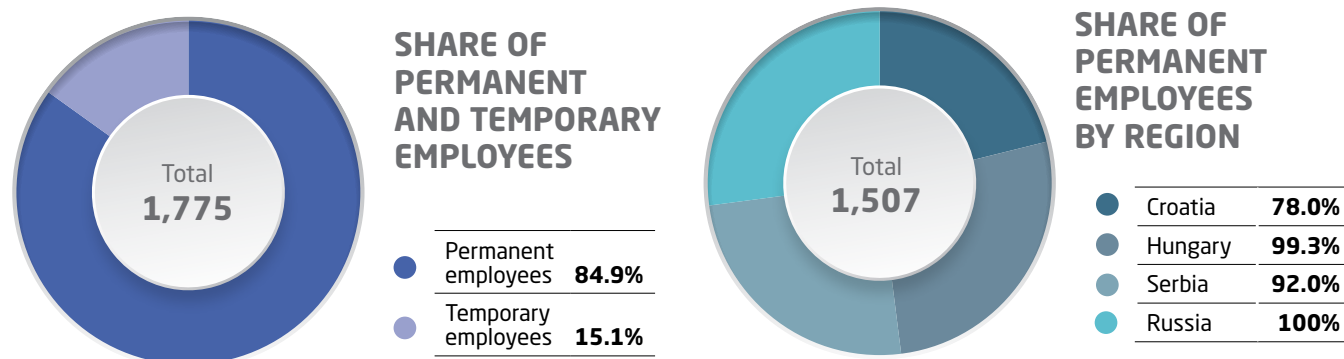
Croatia	45.8%	<div style="width: 45.8%;"></div>
Hungary	58.4%	<div style="width: 58.4%;"></div>
Serbia	48.5%	<div style="width: 48.5%;"></div>
Russia	60.9%	<div style="width: 60.9%;"></div>

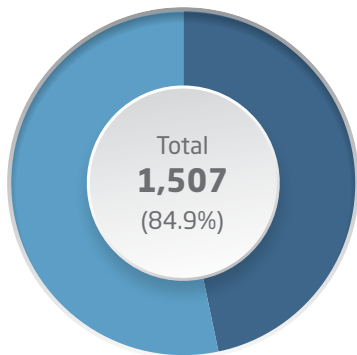
AD PLASTIK GROUP 49.6%

EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT

	2024					2025				
	Croatia	Hungary	Serbia	Russia	Total	Croatia	Hungary	Serbia	Russia	Total
Permanent employees	931	276	160	210	1,577	895	265	150	197	1,507
Men	458	112	89	85	744	438	111	78	77	704
Women	473	164	71	125	833	457	154	72	120	803
Temporary employees	192	2	12	0	206	253	2	13	0	268
Men	140	0	5	0	145	184	0	6	0	190
Women	52	2	7	0	61	69	2	7	0	78
Total	1,123	278	172	210	1,783	1,148	267	163	197	1,775

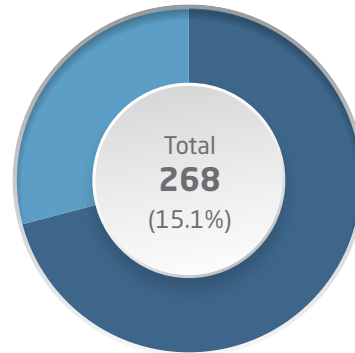
Employees with an uncertain number of working hours are not a recognized category in the company's operations.





PERMANENT EMPLOYEES

Men	39.7%
Women	45.2%



TEMPORARY EMPLOYEES

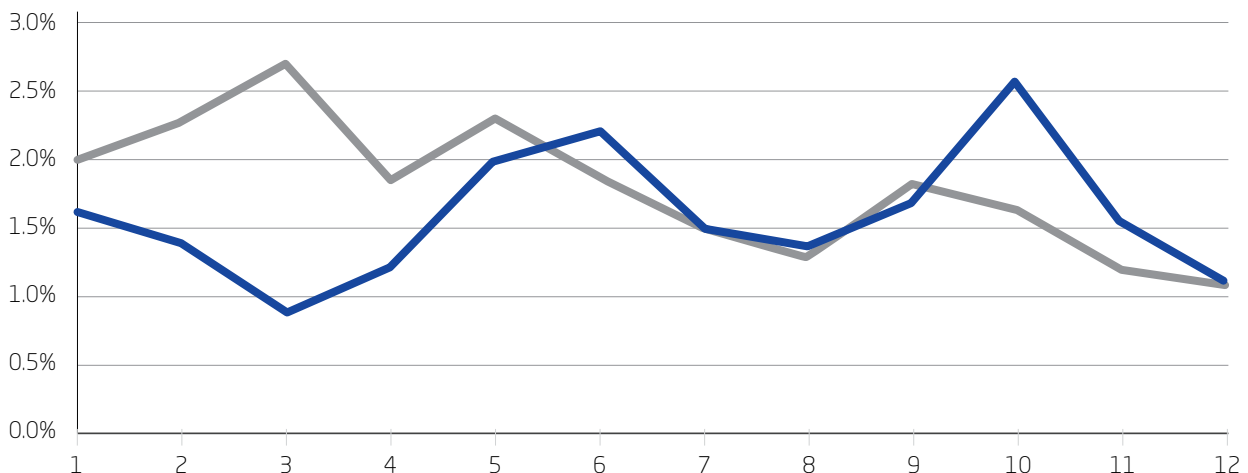
Men	70.9%
Women	29.1%

The high proportion of permanent employees in the company is the result of recruitment aligned with business needs, while the smaller number of fixed-term contracts is linked to business activities of a limited duration. The additional increase in fixed-term contracts in Croatia during 2025 is related to the increased employment of workers from third countries. According to the legislative frameworks of the European Union and their home countries, such contracts are linked to work permits, which currently prevents their conversion into indefinite-term contracts.

**Gender as self-declared by employees; other categories are not applicable and are therefore not presented.*

Definitions of permanent and temporary employees, as well as employees with full-time and part-time employment, are applied in accordance with the national legislation of the countries in which the Group operates. Data are collected and processed at the level of individual countries using the relevant national definitions, after which they are consolidated at the Group level.

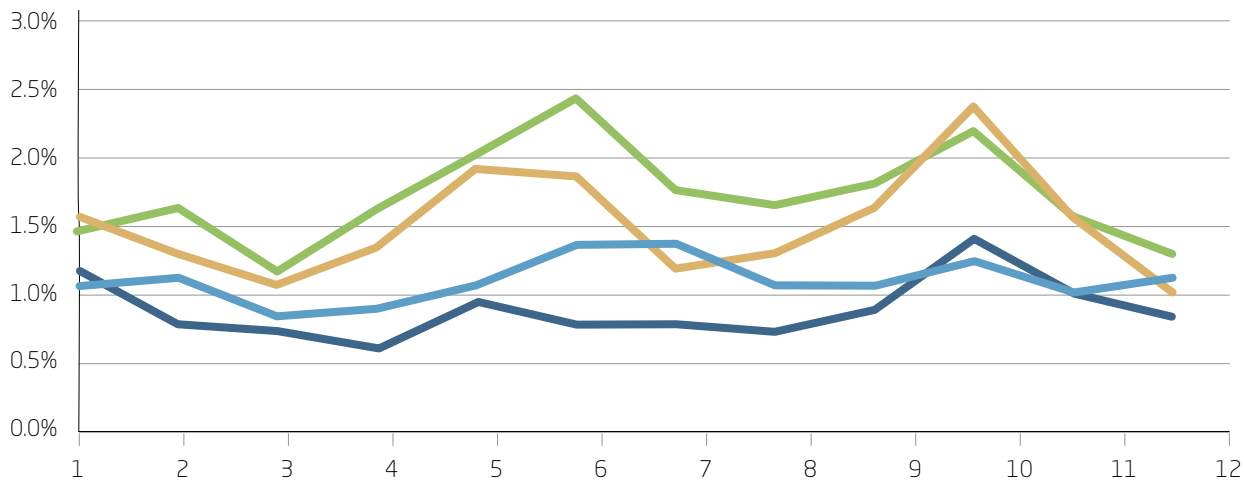
TURNOVER RATE BY MONTH



Reported at the end of the reporting period, taking into account the total number of employees, including those working full-time and part-time, as well as permanent and temporary employees..

2024	2025
Number of employees	Number of employees
21,8% 393	19,2% 341

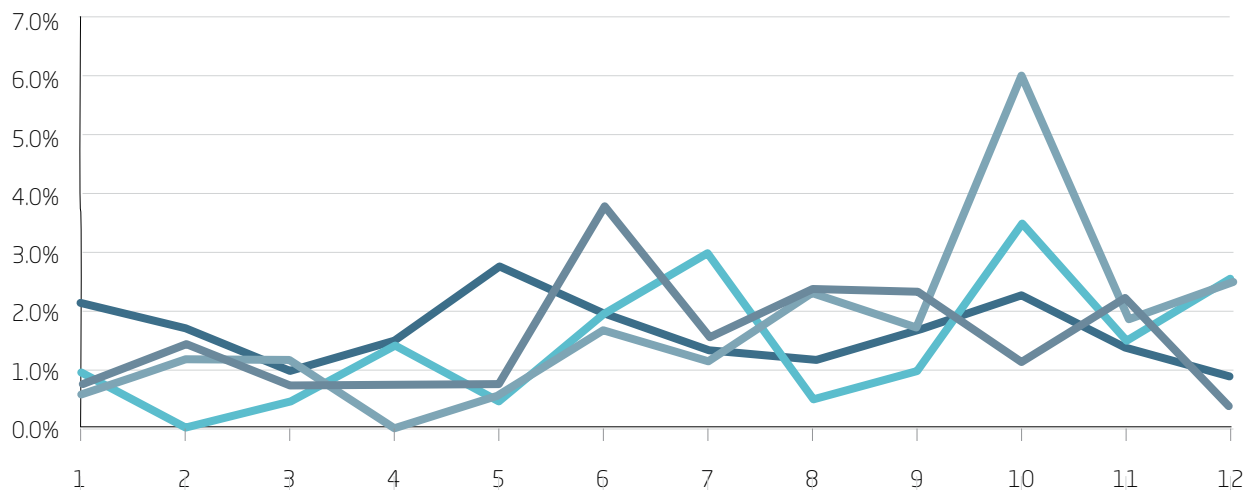
TURNOVER RATE



The annual turnover rate is calculated by taking the total number of employees who left and dividing it by the average number of employees during the year.

The monthly turnover rate is calculated by taking the total number of employees who left during the month and dividing it by the number of employees at the end of that month.

TURNOVER RATE BY COUNTRY



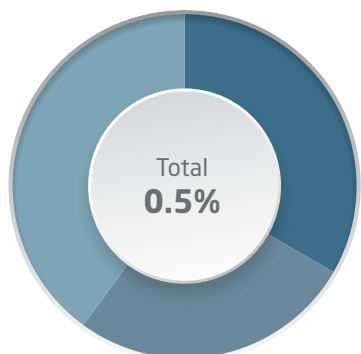
EMPLOYEES BY TYPE OF WORKING HOURS

	2024					2025				
	Croatia	Hungary	Serbia	Russia	Total	Croatia	Hungary	Serbia	Russia	Total
Full time work	1,121	277	171	210	1,779	1,142	266	162	197	1,767
Men	597	112	94	85	888	618	111	84	77	890
Women	524	165	77	125	891	524	155	78	120	877
Part-time work	2	1	1	0	4	6	1	1	0	8
Men	1	0	0	0	1	4	0	0	0	4
Women	1	1	1	0	3	2	1	1	0	4
Total	1,123	278	172	210	1,783	1,148	267	163	197	1,775

**Gender as self-declared by employees; other categories are not applicable and are therefore not presented.*

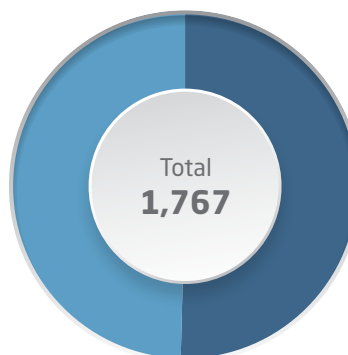


● Full time work	99.5%
● Part-time work	0.5%



SHARE OF PART-TIME WORK BY SITE

● Croatia	0.5%
● Hungary	0.4%
● Serbia	0.6%
● Russia	0.0%



FULL TIME

● Men	50.4%
● Women	49.6%

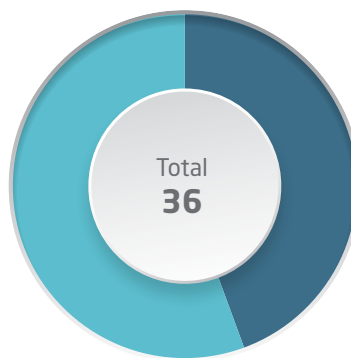
Only 0.5% of employees work part-time, exclusively by personal choice, adjusting their work obligations to suit individual needs and circumstances.

AD Plastik Group engages non-employee workers exclusively through employment agencies (NACE 78), while there are no self-employed individuals. The disclosed figure represents the total number of agency workers at the end of the reporting period, who are most often engaged in production activities due to increased workload. Data on agency workers are collected internally, as well as based on information provided by contracted temporary employment agencies. The methodology is based on internal records and data obtained from employment agencies.

All employees of the company are covered by collective agreements, with a separate collective agreement signed in each country. In Croatia, negotiations were held during the reporting period, and a new Collective Agreement was signed for one year. In Serbia the Collective Agreement signed in 2024 for a three-year period remains in force. The Collective Agreements in Hungary and Russia are valid until December. **There are no employee representation agreements within the EWC, SE or SCE.**

WORKERS WHO ARE NOT EMPLOYEES

	2025		
	NACE 78	Self-employed	Total
Croatia	16	-	16
Hungary	-	-	-
Serbia	-	-	-
Russia	20	-	20



SHARE OF WORKERS WHO ARE NOT EMPLOYEES

● Croatia	44.4%
● Hungary	0.0%
● Serbia	0.0%
● Russia	55.6%

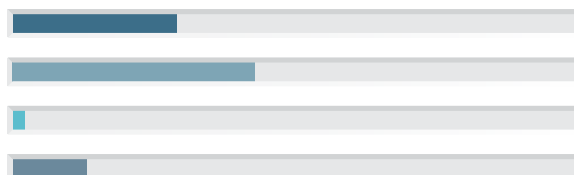
SHARE OF EMPLOYEES COVERED BY COLLECTIVE AGREEMENT

	2024		2025	
	employees	C.A.	employees	C.A.
Croatia	1,123	100%	1,148	100%
Hungary	278	100%	267	100%
Serbia	172	100%	163	100%
Russia	210	100%	197	100%
TOTAL	1,783	100.0%	1,775	100%

	EEA members	employees	C.A.
Croatia	YES	1,415	100%
Hungary			
Serbia	NO	360	100%
Russia			

SHARE OF EMPLOYEES IN TRADE UNION

Site	Share in trade unions
Croatia	28.22%
Serbia	41.72%
Russia	2.03%
Hungary	12.73%



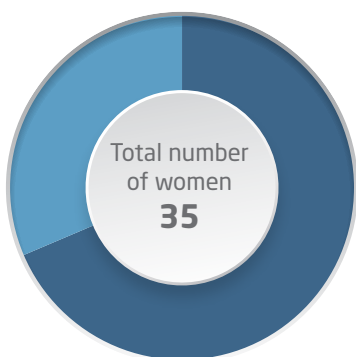
DIVERSITY AND EQUAL OPPORTUNITIES FOR ALL

A fair and inclusive work environment is the foundation of stability and success for the AD Plastik Group. Equal treatment and equal opportunities are integral parts of the company's corporate culture and values. The company's policies ensure that every employee has an equal opportunity for professional development, advancement, and a safe working environment. This approach not only contributes to social responsibility but also strengthens the company's ethical standards, creating an encouraging and productive work atmosphere.

The reported indicators were not verified by an independent external body, unless otherwise stated. Employee age distribution was determined by grouping the total number of employees into three categories: employees under 30 years of age, employees aged 30-50, and employees over 50 years of age. The number of employees in each category was then divided by the total number of employees, including both male and female employees, in order to ensure consistency in reporting.

AGE DIVERSITY IN MANAGEMENT

		2024				2025			
		18-30	30-50	> 50	Total	18-30	30-50	> 50	Total
Top management	Men	0	11	12	23	0	11	13	24
	Women	0	5	5	10	0	5	6	11
Middle management	Men	4	29	3	36	3	34	4	41
	Women	0	19	11	30	0	18	12	30
Line management	Men	3	39	21	63	4	33	17	54
	Women	3	21	15	39	4	19	17	40
Total		10	124	67	201	11	120	69	200



SHARE OF WOMEN IN MANAGEMENT

● Men	68.6%
● Women	31.4%

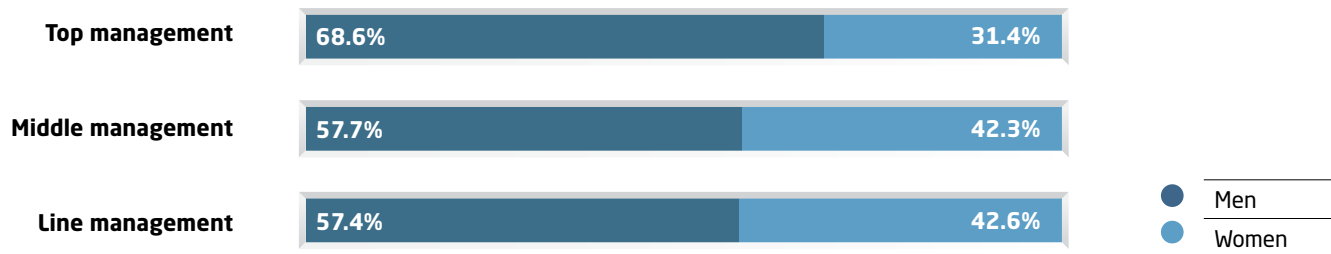
More information about management diversity can be found on page XY, where the highest governing bodies are considered the Management Board and the Supervisory Board, while senior management includes the Management Board, executive directors, and directors.

THE TARGET OF AT LEAST 40% REPRESENTATION OF WOMEN IN MANAGEMENT POSITIONS, PLANNED FOR ACHIEVEMENT IN THE REPORTING YEAR, HAS BEEN SUCCESSFULLY MET.

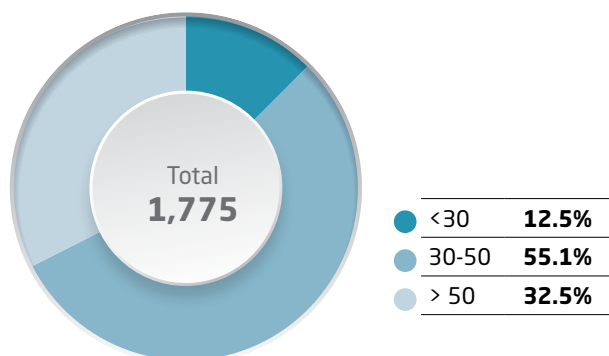
40.5%

WOMEN IN MANAGEMENT POSITIONS

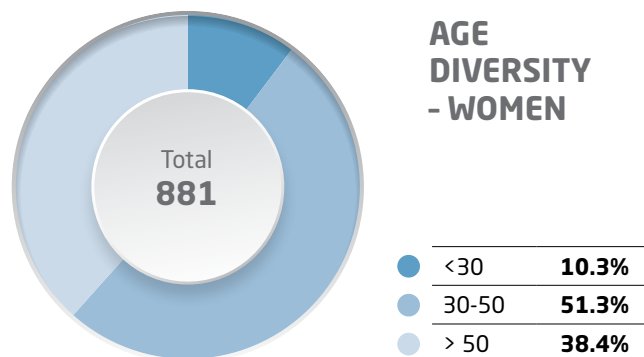
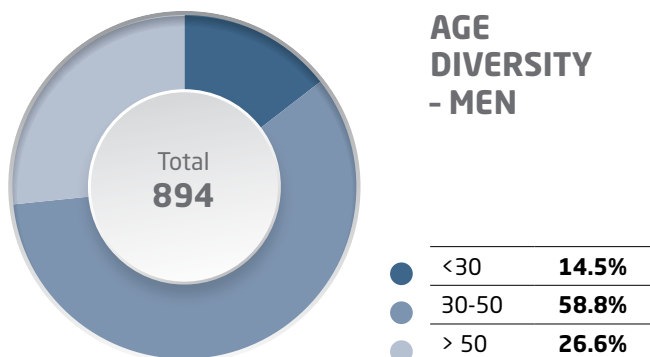
GENDER DIVERSITY IN MANAGEMENT



AGE DIVERSITY OF EMPLOYEES



	2024			2025		
	<30	30-50	>50	<30	30-50	>50
Men	124	520	245	130	526	238
Women	91	478	325	91	452	338
Total	215	998	570	221	978	576



To ensure the effectiveness of policies, clear procedures have been established to identify and address irregularities. Employees have access to various channels for anonymously or directly reporting concerns, and each reported case of unequal treatment, discrimination, or human rights violations is thoroughly investigated and addressed through appropriate measures.

During the reporting period, no reports of discrimination, including harassment, were received. No complaints were submitted through internal whistleblowing channels or other mechanisms available to employees for raising concerns, nor through the OECD National Contact Points. No cases of serious human rights violations related to AD Plastik Group's own workforce were identified, including forced labour,

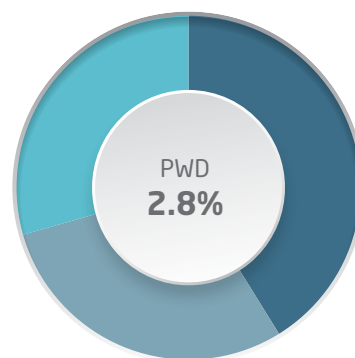
human trafficking or child labour. Consequently, during the reporting period no fines, sanctions or compensation payments related to such cases were imposed.

To further enhance inclusivity, regular employee surveys are conducted to identify challenges and opportunities related to equality in the workplace. Through a proactive approach, the company aims to continuously improve the professional development of all employees, ensuring equal access to opportunities regardless of gender, age, disability, or other factors.

Share of people with disabilities in the total number of employees subject to data collection limitations.

PEOPLE WITH DISABILITIES

	Employees	PWD men	PWD women
Croatia	1,148	1.8%	1.7%
Hungary	267	-	-
Serbia	163	1.2%	1.2%
Russia	197	0.5%	2.0%
Total	1,775	1.4%	1.4%



SHARE OF PEOPLE WITH DISABILITIES

● Croatia	3.5%
● Hungary	-
● Serbia	2.5%
● Russia	2.5%

Data is collected based on valid documentation issued by the competent authorities, through which people with disabilities confirm their status. This includes pension insurance decisions, decisions issued by the Institute for Expert Evaluation, Professional Rehabilitation and Employment of People with Disabilities, as well as other relevant acts in accordance with the laws of the countries in which the company operates.

**Gender as self-declared by employees; other categories are not applicable and are therefore not presented.*

During the reporting period, an increase of 0.3% in the share of people with disabilities at the level of the AD Plastik Group was recorded compared to the previous reporting period.

GENDER EQUALITY AND EQUAL PAY

Gender equality and ensuring equal pay for work of equal value are fundamental to a dynamic and fair work environment. By regularly monitoring the gender structure of employees and management, the company ensures balance and equal representation, which enables a

diversity of perspectives, improves the work atmosphere, and fosters innovation within the organization.

The company conducts a gender pay gap analysis and implements measures to reduce it, ensuring that women and men receive equal compensation for the same work. In line with its sustainability strategy, initiatives are being developed to promote greater representation of women in key roles, strengthening their presence in leadership positions and contributing to the creation of a more supportive and inclusive work environment.

GENDER PAY GAP

The pay gap is calculated by comparing the total remuneration of male and female employees, where total remuneration includes gross salary (gross I) increased by all non-taxable remuneration, in accordance with the legal classification of the country in which the calculation is performed. The calculation includes all employees, regardless of the type of employment contract or working hours, while bonuses are not included in the calculation.

Data for the reporting period were calculated using the same methodology as in the previous year, enabling the comparison of results between periods. To ensure comparability, the data for the previous reporting period have been adjusted to reflect the same calculation basis. Compared to 2024, pay gap at the AD Plastik Group level decreased by 6.4%.

At the level of individual countries, the following changes were recorded compared to the previous year:

Site	Pay gap 2024 (%) Recalculated	Pay gap 2025 (%)	Δ%
AD Plastik Group	23.6	22,1	-6.4%
Croatia	24.0	22.9	-4.6%
Hungary	17.0	16.2	-4.7%
Serbia	16.6	15.0	-9.6%
Russia	26.3	26.9	2.3%

The objective is to reduce disparities and increase transparency in the remuneration system through the long-term sustainability strategy. The ratio between the total annual remuneration of the highest-paid individual and the median remuneration of other employees amounts to 10.5, representing a decrease of 39.7% compared to the previous reporting period. The calculation was performed in accordance with the requirements of the ESRS. Total annual remuneration includes all monetary and non-monetary forms of remuneration received during the reporting period, while the median is determined based on the distribution of the total annual remuneration of all AD Plastik Group employees. All employees of the Group were included in the calculation.

FAIR AND DIGNIFIED WAGE

All employees of AD Plastik Group receive an appropriate level of salary in accordance with the applicable reference benchmarks.

A minimum reference threshold of 50% of the average gross salary in Croatia is applied, while in Hungary, Serbia and Russia, 60% of the median gross salary is used as the reference value.

The presented salary data relate to AD Plastik Group's employees and are based on internal salary records, as well as applicable collective agreements, work regulations and other relevant policies. Salary compliance is assessed by comparing employee salaries with the applicable statutory minimum wages and relevant market reference values in the countries where the Group operates. The calculations are based on the total number of employees. The methodology and calculation of these indicators have not been separately verified by an independent external body that is not the sustainability report assurance provider.

TALENT DEVELOPMENT AND ORGANIZATIONAL STRENGTHENING

One of the identified material opportunities relates to the systematic improvement of a culture of inclusion and equal opportunities through competency development, transparent promotion criteria, and the strengthening of internal mobility programmes. By investing in structured career development plans, cross-functional collaboration, and knowledge transfer between more experienced and younger employees, the company can further strengthen employee engagement and organisational resilience. A particular opportunity has been identified in strengthening employees' technical and digital skills, thereby supporting adaptation to technological changes in the industry and ensuring long-term competitiveness. Systematic monitoring of emerging competency needs and timely investment in training enable an effective response to changes in the business environment. Through proactive management of this area, the company not only improves working conditions and employees' professional development, but also lays the foundation for more innovative, efficient, and sustainable business operations.

TRAINING AND SKILLS DEVELOPMENT

Continuous investments in employees' knowledge and competencies ensure their adaptability to dynamic industrial changes and contribute to innovation and improvement of business processes.

AD Plastik Group has established recruitment, onboarding, and human resources development policies and procedures to ensure that employee hiring, development, and promotion at all levels are based on qualifications, skills, and experience. Career development is further supported through internal job postings, with preference given to internal recruitment and promotion.

The monitoring of training hours across all employee categories, along with diverse training programmes tailored to the specific requirements of different functional areas, enables the targeted development of key competencies.

At the same time, the Group recognises that certain employees may face barriers in accessing specific knowledge and competencies. For this reason, structured onboarding programmes, internal training sessions, and development programmes tailored to different functional areas and employee categories have been established.

Through systematic employee performance evaluations, areas for improvement are identified, enabling the adaptation of development programmes to individual needs. Annual training plans are structured to provide a clear path for professional advancement, contributing to long-term development and the strengthening of expertise.

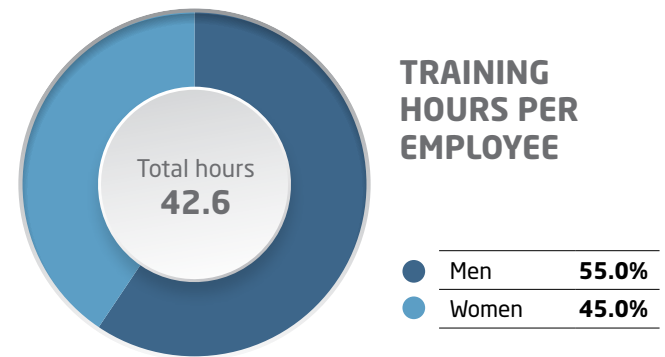
Particular potential lies in increasing investment in training and in the application of hybrid learning models, which enable a more flexible approach to knowledge acquisition. The combination of traditional and digital training formats is tailored to employees' needs, thereby further improving the learning experience. Through continuous skills

development, employees become better prepared to address emerging challenges, while simultaneously raising the overall quality of work. Strategic investment in education not only strengthens internal expertise, but also enhances the company's market competitiveness and reinforces the trust of business partners.

The number of training hours per employee is defined as the number of hours dedicated to training and skills development. This measure does not include internship programmes, programme preparation, or instructor preparation time. The total number of training and education hours is based on the actual duration of each training session recorded in internal systems and documentation at the level of individual companies, which are consolidated at the Group level. The average number of training hours per employee is calculated based on the total number of training and education hours in 2025 and the total number of employees as of December 31, 2025.

PERFORMANCE

	2025		
	Total number of employees	Performance evaluated	Share of employees with a rating
Men	894	199	22.3%
Women	881	163	18.5%
Total	1.775	362	20.4%



TRAINING

		Total training hours	Number of employees	Training hours per employee
Direct workers	Men	10,681	358	29.8
	Women	26,007	553	47.0
Indirect workers	Men	23,138	536	43.2
	Women	15,800	328	48.2
Subtotal	Men	33,819	894	37.8
	Women	41,807	881	47.5
TOTAL		75,626	1,775	42.6

**Gender as self-declared by employees; other categories are not applicable and are therefore not presented.*

The average number of training hours per employee in the reporting period amounted to 42.6 hours, representing a decrease of 4.3% compared to the previous reporting period.

HEALTH AND SAFETY

A safe working environment, health protection and social protection of employees are a strategic priority of the AD Plastik Group. Stable working conditions and comprehensive social protection are key to the long-term sustainability of the business, employee satisfaction and their productivity and motivation. Therefore, continuous work is being done to identify and eliminate potential risks, ensuring employees'

safety at work. No specific groups of employees have been identified that would be exposed to a higher risk of negative effects, since all processes take place in controlled working conditions with the application of equal standards of protection, safety and professional development for all employees.

Country	Type of employee	2024							2025						
		Employees	Unemployment	Sick Leave	Maternity Leave	Workplace Accidents	Disability Benefit	Pension	Employees	Unemployment	Sick Leave	Maternity Leave	Workplace Accidents	Disability Benefit	Pension
Croatia	Permanent employees	996	✓	✓	✓	✓	✓	✓	895	✓	✓	✓	✓	✓	✓
	Temporary employees	124	✓	✓	✓	✓	✓	✓	253	✓	✓	✓	✓	✓	✓
	Workers who are not employees	56	×	×	×	×	×	×	170	×	×	×	×	×	×
Hungary	Permanent employees	304	✓	✓	✓	✓	✓	✓	265	✓	✓	✓	✓	✓	✓
	Temporary employees	3	✓	✓	✓	✓	✓	✓	2	✓	✓	✓	✓	✓	✓
	Workers who are not employees	3	×	×	×	×	×	×	24	×	×	×	×	×	×
Serbia	Permanent employees	165	✓	✓	✓	✓	✓	✓	150	✓	✓	✓	✓	✓	✓
	Temporary employees	37	✓	✓	✓	✓	✓	✓	13	✓	✓	✓	✓	✓	✓
	Workers who are not employees	4	×	×	×	×	×	×	5	×	×	×	×	×	×
Russia	Permanent employees	229	✓	✓	✓	✓	✓	✓	197	✓	✓	✓	✓	✓	✓
	Temporary employees	0	✓	✓	✓	✓	✓	✓	0	✓	✓	✓	✓	✓	✓
	Workers who are not employees	22	×	×	×	×	×	×	32	×	×	×	×	×	×
Total		1,943						2,006	1,775	1,775	1,775	1,775	1,775	1,775	

All employees are entitled to social protection in accordance with applicable legislation, including rights in cases of illness, unemployment, workplace injuries, acquired disability, parental leave, and retirement. Workers who are not in direct employment with the company, such as agency workers, receive their rights through the agency that employs them.

	2024	2025	Δ%
Injuries at work	35.00	21.00	-40.0%
Solin	4.00	7.00	75.0%
Zagreb	13.00	6.00	-53.8%
Tiszaújváros	8.00	2.00	-75.0%
Mladenovac	10.00	6.00	-40.0%
Vintai	-	-	-

	2024	2025	Δ%
Lost days	707.00	473.00	-33.1%
Solin	254.00	315.00	24.0%
Zagreb	146.00	5.00	-96.6%
Tiszaújváros	147.00	58.00	-60.5%
Mladenovac	160.00	95.00	-40.6%
Vintai	-	-	-

	2024	2025	Δ%
Injury rate	10.79%	6.42%	-40.5%
Solin	4.43%	7.88%	77.8%
Zagreb	11.00%	4.87%	-55.7%
Tiszaújváros	17.33%	3.98%	-77.0%
Mladenovac	31.60%	19.33%	-38.8%
Vintai	-	-	-

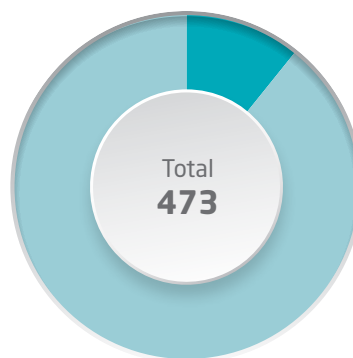
The share of employees covered by the aforementioned systems is calculated based on the total number of employees as of December 31, 2025 and is expressed as a percentage (%), based on internal employee records and applicable national legislation.

There were no worker injuries at the sites involving non-employees.

**TARGET:
ZERO
INJURIES
BY 2030**

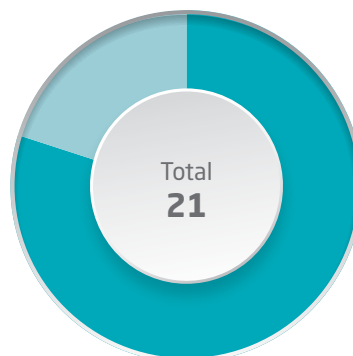


The workplace injury rate is calculated as the number of injured employees relative to the total hours worked, multiplied by 1,000,000.



**LOST
WORKING DAYS
BY SEVERITY
OF INJURY**

- Due to minor injuries **51**
- Due to severe injuries **422**



**INJURIES
BY SEVERITY**

- Minor injuries **19**
- Severe injuries **2**

	2024	2025	Δ%
Occupational diseases	1.00	-	100.0
Solin	1.00	-	-
Zagreb	-	-	-
Tiszaújváros	-	-	-
Mladenovac	-	-	-
Vintai	-	-	-

All employees are covered by the highest occupational health and safety standards, which are aligned with the relevant legislation in each country of operation. They are required to attend basic safety training and work regulations upon hiring, while continuous education and training are provided to ensure a high level of safety awareness and reduce the risks of workplace injuries. Relevant committees and occupational health and safety services regularly monitor and improve the implementation of protective measures.

Special attention is given to injury prevention and the reduction of health risks, while providing social benefits and support to employees in various life situations. The goal is to create a work environment free of injuries and risks, particularly in production processes, through ongoing investments, education, and improvements to safety standards.

BALANCING PRIVATE AND WORK LIFE

By providing support in balancing professional and family obligations for its employees, the company ensures the right to family leave in accordance with national legislation and collective agreements. Various forms of family leave are available, including maternity, paternity, parental, and caregiver leave.

Maternity leave ensures job protection for employed women during the period immediately before and after childbirth, while paternity leave guarantees fathers or equivalent other parents the right to take time off work upon the birth or adoption of a child to provide care. Parental leave allows for additional child care after maternity leave, in

	2024	2025	Δ%
Fatalities	-	-	-
Solin	-	-	-
Zagreb	-	-	-
Tiszaújváros	-	-	-
Mladenovac	-	-	-
Vintai	-	-	-

In Croatia and Mladenovac, a certified occupational health and safety management system in accordance with the ISO 45001 standard has been implemented, ensuring systematic risk management and the continuous improvement of working conditions. The percentage of employees covered by the occupational health and safety management system is calculated based on the total number of employees (headcount) working at production sites certified under the ISO 45001 standard in relation to the total number of Group employees, as of December 31, 2025, and amounts to 73.9%. The system is subject to regular internal audits and external certification, confirming compliance with the highest standards of employee health and safety protection. System certification is carried out by an independent accredited certification body as part of periodic surveillance and recertification audits.

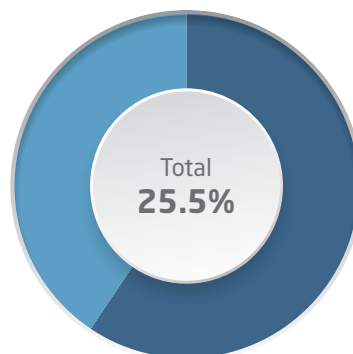
accordance with the regulations of individual countries, while caregiver leave ensures that employees have the right to take time off work to personally care for a family member or a person from the same household who requires significant support due to a serious health condition. All employees are entitled to the aforementioned types of leave, with their duration varying depending on the legislation of the country of operation, ranging from one to three years. Particular attention is given to encouraging fathers to make use of parental leave, thereby promoting a more balanced distribution of family responsibilities. Through the active implementation of these measures, the company creates a stable and supportive working environment, ensuring flexibility and security for employees in balancing their responsibilities. The presented data are based on internal records and the applicable legislative framework. The methodology and calculations of these indicators have not been separately verified by an independent external body that is not the sustainability report assurance provider.

USE OF FAMILY LEAVE 2025

	Croatia		Hungary		Serbia		Russia		AD Plastik Group		Total
	M	F	M	F	M	F	M	F	M	F	
Total employees	622	526	111	156	84	79	77	120	894	881	1,775
Paternity	10	0	2	0	0	0	0	0	12	0	12
Maternity and parental leave	19	41	0	20	0	13	0	14	19	88	107
Care of a family member	25	43	0	0	10	6	0	0	35	49	84
Marriage	3	3	0	0	3	1	0	2	6	6	12
Newborn child	13	0	0	0	4	0	1	0	18	0	18
First day of school	15	6	0	0	0	0	0	0	15	6	21
Death of a close family member	49	40	9	6	0	7	1	6	59	59	118
Moving	3	8	0	0	0	0	0	0	3	8	11
Natural disaster	0	0	0	0	0	0	0	0	0	0	0
Voluntary blood donation	29	11	0	0	18	8	0	0	47	19	66
Humanitarian, cultural or sports events	0	0	0	0	0	0	0	0	0	0	0
Professional training	1	2	1	0	0	0	0	0	2	2	4
Family leave utilization rate	26.8%	29.3%	10.8%	16.7%	41.7%	44.3%	2.6%	18.3%	24.2%	26.9%	25.5%
2025/2024	0.4%	-0.2%	1.0%	-0.8%	14.0%	21.2%	-3.3%	3.1%	1.7%	1.2%	1.4%

The use of family leave in the reporting period increased by 1.4% compared to the previous reporting period.

Croatia	Men	26.8%	<div style="width: 26.8%;"></div>
	Women	29.3%	<div style="width: 29.3%;"></div>
Hungary	Men	10.8%	<div style="width: 10.8%;"></div>
	Women	16.7%	<div style="width: 16.7%;"></div>
Serbia	Men	41.7%	<div style="width: 41.7%;"></div>
	Women	44.3%	<div style="width: 44.3%;"></div>
Russia	Men	2.6%	<div style="width: 2.6%;"></div>
	Women	18.3%	<div style="width: 18.3%;"></div>



SHARE OF FAMILY LEAVE USAGE

100% of employees are entitled to family leave.

GOVERNANCE



G1 BUSINESS CONDUCT



G1

BUSINESS CONDUCT

Business conduct (ESRS G1) within the AD Plastik Group is based on the principles of legality, ethics, transparency and accountability across all segments of operations and throughout the entire value chain. The corporate governance system ensures a clear division of responsibilities between the Management Board, the Supervisory Board, and relevant organisational functions, while integrating sustainability requirements into strategic decision-making, the risk management system, and operational processes.

As part of the double materiality assessment, the topic of business conduct was assessed as material due to identified actual and potential impacts on stakeholders, reputation, and the long-term sustainability of the business model. The identified material subtopics include corporate culture, whistleblower protection, supplier relationship management, and the prevention and detection of corruption and bribery, including employee training and incident management. With regard to the subtopic of political engagement and lobbying, the internal assessment did not identify significant impacts or risks; however, stakeholders assessed it as material.

Material impacts related to business conduct primarily concern the level of stakeholder trust, the Group's reputation, and the quality of relationships within the value chain. Positive impacts arise from strengthening an ethical corporate culture, implementing effective whistleblower protection mechanisms, exercising responsible supplier management, and

consistently applying anti-corruption measures, all of which contribute to business stability and long-term partnerships with customers and suppliers. On the other hand, potential negative impacts may occur in cases of irregularities, non-compliance, or insufficient implementation of control mechanisms, which may result in reputational damage, legal consequences, financial losses, and disruptions in the supply chain. In this context, opportunities are reflected in the further strengthening of the compliance system, enhancing transparency, and integrating ethical standards into risk management processes, thereby increasing the resilience of the business model and the Group's competitiveness in the market.

Topic G1 is integrated into the Group's governance structure and decision-making processes, ensuring a systematic approach to ethical and responsible business conduct in all countries in which the Group operates.

CORPORATE CULTURE

The AD Plastik Group builds its operations on strong principles of corporate governance, ethical conduct and sustainable development, striving to achieve long-term progress in line with stakeholder expectations.



The Code of Business Conduct and corporate policies define the values and principles of responsible business, and their application encompasses not only employees but also all business partners, including suppliers.

The Code of Business Conduct and Policies were adopted with the approval of the Supervisory Board and are aligned with applicable regulatory requirements, relevant industry standards, and best practices. The Code and its accompanying policies are publicly disclosed and available on AD Plastik Group's website and intranet, and have been distributed to employees and relevant business partners, thereby ensuring transparency and clearly communicating the standards and rules of conduct expected in business operations.

Corporate Culture Management

AD Plastik Group develops a corporate culture based on integrity, ethics, and responsibility, ensuring a high standard of professional behaviour. To monitor and improve the corporate culture, the following measures are implemented:

- integration of ethical standards into the human resources management, recruitment and promotion processes
- ensuring independent monitoring and reporting of ethical issues through appropriate internal bodies

Company policies:

- Anti-Corruption Policy
- Anti-Monopoly Policy
- Energy Management Policy
- Sustainable Supplier Management Policy
- Quality Policy
- Environmental Protection Policy
- Occupational Health and Safety Policy
- Human Rights and Ethical Employment Protection Policy
- Corporate Security Policy
- Diversity and Equal Opportunity Policy
- Advertising and Market Communication Code

The listed policies represent a clear commitment of the company, and their implementation will be integrated into business processes, internal regulations, and management systems. Continuous improvements in various management areas are carried out through internal audits and monitoring compliance with international standards.

Although animal welfare was not identified as a material topic for the company's business model in the conducted double materiality assessment, it is nevertheless covered by the existing environmental and sup-

plier-related policies. Through the application of responsible purchasing principles and sustainable value chain management, business partners are expected to comply with relevant industry standards, ethical guidelines, and best practices that include the humane treatment of animals. In this way, compliance with applicable standards is ensured, as well as consistency in the application of responsible and ethical business principles..

WHISTLEBLOWING AND REPORTING MECHANISMS

A comprehensive whistleblowing system has been established to ensure transparency, accountability, and protection for all whistleblowers. Reporting mechanisms are defined in the **Code of Business Conduct**, which applies throughout the entire Group, and are further detailed in the **Rulebook on Whistleblower Protection**, which provides a secure and confidential channel for reporting irregularities. These mechanisms include direct reporting to supervisors or the legal department, reporting via email, as well as anonymous submissions through the internal system and physical suggestion boxes available at all business sites.

The reporting system is not limited to employees but is also available to suppliers, customers, and other business partners through a publicly available email address for reporting irregularities.

Whistleblowers are guaranteed full protection against any retaliation, in accordance with applicable laws and best practices. Reports are processed confidentially and in accordance with clearly defined internal procedures, and the effectiveness of the mechanisms is monitored through the analysis of received and resolved cases, as well as regular social dialogue with employees and their representatives.

The effectiveness of these channels is continuously evaluated through procedure audits, ensuring their accessibility, reliability, and the timely resolution of all reported issues.

During the reporting period, no human rights violations were identified, nor were any concerns or irregularities reported through the established channels, confirming the stability and high level of integrity within the business environment.

WHISTLEBLOWER PROTECTION

- internal channels for reporting irregularities
- all employees have access to information about whistleblower rights
- the Workers' Council has appointed individuals to receive and process reports, with the prescribed support of professional services, ensuring objective and impartial investigations
- measures are taken to protect whistleblowers from retaliation

During the reporting period, no reports were received.

The **Rulebook on Whistleblower Protection** is applied in accordance with the national legislation of the Republic of Croatia, which transposes the relevant EU Directive. In Hungary, the Group's internal policies are applied, as is the case in Russia and Serbia. Regulatory changes continue to be monitored, and the implementation of best practices for the protection of whistleblowers is ensured at all Group sites.

PREVENTING CORRUPTION

AD Plastik Group consistently applies a zero-tolerance policy towards any form of corruption, bribery, and other unethical business practices. The awareness among employees and business partners regarding the importance of ethical business conduct, the availability of reporting mechanisms, and the procedures for preventing risks related to bribery and corruption is continuously strengthened.

Existing measures and practices

- Anti-corruption policy – a binding document for all employees - which define prohibited conduct, expected standards of integrity, and sanctions in the event of violations.
- The Internal Order Regulations specify that using internal contacts for personal purposes constitutes a violation of the employee's work duties

- Whistleblowing mechanisms have been established through confidential channels and are accessible to employees and external stakeholders.

Suspicious of non-compliance with the Company's Code or policies can be reported verbally, in writing, or anonymously. Verbal reports can be made directly to supervisors or the legal department, while written reports can be sent to the email address adpkodeks@adplastik.hr. The received report is forwarded to the Legal Department and Human Resources, and the entire procedure is confidential. Feedback on the report is provided to the whistleblower within 30 days, but no later than 90 days. If it is determined that actions need to be taken to eliminate irregularities, the Company's Management Board, which has not been involved in the procedure up to that point, is informed.

It is stipulated that the procedure is carried out by the Legal Department and Human Resources, who cooperate with the relevant organizational units when examining the report, if they deem it necessary. An annual report on reported irregularities is submitted to the Company's Management Board no later than January 31 for the previous year. In 2025, there were no reported irregularities, convictions, or related penalties.

ACTIVITIES IN IMPLEMENTATION AND PLANNED MEASURES

During 2025, internal training on the Code of Business Conduct and related policies was held for employees of the corporate functions of Purchasing, Sales, Engineering, and Human Resources at the Croatian site. The topics covered included the identification of corruption risks, avoidance of conflicts of interest, mechanisms for the prevention and detection of irregularities, and anti-corruption measures.

The training was completed by 61% of employees from organizational units that were internally identified as potentially high-risk.

The continuation of training on the same topics is planned for the first half of 2026, when the program is scheduled to be expanded to other organizational units as well.

Members of the Management Board and the Supervisory Board are regularly informed about relevant requirements and standards in the

area of anti-corruption and ethical business conduct, in line with the responsibilities arising from their management and supervisory functions. As persons responsible for managing the company's affairs and overseeing its operations, they are required to act with the due care of a prudent and conscientious businessperson and to represent the company in its best interest, for which they are accountable in accordance with the provisions of the Companies Act. In this context, their continuous briefing and training on relevant regulatory requirements are ensured, including topics related to integrity, anti-corruption and responsible corporate governance, while no formal training intended for members of the Management Board and the Supervisory Board was conducted during the reporting period.

During the reporting period, there were no convictions or monetary fines for violations of anti-corruption and anti-bribery laws. Furthermore, no reports related to corruption or bribery were received.

POLITICAL ENGAGEMENT AND LOBBYING

AD Plastik Group does not materially or financially support political parties. This principle is prescribed by the Code of Business Conduct, which establishes the rules of ethical conduct and ensures political neutrality. Participation in public processes is aimed at transparently representing the interests of industry, the economy, and sustainable development, primarily through relevant business and professional associations. In this way, open dialogue and the building of relationships with key stakeholders in society are encouraged and supported.

The Code of Business Conduct was adopted by the Management Board and confirmed by the Supervisory Board, with both bodies, within the scope of their respective responsibilities, participating in the oversight of its implementation.

During the reporting period, company representatives participated in professional conferences, initiatives, and in the work of organizations of which the company is a member, thereby actively contributing to the development of industry standards and public policies relevant to the sector in which it operates.

There were no cases of non-compliance with laws and regulations, nor were there any irregularities recorded in connection with the application of the Code of Business Conduct and policies, for which no financial or other sanctions were imposed.

MEMBERSHIPS IN ASSOCIATIONS

- HR BCSD - Croatian Business Council for Sustainable Development, Katija Klepo, Vice President of the Assembly
- UN Global Compact Croatia, Katija Klepo, member of the Management Committee
- Assembly of the Croatian Chamber of the Economy: Katija Klepo, member
- Economic Council of the Croatian Chamber of Economy - County Chamber Split: Mladen Peroš, Vice President
- Croatian Exporters: Katija Klepo, Member of the Presidency
- Plastic and Rubber Industry Association of the CCE: Management Board member Mladen Peroš, Member of the Association Council
- Vocational Plastics and Rubber Manufacturing Group of the County Chamber Split
- Vocational Group for Environmental Protection in the Economy of the CCE - County Chamber Split
- CIPD - the professional body for HR and people development
- Occupational Safety Community
- Association of metal processing industry of the CCE
- Community for environmental protection in the economy CCE
- Lider Club of Exporters
- Automotive Cluster Russia
- Hungarian Plastics Association
- Association of Hungarian Automotive Component Manufacturers
- Hungarian Chamber of Commerce and Industry
- Serbian Automotive Cluster (ACS)
- Chamber of Commerce and Industry of Serbia
- Business Club of Mladenovac

PARTICIPATION IN CONFERENCES AND BUSINESS EVENTS

- **Big Plans Day Conference**, participant: Katija Klepo
- **Business Integrity Action Challenge**, Zagreb
Panel discussion: From Values to Value: Business Leaders on Integrity in Practice, participant Ana Luketin
- **Challeange conference**
- **20th Convention of Croatian Exporters and 18th "Golden Key" Awards ceremony**, Zagreb
- **Challenge of Change Conference**, Rovinj
- **ESG - Sustainable Future**, Zagreb
- **Let's Support Sustainability**, Zagreb
- **17th conference on sustainable development**, Zagreb

DONATIONS AND SPONSORSHIPS

Sponsorships

- Faculty of Mechanical Engineering and Naval Architecture, Zagreb – Career Days
- Penta d.o.o. – Challenge of Change
- St. Ilija Metković Boatmen's Association ć
- Water Polo Club Jadran, Split

Donations

- County League Against Cancer – Split
- Sports Association for Persons with Down Syndrom "Bili tići", Split
- Football Club Solin
- Youth Water Polo Club Split
- Katarina Perkušić
- Association of Croatian War Veterans Kaštela
- Donation of Decommissioned Computers – Sport and Nautical Fishing Association "Marjan" Split, Permaculture Association Dalmacija Split, Sports Club "Split Marathon" Split, Vocational Secondary School "Blaž Jurjev Trogir" Trogir, Center for Neurodevelopmental Reflex Integration Zagreb, Supporters' Club "Sinjski Maligani" Sinj, Association "Providnost" Split, Cooperative "Artist Vito" Split, Kindergarten "Cvrčak" Solin
- III Gymnasium Split
- Association Futsal Club El Clasico, Sveta Nedelja

SUPPLIER PAYMENTS

In relation to AD Plastik Group as a whole, the parent company's supplier turnover accounts for 73%. Of the total number of foreign suppliers of the parent company, 9% have contracted payment terms of up to 30 days from the invoice date, while 60% have payment terms ranging between 31 and 60 days. The remaining suppliers have contracted payment terms exceeding 60 days. The weighted average time required to settle liabilities to foreign suppliers in the parent company is 72 days from the invoice date, with 33% of obligations settled within 60 days, 40% between 61 and 90 days, and the remainder after 90 days. The average delay in payments compared to the contracted or statutory due date is 15 days for foreign suppliers.

Of the total number of domestic suppliers of the parent company, 59% have contracted or statutory payment terms of up to 30 days from the invoice date, while 32% have payment terms between 31 and 60 days. The remaining suppliers have contracted payment terms exceeding 60 days. The weighted average time required to settle liabilities to domestic suppliers in the parent company is 44 days from the invoice date, with 39% of obligations settled within 30 days, 31% between 31 and 60 days, and the remainder after 60 days. The average delay in payments compared to the contracted or statutory due date is 15 days for domestic suppliers.

Of the total turnover of all suppliers of the parent company, 21% relates to domestic small and medium-sized enterprises (SMEs), for which payment practices are presented in greater detail due to their structural financial sensitivity to delays in collection. For this reason, this note places additional focus on payment practices towards domestic SMEs, as unpredictable payment practices may have a disproportionately negative impact on the liquidity and financial stability of such suppliers, ultimately affecting the sustainability of business relationships. For methodological reasons and to ensure comparability of data regarding SME status and criteria, foreign entities have been excluded from the analysis at the parent company level.

Of the total number of domestic SME suppliers in the parent company, 44% have contracted payment terms of up to 30 days from the invoice date, while an additional 44% have payment terms between 31 and 60 days. The remaining suppliers have contracted payment terms exceeding 60 days. The weighted average time required to settle liabilities to SME suppliers in the parent company is 53 days from the invoice date, with 24% of obligations settled within 30 days, 35% between

31 and 60 days, and the remainder after 60 days. The average delay in payments compared to the contracted or statutory due date is 15 days. Payment delays are most commonly influenced by late receipt and posting of invoices, lack of supporting documentation, potential claims, as well as shifts in cash flow planning. In subsidiaries, the majority of SME suppliers are paid within 30 days from the invoice date. Payments are executed on a weekly basis, in line with the defined cash flow plan, in order to settle all obligations within the month of maturity. As of the reporting date, AD Plastik Group has no outstanding legal proceedings related to delayed payments to suppliers.

In order to prevent delays in payments to suppliers, particularly to small and medium-sized enterprises (SMEs), the Company has established a comprehensive set of operational and financial controls that are implemented on a continuous basis.

The maturity structure of liabilities to suppliers is regularly monitored on a weekly basis, forming the basis for a payment plan that is executed weekly. This establishes a mechanism for continuous monitoring of supplier obligations, enabling timely payments as well as early identification of potential risks that could affect the settlement dynamics.

At the same time, monthly cash flow planning is carried out, including projections of inflows and outflows, with the aim of ensuring a sufficient level of liquidity for the orderly settlement of supplier obligations. As an additional measure, the Company secures liquidity through agreed short-term credit facilities, which are used as needed to avoid payment delays.

The Company communicates responsibly and in a timely manner with suppliers regarding payment inquiries and reconciles account statements where necessary. This ensures a transparent and partnership-based relationship with suppliers and reduces the risk of delayed payments.

These activities form part of the Company's regular financial practices and support the principles of responsible and sustainable supplier management.

	2024	2025
Weighted average time required to pay SMEs (in days)	68	53
Average payment delay from due date (in days)	22	15

	2024		2025	
	Contracted or statutory payment term	Share of payments	Contracted or statutory payment term	Share of payments
Maturity up to 30 days	37%	27%	44%	24%
Maturity from 31 to 60 days	37%	28%	44%	35%
Maturity over 61 days	26%	45%	12%	41%



EU TAXONOMY

DISCLOSURES IN ACCORDANCE WITH ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

The EU Taxonomy is a key part of the European Union's (EU) ambition to become the first climate-neutral continent by 2050. The EU Taxonomy represents a classification system that helps investors and other market participants identify environmentally sustainable economic activities. Regulation (EU) 2020/852 (hereinafter: the EU Taxonomy or the Regulation) establishes the framework and defines the criteria for determining whether an economic activity is environmentally sustainable.

The EU Taxonomy defines six environmental objectives:

- 1.** Climate change mitigation (CCM) – defines activities that reduce greenhouse gas emissions;
- 2.** Climate change adaptation (CCA) – defines activities that contribute to adaptation to current or expected climate change;
- 3.** The sustainable use and protection of water and marine resources (WTR) – defines activities that contribute to sustainable water management;
- 4.** The transition to a circular economy (CE) – defines activities that promote resource efficiency and waste reduction;
- 5.** Pollution prevention and control (PPC) – defines activities that prevent or control pollution;
- 6.** The protection and restoration of biodiversity and ecosystems - BIO) - defines activities that protect or restore ecosystems.



For an economic activity listed under any of the environmental objectives to be considered environmentally sustainable, it must meet the substantial contribution criteria, the Do No Significant Harm (DNSH) criteria, and be carried out in compliance with minimum safeguards. In preparing this EU Taxonomy report, in addition to the basic Regulation, all delegated acts related to the EU Taxonomy have been taken into account:

- 1.** Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021 establishing technical screening criteria for activities that substantially contribute to climate change mitigation or climate change adaptation;
- 2.** Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021 specifying the content and presentation of information to be disclosed by undertakings regarding environmentally sustainable economic activities;
- 3.** Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022 amending economic activities in certain energy sectors and specifying related disclosures of information on those economic activities;
- 4.** Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 supplementing economic activities and technical screening criteria for climate change mitigation or climate change adaptation;
- 5.** Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023 establishing technical screening criteria for activities that substantially contribute to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems, and supplementing the content and presentation of information to be disclosed by undertakings;
- 6.** Commission Delegated Regulation (EU) 2024/3215 of June 28, 2024 correcting certain language versions of Delegated Regulation (EU) 2021/2139 supplementing Regulation (EU) 2020/852 by establishing technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity does no significant harm to any of the other environmental objectives;
- 7.** Commission Delegated Regulation (EU) 2026/73, published on January 8, 2026, amends and simplifies earlier Delegated Regulations (EU) 2021/2178, 2021/2139 and 2023/2486. The Regulation is part of the "Omnibus" package and introduces significant changes, including the simplification of technical screening criteria, simplified KPI templates and the introduction of the concept of materiality in reporting.

In preparing disclosures for the financial year 2025, the Group has taken into account the possibility of applying the simplifications introduced by Commission Delegated Regulation (EU) 2026/73, to the extent that they are applicable to reporting for 2025. As part of the Omnibus I package, AD Plastik Group continues to implement the necessary activities to ensure compliance with updated regulatory requirements, including the preparation and disclosure of Taxonomy KPIs, as well as the accompanying qualitative disclosures that form part of the ESRS standards.

The OpEx KPI has been analysed in accordance with Delegated Regulation (EU) 2021/2178 and the amendments introduced by Delegated Regulation (EU) 2026/73. Based on the assessment performed, it was determined that the items included in the OpEx KPI are quantitatively insignificant, i.e. immaterial, and therefore OpEx is not presented in detail in separate tabular annexes.

ANALYSIS OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ACTIVITIES

AD Plastik Group has carried out an analysis of its economic activities in accordance with the requirements of the EU Taxonomy, based on the activities actually performed and the available technical and financial records for 2025. The analysis was conducted conservatively, with the aim of identifying Taxonomy-eligible activities and their linkage to the relevant financial KPIs. In classifying the activities, consideration was given to the nature of the products and services, their actual use, their alignment with the activity descriptions set out in the EU Taxonomy, and the possibility of reliably allocating turnover, CapEx and OpEx to a specific activity.

Based on the analysis performed, it has been determined that AD Plastik Group's main Taxonomy-eligible activity is **3.18 - Manufacture of automotive and mobility components**, under the environmental objective of **climate change mitigation**. This activity has been identified as primary, as the Group's business model relates exclusively to the production of components for the automotive industry. Such products, through their technical characteristics, including mass and aerodynamic properties, may contribute to reducing fuel consumption and emissions during the use phase of vehicles. In addition, the Group's products are also integrated into low- and zero-emission vehicles, the share of which

among customers is gradually increasing. The high recyclability of the products is also relevant in the context of meeting the DNSH criteria, particularly with regard to efficient use of resources and the reduction of waste generation.

In addition to activity 3.18, certain activities related to waste management, the vehicle fleet, buildings and data infrastructure have also been identified to a limited extent, exclusively in cases where it was possible to establish a sufficiently clear link with the description of the relevant activity and the available documentation.

The results of this analysis were identified as taxonomy-eligible, and financial KPIs for 2025 were associated with them, as presented in the table below.

Objective	Activity code	Economic activity name
CCM	3.18	Manufacture of automotive and mobility components
CE	1.1	Manufacture of plastic packaging
CE	2.3	Collection and transport of non-hazardous and hazardous waste
CCM	6.5	Transport by motorcycles, passenger cars and light commercial vehicles
CCM	7.3	Installation, maintenance and repair of energy efficiency equipment
CCM	7.7	Acquisition and ownership of buildings
CCM	8.1	Data processing, hosting and related activities

In including turnover, CapEx and OpEx, a prudent approach was applied, whereby only those items for which a reasonably clear and documented link to a specific Taxonomy-eligible activity could be established were included. General, administrative, financial and other overhead costs were not included in Taxonomy-eligible KPIs where such a link could not be demonstrated with sufficient reliability.

With regard to Taxonomy alignment, AD Plastik Group concluded that, in the reporting year, it was not possible to confirm with the required level of assurance the alignment of all identified Taxonomy-eligible activities, primarily due to the need for additional documentation of the technical screening criteria for substantial contribution, DNSH requirements and minimum safeguards. Consequently, at this stage, the focus has been on identifying Taxonomy-eligible activities, while the methodology, records and documentation basis for the assessment of alignment will be further enhanced in the upcoming reporting periods.

MINIMUM SAFEGUARDS

AD Plastik Group applies fundamental principles of responsible business conduct in its operations, including principles of business ethics, respect for human and labour rights, and responsible conduct in business relationships. These principles are embedded in the Group's core internal acts, including codes and key policies governing relevant areas of business.

During the reporting period, the Group continued to develop its approach to the areas covered by minimum safeguards, alongside the gradual strengthening of the related internal framework.

However, for 2025, the Group was not in a position to confirm full compliance with all minimum safeguards requirements for the purpose of reporting Taxonomy-aligned activities.

AD Plastik Group will continue to further develop its internal framework in this area in the upcoming period, in line with regulatory requirements and the development of its own governance practices.

KEY PERFORMANCE INDICATORS (KPIs) UNDER THE EU TAXONOMY

AD Plastik Group has carried out the identification of its economic activities for the purposes of reporting in accordance with the EU Taxonomy, based on the activities actually performed, rather than solely on registered activities. The objective of the analysis was to determine the scope of Taxonomy-eligible activities and to ensure their consistent linkage with the relevant financial KPIs for 2025.

Based on the determined scope of activities, key performance indicators (KPIs) for turnover and capital expenditure (CapEx) were calculated. The process of identification, mapping and calculation was carried out with the involvement of relevant organisational functions, with the aim of ensuring the accuracy, consistency and transparency of the approach applied. Particular attention was paid to avoiding double counting, i.e. the multiple inclusion of the same activities across different environmental objectives, activities or entities within the Group.

As part of the assessment of Taxonomy KPIs, an analysis of operating expenses (OpEx) was also performed. Taking into account the regulatory framework, which allows a focus on material and relevant information, it was concluded that OpEx does not have a materially significant impact on Group's Taxonomy KPIs, i.e. it amounts to less than 10% of the Group's turnover and operating costs.

Accordingly, OpEx has not been presented in detail as a separate disclosure, and its relevance has instead been assessed at the level of the denominator of individual KPIs.

The classification of economic activities was carried out using a structured approach, whereby activities were analysed based on their actual economic nature, the purpose of products and services, alignment with the activity descriptions set out in the EU Taxonomy, and the possibility of reliable financial allocation. In this context, the inclusion of activities in the KPI calculation considered the technical description of the activity, the characteristics of products and processes, and the availability of data required for consistent linkage with turnover, capital expenditure and, where applicable, operating expenses.

The calculated KPIs are presented below, while the tables prescribed by the applicable delegated act are included in the annex to this report.

ACCOUNTING POLICIES AND KEY PERFORMANCE INDICATORS (KPIs)

For the purposes of calculating KPIs, AD Plastik Group performed a structured analysis of consolidated financial data, including the general ledger, fixed asset records, investment records, and available project, contractual and technical documentation, in order to ensure that each KPI includes complete, accurate and appropriately allocated amounts, in accordance with the requirements of the Delegated Act on Disclosures. The calculation was performed separately for turnover, CapEx and OpEx. The denominator of the turnover KPI was determined based on the Group's consolidated turnover, the denominator of the CapEx KPI based on additions to tangible and intangible fixed assets and other investments covered by the applicable EU Taxonomy rules, while the denominator of the OpEx KPI was determined based on the relevant operating expenses as defined in the Delegated Act on Disclosures. The numerators of individual KPIs were determined by identifying and allocating those amounts that can be associated with the relevant Taxonomy activities, based on their actual economic linkage and the substance of the transaction.

The analysis was carried out at the consolidated the Group level and covered entities in Croatia, Hungary, Serbia and Russia. It was taken into account that individual entities within the Group apply partially different accounting policies, levels of analytical detail and methods of recording business transactions. For this reason, a conservative approach was applied in the mapping and allocation process, particularly in cases where there was no direct and unambiguous link between the accounting records and a specific Taxonomy activity. In such cases, amounts were included in KPIs only where there was a reasonable, documented and verifiable basis for linking them to a particular activity. For the purpose of ensuring the accuracy and consistency of the reported KPIs, the Group applied the principle of single allocation, according to which the same financial amount could not be included more than once within the same KPI nor simultaneously allocated to multiple Taxonomy activities without a clearly established, documented and verifiable basis for such allocation. Controls to avoid double counting were implemented by linking each amount to the underlying accounting records, reviewing project and investment identifiers, verifying transaction descriptions and, where applicable, reconciling with contractual and technical documentation. Where a particular turnover, investment or cost was associated with multiple activities, only the portion of the amount that could be reliably linked to the relevant Taxonomy activity was included in the KPI, based on the available documentation and the applied allocation methodology. The remaining portion of such amounts was not reallocated to other KPIs or other activities without an appropriate basis.

In addition, prior to the final disclosure of KPIs, a consistency check was performed between narrative disclosures, financial records and quantitative indicators, in order to ensure that only those amounts

for which there is an appropriate basis for classification, allocation and disclosure were included in the calculation. Estimates were used only in cases where direct allocation was not possible based on existing records, applying consistent and reasonably justified assumptions. In circumstances of differing local recording practices and a limited level of detail in part of the documentation of certain entities, the company applied the principle of prudence, such that amounts without a sufficient basis for reliable linkage were not included in Taxonomy KPIs. All KPIs for the purposes of this report are presented at the consolidated AD Plastik Group level, together with the accompanying qualitative information on the methodology, scope and estimates used. Based on the analysis performed, the Taxonomy-eligible but not aligned activities identified are presented below, while there were no Taxonomy-aligned activities at AD Plastik Group level in this reporting year.

Indicator	Taxonomy-eligible activities		Taxonomy-aligned activities	
	2024	2025	2024	2025
Turnover	76.03%	99.34%	-	-
CapEx	74.43%	64.91%	-	-
OpEx	15.78%	N/A	-	-

In 2025, the share of taxonomy-eligible activities within the turnover and CapEx KPIs increased compared to the previous year. This development is primarily the result of further improvements to the methodological framework for the identification, assessment and financial mapping of economic activities covered by the EU Taxonomy, including a more detailed definition of activity scope, more precise linkage of financial data to relevant activities, and a more consistent application of criteria for the inclusion and exclusion of items in KPI calculations. Compared to 2024, an additional review of the data and underlying inputs used in the calculation of the indicators was performed in 2025, with the aim of strengthening the alignment of the methodology with regulatory requirements and internal interpretations of the applicable rules under Article 8 of the Taxonomy Regulation and the related delegated acts. As a result, the indicators reported for 2025 reflect a higher level of precision, completeness and consistency in determining the eligible scope of activities and the related financial amount.

Accordingly, changes in the indicators for 2025 should be considered not only in the context of operational and investment developments during the year, but also in light of the methodological improvements implemented in the preparation of the disclosures. In this respect, comparability between reporting periods exists with certain limitations, as the 2025 data reflect an improved approach to the identification and allocation of items for the purposes of EU Taxonomy reporting.

For the OpEx KPI, no taxonomy-eligible amount was reported in 2025, as following the application of the definition of operating expenses for EU Taxonomy purposes and the assessment of relevance, no material scope of costs appropriate for KPI disclosure was identified. Accordingly, the KPI is presented as N/A.

TURNOVER

For the purposes of calculating the KPI related to turnover, AD Plastik Group included in the numerator the net turnover generated from products and services associated with Taxonomy-eligible activities, while the denominator includes the total consolidated net turnover of the Group, in accordance with point 1.1.1 of Annex I to the Delegated Act on Disclosures. The total turnover used for the denominator corresponds to the turnover presented in the financial statements in accordance with IAS 1, paragraph 82(a). This is disclosed in Notes 4 and 5 to the 2025 financial statement.

The analysis of turnover was performed based on the activities actually carried out and the available financial and technical records, whereby only those amounts of turnover for which a reasonably clear and documented link to the identified Taxonomy-eligible activities could be established were included in the calculation. A conservative approach was applied in the classification and allocation of turnover, ensuring the avoidance of double counting and the consistent application of

the same methodology across the entire Group. Annex I also requires the undertaking to explain how turnover, CapEx and OpEx have been determined and allocated to the numerator and on what basis they have been calculated, including any estimates used in allocating them across different activities.

In the calculation of the turnover KPI, only turnover arising from the Group's ordinary activities, i.e. from its own economic activities, is included. Accordingly, turnover not derived from own operations has been excluded, such as gains on the disposal of non-current assets, turnover from the reversal of provisions, insurance and damage-related turnover, and similar non-recurring or non-operating items. Exceptionally, turnover that, although recognised outside ordinary turnover, substantively arises from operating activities has been included, such as income from the use of own products and services, as well as the sale of waste and secondary raw materials generated in the production process.



SHARE OF TAXONOMY-ELIGIBLE/NON-ELIGIBLE ACTIVITIES IN TOTAL TURNOVER AT THE CONSOLIDATED LEVEL

Turnover from Taxonomy-eligible activities	99.34%
Turnover from Taxonomy-aligned activities	0.00%
Turnover from Taxonomy-non-eligible activities	0.66%

In 2025, at AD Plastik Group level, **99.34% of total turnover** was identified as Taxonomy-eligible, corresponding to **EUR 158.71 million** out of total taxonomy turnover of **EUR 159.76 million**.

No taxonomy-aligned turnover was reported, i.e. its share amounts to **0.00%**. The largest share of taxonomy-eligible turnover relates to activity **3.18 - Manufacture of automotive and mobility components**, which accounts for **99.16%** of the Group's taxonomy-eligible turnover, or approximately **EUR 158.43 million**. To a lesser extent, turnover was also identified in relation to activity **2.3 - Collection and transport of non-hazardous and hazardous waste** and activity **7.7 - Acquisition and ownership of buildings**, each accounting for **0.09% of total turnover**, or approximately **EUR 0.14 million**.

In 2025, the share of taxonomy-eligible turnover of the AD Plastik Group amounted to 99.34% of total turnover, compared to 76.03% in 2024. The increase in the share of eligible turnover primarily reflects a stronger concentration of turnover in the core activity 3.18 - Manufacture of automotive and mobility components, as well as a more precise mapping of individual turnover to taxonomy-eligible activities. Compared to the previous year, there was also a reclassification of a minor portion of waste management-related turnover, which in 2025 was allocated to activity 2.3 under the circular economy objective. Despite the very high share of taxonomy-eligible turnover, no taxonomy-aligned turnover was reported in either 2024 or 2025, as it was not possible, by the reporting date, to fully confirm compliance of the relevant activities with all applicable technical screening criteria, DNSH requirements, and minimum safeguards.

CAPITAL EXPENDITURE (CAPEX)

For the purposes of calculating the KPI related to capital expenditure, AD Plastik Group included in the numerator additions to tangible and intangible fixed assets and other investments covered by the applicable EU Taxonomy rules that can be associated with Taxonomy-eligible activities, while the denominator includes total CapEx determined in accordance with point 1.1.2 of Annex I to the Delegated Act on Disclosures. The Act requires the denominator to include additions to tangible and intangible assets during the financial year before depreciation, impairments and remeasurements, including additions resulting from business combinations.

For entities applying IFRS, CapEx for the purposes of this KPI includes amounts recognised under the relevant standards, in particular **IAS 16 - Property, Plant and Equipment**, **IAS 38 - Intangible Assets**, **IAS 40 - Investment Property**, **IAS 41 - Agriculture** and **IFRS 16 - Leases**.

In practice, this means that the denominator includes the relevant additions to assets and right-of-use assets recognised under these standards, while for entities applying local accounting frameworks, comparable categories of costs corresponding to CapEx under the IFRS approach are used. The above information is presented in Notes 18 and 19 to the financial statements.

The analysis of capital expenditure was carried out based on fixed asset records, investment records and available technical, project and contractual documentation. Only those investments for which a reasonably clear and documented link to the identified Taxonomy-eligible activities could be established were included in the calculation. A conservative approach to allocation was applied, particularly in cases where an asset is used for multiple activities or where it was not possible to directly and unambiguously link the investment to a specific Taxonomy activity.



SHARE OF TAXONOMY-ELIGIBLE/NON-ELIGIBLE ACTIVITIES IN CAPITAL EXPENDITURE AT THE CONSOLIDATED LEVEL

CapEx from Taxonomy-eligible activities	64.91%
CapEx from Taxonomy-aligned activities	0.00%
CapEx from Taxonomy-non-eligible activities	35.09%

In 2025, the share of taxonomy-eligible CapEx of the AD Plastik Group amounted to 64.91% of total CapEx, compared to 74.43% in 2024. The decrease in the share of eligible CapEx primarily reflects a change in the Group's investment profile between reporting periods, with investments in 2025 distributed across a broader range of activities, and a lower relative share of the previously dominant activity 3.18 - Manufacture of automotive and mobility components.

At the same time, the structure of eligible investments in 2025 shows greater diversification, including investments in plastic packaging, buildings, energy efficiency, data processing, waste management and vehicles. No taxonomy-aligned CapEx was reported in either 2024 or 2025.

OPERATING EXPENSES (OPEX)

For the purpose of assessing the OpEx KPI, the AD Plastik Group analysed operating expenses in accordance with points 1.1.3.1 and 1.1.3.2 of Annex I to the Delegated Act on Disclosures. Total OpEx in 2025 amounted to **EUR 4.78 million**, representing **2.99% of total turnover of EUR 159 million** and **3.12%** of total operating expenses of **EUR 153 million** (Notes 6-12 to the financial statements).

In assessing the materiality of OpEx, the AD Plastik Group applied a reference threshold of 10%, consistent with the approach used to assess the significance of activities within individual KPIs. Given that OpEx in 2025 represents only 2.99% of the Group's total turnover and 3.12% of total operating expenses, it was assessed that its impact on the taxonomy KPIs is not material. Accordingly, OpEx was not subject to further detailed breakdown, except to the extent necessary to meet disclosure requirements.



Share of turnover, capital expenditure and operating expenses from products or services associated with Taxonomy-aligned economic activities - disclosure for year (N) (summary of key performance indicators)

Financial year (N) 2025

KPI (1)	Total (2)	Share of Taxonomy-eligible activities (3)	Taxonomy-aligned activities (4)	Share of Taxonomy-aligned activities (5)	Breakdown of Taxonomy-aligned activities by Taxonomy environmental objectives						Share of enabling activities (12)	Share of transitional activities (13)	Non-assessed activities considered immaterial (14)	Taxonomy-aligned activities in the previous financial year (N-1) (15)	Share of Taxonomy-aligned activities in the previous financial year (N-1) (16)
					Climate change mitigation (6)	Climate change adaptation (7)	Water and marine resources (8)	Circular economy (9)	Pollution prevention and control (10)	Biodiversity and ecosystems (11)					
	EUR million	%	EUR million	%	%	%	%	%	%	%	%	%	%	Currency	%
Turnover	159.76	99.34%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	99.82%	0.00%	0.00%	0	0.00%
CapEx	5.45	64.91%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	49.60%	5.23%	0.00%	0	0.00%
OpEx	4.78	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

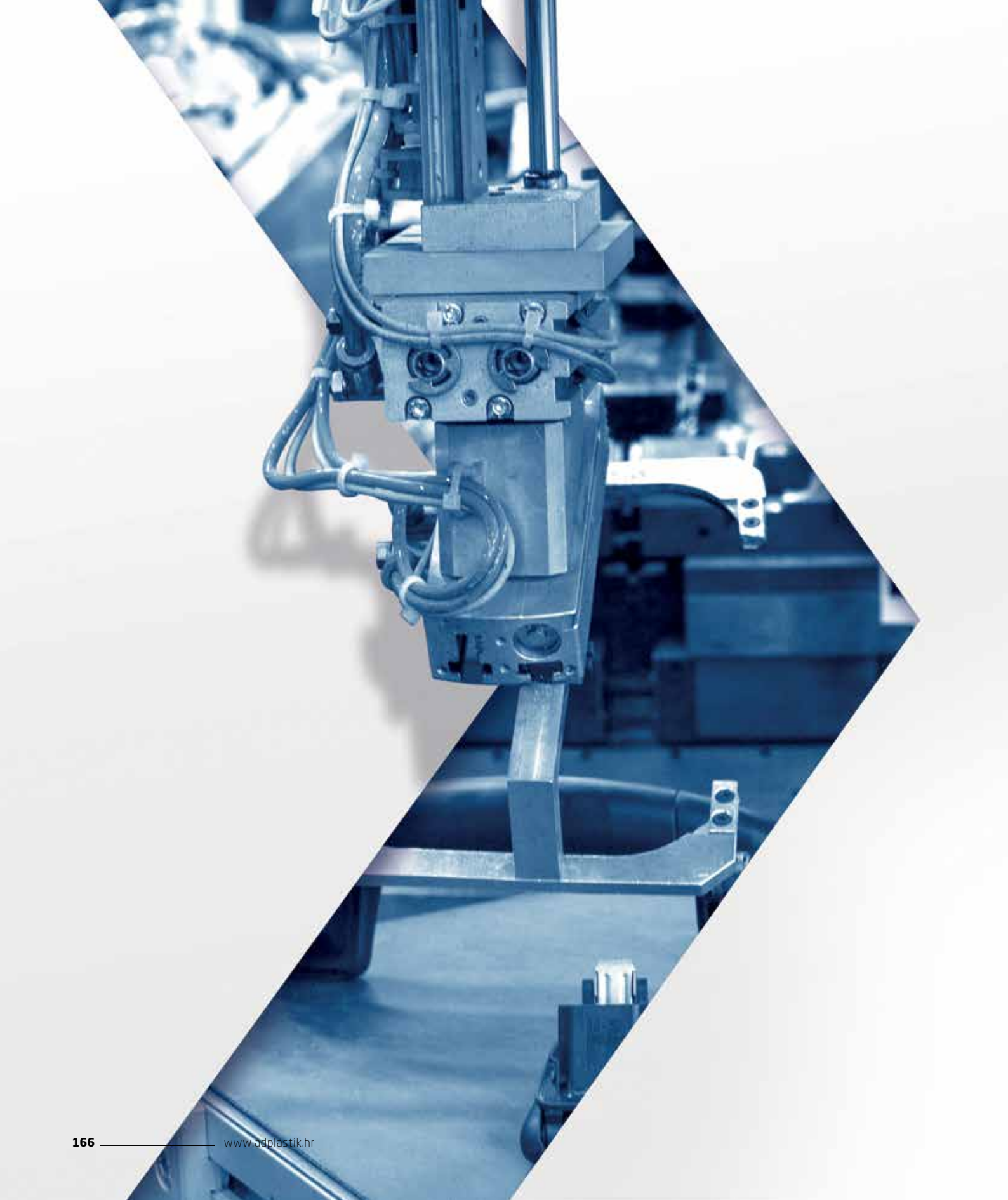
**Share of turnover from Taxonomy-eligible/
non-eligible activities in total turnover at the
consolidated level, in accordance with Annex II to
the Delegated Act on Disclosures.**

Disclosed key performance indicator (KPI) - (turnover)		Turnover											
Financial year 2025		2025											
Economic activities (1)	Code (2)	KPI of Taxonomy-eligible activities (share of turnover from Taxonomy-eligible activities) (3)			Taxonomy environmental objectives for Taxonomy-aligned activities						Enabling activity (12)	Transitional activity (13)	Share of Taxonomy-aligned activities within Taxonomy-eligible activities (14)
		KPI of Taxonomy-aligned activities (monetary value of turnover) (4)	KPI of Taxonomy-aligned activities (share of turnover from Taxonomy-aligned activities) (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water and marine resources (8)	Circular economy (9)	Pollution prevention and control (10)	Biodiversity and ecosystems (11)				
		%	EUR million	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
3.18 Manufacture of automotive and mobility components	CCM	99.16%	-	0.00%	-	-	-	-	-	-	-	-	0.00%
2.3 Collection and transport of non-hazardous and hazardous waste	CE	0.09%	-	0.00%	-	-	-	-	-	-	-	-	0.00%
7.7. Acquisition and ownership of buildings	CCM	0.09%	-	0.00%	-	-	-	-	-	-	-	-	0.00%
Total alignment by environmental objective					0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Total KPI (turnover)		99.34%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			0.00%

Turnover from Taxonomy-eligible activities	99.34%
Turnover from Taxonomy-non-eligible activities	0.66%
Turnover from Taxonomy-aligned activities	0.00%

Share of capital expenditure from Taxonomy-eligible/non-eligible activities in total capital expenditure at the consolidated level, in accordance with Annex II to the Delegated Act on Disclosures.

Disclosed key performance indicator (KPI) - (CapEx)		CapEx																
Financial year 2025																		
Economic activities (1)	Code (2)	KPI of Taxonomy-eligible activities (share of CapEx from Taxonomy-eligible activities) (3)			KPI of Taxonomy-aligned activities (monetary value of CapEx) (4)			KPI of Taxonomy-aligned activities (share of CapEx from Taxonomy-aligned activities) (5)			Taxonomy environmental objectives for Taxonomy-aligned activities					Enabling activity (12)	Transitional activity (13)	UShare of Taxonomy-aligned activities within Taxonomy-eligible activities (1.4)
		%	EUR million	%	%	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%			
1.1. Manufacture of plastic packaging	CE	22.09%	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
2.3. Collection and transport of non-hazardous and hazardous waste	CE	0.74%	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
3.18. Manufacture of automotive and mobility components	CCM	31.22%	-	0.00%	-	-	-	-	-	-	-	-	E	-	-	0.00%		
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	CCM	0.69%	-	0.00%	-	-	-	-	-	-	-	-	-	T	-	0.00%		
7.3. Installation, maintenance and repair of energy efficiency equipment	CCM	0.97%	-	0.00%	-	-	-	-	-	-	-	-	E	-	-	0.00%		
7.7. Acquisition and ownership of buildings	CCM	6.49%	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	0.00%		
8.1. Data processing, hosting and related activities	CCM	2.71%	-	0.00%	-	-	-	-	-	-	-	-	-	T	-	0.00%		
Total alignment by environmental objective					0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%							
Total KPI (CapEx)		64.91%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					0.00%		



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INTERSECTORAL AND THEMATIC STANDARDS ARISING FROM OTHER EUROPEAN UNION REGULATIONS

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS 2 GOV-1	Gender diversity in the Management Board	21 (d)	Indicator No. 13 from Table 1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		78
ESRS 2 GOV-1	Percentage of Management Board members who are independent	21 (c)			Delegated Regulation (EU) 2020/1816, Annex II		73
ESRS 2 GOV-4	Statement on due diligence	30	Indicator No. 10 from Table 3 of Annex I				89
ESRS 2 SBM-1	Involvement in activities related to fossil fuels and energy	40 (d) i	Indicator No. 4 from Table 1 of Annex I	Regulation (EU) No. 575/2013, Article 449a Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS 2 SBM-1	Involvement in activities related to the production of chemicals	40 (d) ii	Indicator No. 9 from Table 2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS 2 SBM-1	Involvement in activities related to controversial weapons	40 (d) iii	Indicator No. 14 from Table 1 of Annex I				non-material

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS E1-1	Transition plan to achieve climate neutrality by 2050.	14				Regulation (EU) 2021/1119, Article 2(1)	non-material
ESRS E1-1	Companies excluded from Paris Agreement benchmarks	16 (g)		Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1), points (d) to (g), and Article 12(2)		non-material
ESRS E1-4	Greenhouse gas emission reduction targets	34	Indicator No. 4 from Table 2 of Annex I	Article 449a of Regulation (EU) No. 575/2013	Delegated Regulation (EU) 2020/1818, Article 6		105
ESRS E1-5	Energy consumption from fossil sources broken down by source	38	Indicator No. 5 from Table 1 and Indicator No. 5 from Table 2 of Annex I				104
ESRS E1-5	Energy intensity related to activities in sectors with significant climate impact	40-43	Indicator No. 6 from Table 1 of Annex I				103
ESRS E1-6	Gross greenhouse gas emissions from Scope 1, 2, and 3, and total emissions	44	Indicators No. 1 and 2 from Table 1 of Annex I	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6, and Article 8(1)		106

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS E1-6	Gross greenhouse gas emissions intensity	53-55	Indicator No. 3 from Table 1 of Annex I	Regulation (EU) No. 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Template 3; Banking book - Climate change transition risk; Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		106
ESRS E1-7	Greenhouse gas removals and carbon credits	56				Regulation (EU) 2021/1119, Article 2(1)	non-material
ESRS E1-9	Exposure of the reference portfolio to physical climate-related risks	66			Delegated Regulation (EU) 2020/1818, Delegated Regulation (EU) 2020/1816, Annex II		non-material
ESRS E1-9	Breakdown of monetary amounts by acute and chronic physical risk	66 (a)		Regulation (EU) No. 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, points 46 and 47; Template 5; Banking book - Physical climate risk: Exposures subject to physical risk			non-material
ESRS E1-9	Location of significant assets exposed to material physical risk	66 (c)		Regulation (EU) No. 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, points 46 and 47; Template 5; Banking book - Physical climate risk: Exposures subject to physical risk			non-material

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS E1-9	Breakdown of the carrying amount of company properties by energy efficiency classes	67 (c)					non-material
ESRS E1-9	Degree of portfolio exposure to opportunities related to climate change	69				Delegated Regulation (EU) 2020/1818, Annex II	non-material
ESRS E2-4	Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) released into air, water, and soil	28	Annex I, indicator no. 8 table 1, Annex I, indicator no. 2 table 2, Annex I, indicator no. 1 table 2, Annex I, indicator no. 3 table 2				non-material
ESRS E3-1	Water and marine resources	9	Indicator No. 7 from Table 2 of Annex I				non-material
ESRS E3-1	Specific policy	13	Indicator No. 8 from Table 2 of Annex I				non-material
ESRS E3-1	Sustainable oceans and seas	14	Indicator No. 12 from Table 2 of Annex I				non-material
ESRS E3-4	Total volume of recycled and reused water	28, (c)	Indicator No. 6.2. from Table 2 of Annex I				non-material
ESRS E3-4	Total water consumption in m ³ per net revenue from own operations	29	Indicator No. 6.1. from Table 2 of Annex I				non-material

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS 2-IRO 1	E4	16 (a) i	Indicator No. 7 from Table 1 of Annex I				non-material
ESRS 2-IRO 1	E4	16 (b)	Indicator No. 10 from Table 2 of Annex I				non-material
ESRS 2-IRO 1	E4	16 (c)	Indicator No. 14 from Table 2 of Annex I				non-material
ESRS E4-2	Sustainable land/ agricultural practices or policies	24 (b)	Indicator No. 11 from Table 2 of Annex I				non-material
ESRS E4-2	Sustainable ocean/sea practices or policies	24 (c)	Indicator No. 12 from Table 2 of Annex I				non-material
ESRS E4-2	Policies addressing deforestation	24 (d)	Indicator No. 15 from Table 2 of Annex I				non-material
ESRS E5-5	Hazardous and radioactive waste	39	Indicator No. 9 from Table 1 of Annex I				120
ESRS 2-SBM3-S1	Risk of forced labor	14 (f)	Indicator No. 13 from Table 3 of Annex I				non-material
ESRS 2-SBM3-S1	Risk of child labor	14 (g)	Indicator No. 12 from Table 3 of Annex I				non-material
ESRS S1-1	Human rights policy commitments	20	Indicator No. 9 from Table 3 and Indicator No. 11 from Table 1 of Annex I				128
ESRS S1-1	Due diligence policies on matters covered by ILO Core Conventions 1 to 8	21			Delegated Regulation (EU) 2020/1816, Annex II		128
ESRS S1-1	Procedures and measures to prevent human trafficking	22	Indicator No. 11 from Table 3 of Annex I				128

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS S1-1	Occupational accident prevention policy or management system	23	Indicator No. 1 from Table 3 of Annex I				143, 144
ESRS S1-3	Grievance mechanism	32 (c)	Indicator No. 5 from Table 3 of Annex I				139, 150
ESRS S1-14	Number of fatalities, and number and rate of occupational accidents	88 (b) and (c)	Indicator No. 2 from Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		143, 144
ESRS S1-14	Number of days lost due to injuries, accidents, fatalities, or illness	88 (e)	Indicator No. 3 from Table 3 of Annex I				143
ESRS S1-16	Unadjusted gender pay gap	97 (a)	Indicator No. 12 from Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		140
ESRS S1-16	Excessive pay ratio between executives and employees	97 (b)	Indicator No. 8 from Table 3 of Annex I				140
ESRS S1-17	Incidents of discrimination	103 (a)	Indicator No. 7 from Table 3 of Annex I				139
ESRS S1-17	Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines	104 (a)	Indicator No. 10 from Table 1 and Indicator No. 14 from Table 3 of Annex I		Delegated Regulation (EU) 2020/1816 and Commission Delegated Regulation (EU) 2020/1818, Annex II, Article 12(1)		130
ESRS 2-SBM3-S2	High risk of child labour or forced labour in the value chain	11 (b)	Indicators No. 12 and 13 from Table 3 of Annex I				non-material

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS S2-1	Human rights policy commitments	17	Indicator No. 9 from Table 3 and Indicator No. 11 from Table 1 of Annex I				non-material
ESRS S2-1	Policies relating to workers in the value chain	18	Indicators No. 11 and 4 from Table 3 of Annex I				non-material
ESRS S2-1	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	19	Indicator No. 10 from Table 1 of Annex I			Delegated Regulation (EU) 2020/1816 and Commission Delegated Regulation (EU) 2020/1818, Annex II, Article 12(1)	non-material
ESRS S2-1	Due diligence policies on issues covered by ILO Core Conventions 1 to 8	19				Delegated Regulation (EU) 2020/1816, Annex II	non-material
ESRS S2-4	Human rights issues and incidents related to higher and lower tiers of the value chain	36	Indicator No. 14 from Table 3 of Annex I				non-material
ESRS S3-1	Commitments in the area of human rights protection policy	16	Indicator No. 9 from Table 3 of Annex I and Indicator No. 11 from Table 1 of Annex I				non-material
ESRS S3-1	Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO principles, and OECD Guidelines	17	Indicator No. 10 from Table 1 of Annex I			Delegated Regulation (EU) 2020/1816 and Delegated Regulation (EU) 2020/1818, Annex II, Article 12(1)	non-material

Disclosure Requirement	Description	Data Point	Sustainable Finance Disclosure Regulation	Pillar III	Benchmark Regulations	European Climate Law	Page or materiality 2025
ESRS S3-4	Human rights issues and related incidents	36	Indicator No. 14 from Table 3 of Annex I				non-material
ESRS S4-1	Policies related to consumers and end users	16	Indicator No. 9 from Table 3 and Indicator No. 11 from Table 1 of Annex I				non-material
ESRS S4-1	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	17	Indicator No. 10 from Table 1 of Annex I		Delegated Regulation (EU) 2020/1816 and Delegated Regulation (EU) 2020/1818, Annex II, Article 12(1)		non-material
ESRS S4-4	Human rights issues and related incidents	35	Indicator No. 14 from Table 3 of Annex I				non-material
ESRS G1-1	United Nations Convention against Corruption	10 (b)	Indicator No. 15 from Table 3 of Annex I				150
ESRS G1-1	Whistleblower protection	10 (d)	Indicator No. 6 from Table 3 of Annex I				150
ESRS G1-4	Fines for violations of anti-corruption and anti-bribery regulations	24 (a)	Indicator No. 17 from Table 3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		151
ESRS G1-4	Anti-corruption and anti-bribery standards	24 (b)	Indicator No. 16 from Table 3 of Annex I				150, 151

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INCORPORATION OF INFORMATION BY REFERENCE

ESRS data point	Description of information	Referenced document	Location
ESRS 2 GOV-3	Remuneration policy and incentive schemes for members of management bodies	Remuneration Report	Integrated Annual Report, p. 80
ESRS G1-1	Business ethics and corporate culture policies	Code of Business Conduct	Code of Business Conduct and Policies
ESRS G1-3	Anti-corruption and anti-bribery policies	Anti-Corruption Policy	Code of Business Conduct and Policies
ESRS G1-2	Supplier relationship management	Sustainable Supplier Management Policy	AD Plastik/Purchasing
ESRS S1-1	Employee- and human rights-related policies	Human Rights Protection and Ethical Employment Policy	Code of Business Conduct and Policies
ESRS E1-1	Climate change-related policies	Environmental Protection Policy	Code of Business Conduct and Policies
ESRS E5-1	Resource use and circular economy policies	Environmental Protection Policy	Code of Business Conduct and Policies
ESRS S1-14	Occupational health and safety policies	Employee Health and Safety Policy	Code of Business Conduct and Policies



INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT



Independent Auditor's Limited Assurance Report on the Sustainability Report

To the Shareholders of AD Plastik d.d.

Limited assurance conclusion

We have performed a limited assurance engagement on whether the Consolidated Sustainability Report of AD Plastik d.d. ("the Company") and its subsidiaries (collectively, "the Group"), included in the *Sustainability Report* section of the Group's Management Report as of and for the year ended 31 December 2025 ("the Sustainability Report"), has been prepared in accordance with the Croatian Accounting Law (Official Gazette 85/24,145/24) ("the Accounting Law").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's Sustainability Report as of and for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the Accounting Law, including:

- Compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Sustainability Report ("the Process") is in accordance with the description set out in the *Double Materiality Analysis* section thereof; and
- Compliance of the disclosures in the *EU Taxonomy* section of the Sustainability Report with the reporting requirements of Article 8 of Regulation (EU) 2020/852 ("the Taxonomy Regulation").

Our conclusion on the Sustainability Report does not extend to any other information that accompanies or contains the Sustainability Report and our limited assurance report thereon. We have not performed any assurance procedures as part of this engagement with respect to such other information. However, we audited the Group's consolidated financial statements as of and for the year ended 31 December 2025 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, forming part of the other information, and our auditor's report thereon is also included with the other information.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics of Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code), together with the ethical requirements that are relevant to our assurance engagements on the Sustainability Reports in Croatia.

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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



Independent Auditor's Limited Assurance Report on the Sustainability Report (continued)

Responsibilities for the Sustainability Report

The Management Board of the Company is responsible for designing, implementing and maintaining a process to identify the information reported in the Sustainability Report in accordance with the ESRS and for disclosing this Process in the *Double Materiality Analysis* section of the Sustainability Report. This responsibility includes:

- Understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- Identifying the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- Assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- Developing methodologies and making assumptions that are reasonable in the circumstances.

The Management of the Company is further responsible for the preparation of the Sustainability Report in accordance with the Accounting Law, including:

- Compliance with the ESRS;
- Preparing the disclosures in the *EU Taxonomy* section of the Sustainability Report, in compliance with Article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal controls that the management of the Company determines are necessary to enable the preparation of the Sustainability Report such that it is free from material misstatement, whether due to fraud or error; and
- Selecting and applying appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the reporting process for the Group's Sustainability Report.

Inherent limitations in preparing the Sustainability Report

There are inherent limitations regarding the measurement or evaluation of the sustainability matters presented in the Sustainability Report subject to limited assurance, which have been set out below:

- As described in the *About the integrated report* section, greenhouse gas emissions quantification is subject to inherent uncertainty as a result of both scientific and estimation uncertainty;
- Certain metrics reported within the Sustainability Statement may be subject to inherent limitations.
- In reporting forward-looking information in accordance with the ESRS, the Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected;
- In determining the disclosures in the Sustainability Report, the Management interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.



Independent Auditor's Limited Assurance Report on the Sustainability Report (continued)

Our responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Report is free from material misstatement, whether due to fraud or error, and reporting our limited assurance conclusion to the Company's shareholders. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Report as a whole.

Our responsibilities in relation to the Process for reporting the Sustainability Report, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the *Double Materiality Analysis* section.

Our other responsibilities in respect of the Sustainability Report include:

- Obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Report but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures focused on disclosures in the Sustainability Report where material misstatements are likely to arise. 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.

Summary of the work we performed as the basis for our conclusion

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Report. We designed and performed our procedures to obtain evidence about the Sustainability Report that is sufficient and appropriate to provide a basis for our conclusion.

The nature, timing and extent of our procedures depended on our understanding of the Sustainability Report and other engagement circumstances, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Report. We exercised professional judgment and maintained professional skepticism throughout the engagement.

In conducting our limited assurance engagement, with respect to the Process, the procedures we performed included:

- Obtaining an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by management (including stakeholder engagement, business plans and strategy documents); and
 - inspecting the Group's internal documentation of its Process.
- Evaluating whether the evidence obtained from our procedures about the Process was consistent with the description of the Process set out in the *Double Materiality Analysis* section.



Independent Auditor's Limited Assurance Report on the Sustainability Report (continued)

Summary of the work we performed as the basis for our conclusion (continued)

In conducting our limited assurance engagement with respect to the Sustainability Report, the procedures we performed included:

- Obtaining an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Report by performing inquiries of the relevant personnel and inspecting the Group's internal documentary evidence;
- Evaluating whether material information identified by the Process is included in the Sustainability Report;
- Evaluating whether the structure and the presentation of the Sustainability Report is in accordance with the ESRS;
- Performing inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Report;
- Performing substantive assurance procedures on a sample basis on selected disclosures in the Sustainability Report;
- Obtaining evidence on the methods, assumptions and data for developing material estimates and forward-looking information and on how these methods were applied;
- Obtaining an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Report;
- Evaluating whether the standardized reporting templates required by the Taxonomy Regulation were appropriately used to present the key performance indicators;
- Assessing whether the taxonomy disclosures are reconciled, where relevant, with the Group's consolidated financial statements; and
- Performing substantive assurance procedures on selected taxonomy disclosures.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

KPMG Croatia d.o.o.

KPMG Croatia d.o.o. za reviziju

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24 April 2026

ESG INDICATORS

The data presented in this table are disclosed for additional transparency and informational purposes and are not subject to audit of the Sustainability Report.

Environmental	Unit	2024	2025
MethaN (CH ₄) Scope 1	Thousand Metric TonNs CO ₂ e	0	0
ODS Emissions	Thousand Metric TonNs	0	0
Nitrous Oxide (N ₂ O) Scope 1	Thousand Metric TonNs	0	0
Sulfur Hexafluoride (SF ₆) Scope 1	Thousand Metric TonNs	0	0
MethaN (CH ₄) Scope 1 in CO ₂ Equivalent	Thousand Metric TonNs CO ₂ e	0	0
Nitrous Oxide (N ₂ O) Scope 1 in CO ₂ Equivalent	Thousand Metric TonNs CO ₂ e	0	0
Hydrofluorocarbon (HFC) Scope 1 in CO ₂ Equivalent	Thousand Metric TonNs CO ₂ e	0	0
Perfluorocarbon (PFC) Scope 1 in CO ₂ Equivalent	Thousand Metric TonNs CO ₂ e	0	0
Sulfur Hexafluoride (SF ₆) Scope 1 CO ₂ Equivalent	Thousand Metric TonNs CO ₂ e	0	0
Nitrogen Oxide Emissions	Thousand Metric TonNs	0	0
Sulphur Dioxide Emissions	Thousand Metric TonNs	0	0
VOC Emissions	Thousand Metric TonNs	0.01	
Carbon Monoxide Emissions	Thousand Metric TonNs	0	0
Particulate Emissions	Thousand Metric TonNs	0	0
Sulphur Oxide Emissions	Thousand Metric TonNs	0	0
Total Water Withdrawal	Thousand Cubic Meters	41	45
Total Water Use	Thousand Cubic Meters	41	45
Discharges to Water	Thousand Metric TonNs	23.01	26.00

Total Water Discharged	Thousand Cubic Meters	23.01	26.00
Process Water	Thousand Cubic Meters	11.72	11.74
Municipal Water	Thousand Cubic Meters	37.29	41.40
Groundwater Withdrawals	Thousand Cubic Meters	3.63	3.50
Chemical Oxygen Demand of Discharges	Metric TonNs	0	0
Biological Oxygen Demand of Discharges	Metric TonNs	0	0
Water Policy (1)	Y/N	Y	Y
Water Stress Exposure Percentage	Percentage	0	0
Number of Environmental Incidents	Count	0	0
Number of Significant Spills	Count	0	0
Amount of Significant Environmental FiNs	Million Reporting Currency	0	0
Environmental Supply Chain Management (2)	Y/N	Y	Y
Sustainable Packaging	Y/N	Y	Y
Social	Unit		
Intellectual Property Rights Protection Policy (1)	Y/N	Y	Y
Percentage of Company Facilities Non-Compliance	Percentage	0	0
Cybersecurity Risk Management	Y/N	Y	Y
Number of FiNs for Marketing and Labeling	Count	0	0
Amount of FiNs for Marketing and Labeling	Million Reporting Currency	0	0

ESG INDICATORS

Community Spending	Million Reporting Currency	0.19	0.07
Consumer Yta Protection Policy (1)	Y/N	Y	Y
Critical Materials Policy (1)	Y/N	Y	Y
Product Yta Security Policy (1)	Y/N	Y	Y
Yta Security Risks Discussed	Y/N	Y	Y
Executive with Responsibility for Yta Security	Y/N	Y	Y
Human Rights Remediation Process	Y/N	Y	Y
Customer Satisfaction Survey Conducted	Y/N	Y	Y
Company Diversity Target Indicator	Y/N	Y	Y
Social Supply Chain Management (2)	Y/N	Y	Y
Number Supplier Facilities Audited	Count	3,0	1,0
Sustain Sup GuideliNs Encomp ESG Area Pub Disclsd	Y/N	Y	Y
Number of Suppliers	Count	2,228	2,314
Number of Critical Suppliers	Count	0	0
Governance	Unit	2024	2025
Auditor Ratification	Y/N	Y	Y
Auditor Ratification Support Level	Percentage	100	100
Supervisory Board Size	Count	7	7
Supervisory Board Independent Members	Count	3	3
Pct of Supervisory Board Independent Members	Percentage	42.85	42.85

Term of Office Duration in the Supervisory Board	Years	4	4
Supervisory Board Meetings for the Year	Count	4	6
Supervisory Board Meeting Attendance	Percentage	96.43	92.86
Share of Women in the Supervisory Board	Percentage	57.00	57.00
Supervisory Board Average Age	Years	62	62
Supervisory Board Age Limit	Years	N	N
CEO Duality	Y/N	N	N
Audit Committee Meetings	Count	4.00	4.00
Classified Management System	Y/N	Y	Y
Unitary or Two Tier Board System	Nominal (1-2)	2	2
Members of the Management Board	Count	3	3
Former Management Board President in the Supervisory Board	Y/N	N	N
Percentage of Non-Executive Members in the Supervisory Board	Percentage	100	100
Term of Office Duration of the Management Board Members	Years	5	2
Supervisory Board Members Attending Less than 75% of the Meetings	Count	0	0
Women in the Supervisory Board	Count	4	4
Employee Representative in the Supervisory Board	Count	1	1
The Youngest Supervisory Board Member	Years	35	36
The Oldest Supervisory Board Member	Years	73	74
Supervisory Board Members Age Range	Years	38	38

ESG INDICATORS

Management Board Average Age	Years	51	51
Independent Members Attendance at the Supervisory Board Meetings	Percentage	100.00	88.89
Size of Audit Committee	Count	4	4
Independent Members in the Audit Committee	Count	2	2
Pct of Independent Members in the Audit Committee	Percentage	50.00	50.00
Independent Audit Committee President	Y/N	Y	N
Supervisory Board Members in the Audit Committee	Count	4	4
Audit Committee Meeting Attendance	Percentage	100	100
Size of Remuneration Committee	Count	3	3
Independent Members in the Remuneration Committee	Count	1	0
Pct of Independent Members in the Remuneration Committee	Percentage	33.33	0.00
Independent Remuneration Committee President	Y/N	N	N
Supervisory Board Members in the Remuneration Committee	Count	2	3
Remuneration Committee Meetings	Count	1	1
Remuneration Committee Meeting Attendance	Percentage	100	100
Size of Appointment Committee	Count	3	3
Independent Members in the Appointment Committee	Count	1	0
Pct of Independent Members in the Appointment Committee	Percentage	33.33	0.00
Independent Appointment Committee President	Y/N	Y	N
Supervisory Board Members in the Appointment Committee	Count	2	3

Appointment Committee Meetings	Count	1	2
Appointment Committee Meeting Attendance	Percentage	100	100
Executive Director with Responsibility for CSR	Y/N	Y	Y
Audit Financial Expert	Y/N	Y	Y
Company conducts Supervisory Board evaluations	Y/N	N	N
Management Board Compensation Linked to ESG	Y/N	Y	Y
Say On Pay Provision	Y/N	Y	Y
Frequency of Say on Pay Votes	Years	4.00	2.00
Chg of Ctrl Benefits/Golden Parachute Agreements	Y/N	N	N
Say on Pay Number of Votes FOR	Count	2.60	2.60
Say on Pay Number of Votes AGAINST	Count	0	0
Say on Pay Support Level	Percentage	100	100
Company Has Executive Share Ownership Guidelines	Y/N	N	N
Management Share Ownership Guidelines	Y/N	N	N
Comp Discloses Management Board President or Equivalent Pay Ratio Flg	Y/N	Y	Y
Management Board President or Equivalent Appointed from Within	Y/N	Y	Y
UNqual Voting Rights	Y/N	N	N
UNqual Voting Rights Shares Issued	Y/N	N	N
Controlled Company	Y/N	N	N



AUDITOR'S REPORT AND FINANCIAL STATEMENTS

AD PLASTIK d.d., SOLIN

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2025**

MANAGEMENT BOARD RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the Accounting Act of the Republic of Croatia, the Management Board is responsible for ensuring that consolidated financial statements are prepared for each financial year in accordance with International Financial Reporting Standards ("the IFRSs"), as adopted in the European Union, which give a true and fair view of the financial position and results of operations of AD Plastik d.d., Solin and its subsidiaries ("the Group") for that period.

After making enquiries, the Management Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the financial statements.

In preparing those financial statements, the Management Board is responsible for:

- selecting and then consistently applying suitable accounting policies;
- making reasonable and prudent judgements and estimates;
- following applicable accounting standards and disclosing and explaining any material departure in the consolidated financial statements;
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Group and its' compliance with the Croatian Accounting Act. The above stated responsibility includes the responsibility for accuracy of the Management Report, which is an integral part of consolidated financial statements and submission of financial statements in unique XBRL electronic reporting format (ESEF) prescribed by regulatory technical standards developed by ESMA (European Securities and Markets Authority) and adopted by the European Commission. The Management Board is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of embezzlement and other irregularities.

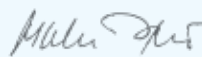
Signed by the members of the Management Board:

For AD Plastik d.d. Solin by:

President of the Management Board
Katija Klepo



Member of Management Board
Mladen Peroš



Member of Management Board
Goran Soko



Ad Plastik d.d.
Matoševa 8
21210 Solin
Republic of Croatia
24 April 2026

Independent Auditor's Report

To the shareholders of AD Plastik d.d.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of AD Plastik d.d. ("the Parent Company") and its subsidiaries ("the Group"), which comprise:

- the consolidated statement of financial position as at 31 December 2025;

and, for the year from 1 January 2025 to 31 December 2025:

- the consolidated statement of profit or loss and other comprehensive income;
- the consolidated statement of changes in equity;
- the consolidated statement of cash flows;

and

- notes, comprising material accounting policies and other explanatory information ("the consolidated financial statements").

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and Regulation (EU) No. 537/2014 of the European Parliament and of the Council. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group in accordance with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in the Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REVENUE RECOGNITION

Revenue in 2025: EUR 157,872 thousand (2024: EUR 147,967 thousand). As at 31 December 2025, trade receivables: EUR 26,796 thousand; accrued revenue: EUR 652 thousand (31 December 2024, trade receivables: EUR 25,045 thousand; accrued revenue: EUR 423 thousand).

Please refer to the Note 2.4 Revenue recognition of Significant accounting policies and Note 4 Sales in the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is an important metric used to evaluate the financial performance of the Group. In the year ended 31 December 2025, its principal revenue streams included sales of car parts and of customized tools developed by the Group. As discussed in Note 2.4, revenue is recognized when control over the goods is transferred to the customer.</p> <p>Application of the revenue recognition principles of the relevant financial reporting standard, IFRS 15 <i>Revenue from Contracts with Customers</i> ("the Standard"), is complex and requires making significant assumptions and judgment. In the Group's case, particular complexity is associated with the following aspects:</p> <ul style="list-style-type: none"> • Determination of whether a customer contract exists requires the Group to assess whether one document or a combination of documents, including general terms of business, nomination letter, agreement with customer and purchase orders, create enforceable rights and obligations of the parties to the arrangement. • Goods with different revenue recognition patterns, such as spare parts and tooling, may be sold as part of one contract or several contracts accounted for as one arrangement. The Group applies significant judgment in identifying contracts which require to be combined and accounted for as one arrangement, and in identifying performance obligations therein. 	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Assessing the accounting policy for recognition of revenue and its compliance with the requirements of the Standard; • Updating our understanding of the Group's revenue recognition process, and testing the design and implementation of selected related internal controls within; • For a sample of sales transactions in the current year, inspecting underlying contractual provisions and making inquiries of relevant sales and finance personnel, in order to challenge: <ul style="list-style-type: none"> - The existence of a customer contract, by reference to the relevant criteria of the Standard, including, among other things, those relating to the parties' commitment to their obligations and probability of collecting the consideration due; - Identification of the contracts which require to be accounted for on a combined basis and of performance obligations within those contracts, by among other things, assessment of whether the goods and services in the arrangements are distinct and also whether any subsequent changes to the contract price arising from the learning curve result in the reduced price representing the parts' stand-alone selling price;

<ul style="list-style-type: none"> • Many contracts with customers entitle customers to price reductions after a certain period of purchase orders (as a result of expected reduction in the Group's costs along its learning curve). Judgement is required to determine whether such 'efficiency savings' provide customers with material rights to be accounted for as separate performance obligations. • Tooling arrangements are typically contracts or framework agreements between the Group and its customers for the sale of tools to be used in the production of customized parts for a given customer. Since such tooling arrangements may vary with respect to transfer of development activities and ownership, careful assessment to determine whether, among other things, an arrangement is a sale, a lease or development of its own equipment, whether it contains a lease and whether it is a separate performance obligation from the sale of car parts. <p>In the wake of the above factors, we considered revenue recognition to be associated with a significant risk of material misstatement in the consolidated financial statements. Therefore, the area required our increased attention in the audit and as such was determined to be a key audit matter.</p>	<ul style="list-style-type: none"> • Inspecting underlying contracts with customers for tooling sales transactions to identify any lease component embedded within those contracts, mainly by evaluating ownership rights, the party directing the use of the tool and whether there is a separate performance obligation in relation to the sale of car parts. • For a sample of sales transactions selected as part of the preceding procedure, challenging the timing of the transfer of control, the resulting pattern of revenue recognition and revenue amounts, by reference to sales invoices, inventory and shipping documents, customer acceptance forms and other documents as appropriate; • For a sample of invoices, obtaining confirmations of the amounts receivable outstanding as at the reporting date, and evaluating any differences between the amounts confirmed and the Group's records, by inspecting the underlying documentation such as contracts, invoices, shipping documents, customer acceptance forms and payments made by customers; • Inspecting journal entries posted to revenue accounts focusing on unusual and irregular items; • Examining whether the Group's revenue recognition-related disclosures in the separate financial statements appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.
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Other Information

Management is responsible for the other information. The other information comprises the Management Report (together with Sustainability Statement) and the Corporate Governance Report included in the Annual Report of the Group, but does not include the consolidated financial statements and our auditor's report thereon.

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

We have performed a limited assurance engagement on the Consolidated Sustainability Statement that forms part of the other information and provided a separate unmodified assurance practitioner's conclusion thereon that is included within the other information.

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

With regard to the Management Report and the Corporate Governance Report, we also performed procedures prescribed by applicable legal requirements and we report that:

- the information given in the Management Report and the Corporate Governance Report for the financial year for which the consolidated financial statements are prepared, is consistent, in all material respects, with the consolidated financial statements;
- the Management Report and the Corporate Governance Report have been prepared, in all material respects, in accordance with applicable legal requirements.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 International Standards on Auditing 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 consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Information Required by Regulation (EU) No. 537/2014 of the European Parliament and the Council

Appointment of Auditor and Period of Engagement

We have been appointed to audit the annual consolidated financial statements of the Group by resolution of those charged with governance dated 17 July 2025. Our period of total uninterrupted engagement is 6 years, covering the periods ended 31 December 2020 to 31 December 2025.

Consistency with Additional Report to Audit Committee

We confirm that our audit opinion is consistent with the additional report to the Audit Committee.

Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 of the European Parliament of the Council and Article 44 of the Audit Act were provided and that we remained independent in conducting the audit.

Report on Compliance with the ESEF Regulation

In accordance with the requirements of Article 462 paragraph 5 of Capital Market Act, we are required to express an opinion on whether the consolidated financial statements of the Group as at and for the year ended 31 December 2025, as included in the attached electronic file adplastik-grupa-2025-12-31-1-en.zip, have been prepared, in all material respects, in accordance with the requirements of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format ("the RTS on ESEF").

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation of the consolidated financial statements in a digital format that complies with the RTS on ESEF. This responsibility includes:

- the preparation of the consolidated financial statements in the applicable XHTML format and their publication;
- the selection and application of appropriate iXBRL tags, using judgment where necessary;
- creating and properly anchoring extension elements where no suitable element exists;
- performing block-tagging where required;
- ensuring consistency between digitised information and the consolidated financial statements presented in human-readable format; and
- the design, implementation and maintenance of internal control relevant to the application of the RTS on ESEF.

Those charged with governance are responsible for overseeing the Group's ESEF reporting, as a part of the financial reporting process.

Auditor's Responsibilities

Our responsibility is to express an opinion on whether the consolidated financial statements have been prepared, in all material respects, in accordance with the RTS on ESEF, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about whether the consolidated financial statements have been prepared, in all material respects, in accordance with the RTS on ESEF. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements of set out in the RTS on ESEF, whether due to fraud or error. Reasonable assurance is a high degree of assurance. However, it does not guarantee that the scope of procedures will identify all significant (material) non-compliance with the RTS on ESEF.

Our procedure included, among others:

- obtaining an understanding of the Group's ESEF preparation process;
- evaluating the design and implementation of relevant controls over the iXBRL tagging process;
- assessing the XHTML structure and the completeness of tagging;
- evaluating the appropriate application of core taxonomy elements, the creation and anchoring of extension elements, and the application of block-tagging where required; and, where relevant,
- assessing consistency between machine-readable and human-readable versions and the signed audited consolidated financial statements.

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

Opinion

In our opinion, based on the procedures performed and evidence obtained, the consolidated financial statements of the Group as at and for the year ended 31 December 2025 presented in ESEF format and contained in the aforementioned attached electronic file, have been prepared, in all material respects, in accordance with the requirements of the RTS on ESEF.

KPMG Croatia d.o.o.

KPMG Croatia d.o.o. za reviziju

24 April 2026

Croatian Certified Auditors
Eurotower, 17th floor
Ivana Lučića 2a
10000 Zagreb
Croatia

KPMG Croatia
d.o.o. za reviziju
Eurotower, 17. kat
Ivana Lučića 2a, 10000 Zagreb
5



Domagoj Hrkać
Member of the Management Board, Croatian Certified Auditor

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Notes	2025	2024
Sales	4	157,872	147,967
Other income	5	2,083	4,476
Total income		159,955	152,443
Increase in the value of work in progress and finished products	23	331	418
Cost of raw material and supplies	6	(74,290)	(64,871)
Cost of goods sold	7	(9,145)	(24,229)
Service costs	8	(12,652)	(11,726)
Staff costs	9	(40,646)	(34,638)
Depreciation and amortisation	10	(12,186)	(10,811)
Other operating expenses	11	(4,065)	(3,961)
Provisions for risks and charges, (net)	12	(264)	(1)
Impairment of trade receivables, (net)		(37)	(23)
Total operating expenses		(152,954)	(149,842)
Profit from operations		7,001	2,601
Finance income	13	1,088	271
Finance costs	14	(1,283)	(2,917)
Finance costs (net)		(195)	(2,646)
Share in the profit of associates	22	9,010	3,091
Profit before taxation		15,816	3,046
Income tax expense	15	(1,557)	(914)
Profit for the year		14,259	2,132

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Notes	2025	2024
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of a foreign operation, items	16	(224)	(1,099)
Accruals of foreign exchange differences from the current year, net of tax	16	1,314	(621)
Other comprehensive income for the year, net of income tax		1,090	(1,720)
Total comprehensive income for the year		15,349	412
Profit attributable to:			
Equity holders of the Company		14,259	2,132
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Equity holders of the Company		15,349	412
Non-controlling interests		-	-
Basic and diluted earnings per share (in euros and cents)	17	3.42	0.51

The accompanying policies and notes form an integral part of these of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Note	31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Intangible assets	18	8,143	9,540
Goodwill	36	2,391	2,391
Property, plant and equipment	19	89,522	92,183
Right-of-use assets	20	1,573	2,478
Investment property	21	3,178	3,217
Investments in associates	22	16,382	10,812
Deferred tax assets	15	2,577	3,300
Total non-current assets		123,766	123,921
Current assets			
Inventories	23	21,856	23,464
Trade receivables	24	26,796	25,045
Other receivables	25	4,946	3,126
Cash and cash equivalents	26	7,777	4,262
Prepaid expenses		556	629
Accrued income		652	432
Total current assets		62,583	56,958
TOTAL ASSETS		186,349	180,879

The accompanying policies and notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AT 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Note	31.12.2025	31.12.2024
Shareholder's equity and liabilities			
Share capital	27	54,595	54,595
Capital and other reserves		24,340	24,119
Retained earnings		35,365	20,194
Total shareholder's equity		114,300	98,908
Long-term provisions	28	450	466
Long-term borrowings	29	18,451	17,850
Deferred revenue	30	-	1
Lease liabilities	31	881	1,380
Deferred tax liability	15	940	940
Total non-current liabilities		20,722	20,637
Advances received	32	9,015	5,938
Trade payables	33	18,948	22,471
Short-term borrowings	34	15,767	26,756
Other current liabilities	35	4,820	3,948
Lease liabilities	31	752	1,146
Short-term provisions	28	2,025	1,075
Total current liabilities		51,327	61,334
Total liabilities		72,049	81,971
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		186,349	180,879

The accompanying policies and notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Share capital	Capital reserves	Legal, statutory and general reserves	Reserves from accruals of foreign exchange differences	Reserves for own shares	Own shares	Retained earnings	Exchange differences on translation of a foreign operation	Total equity attributable to the equity holders of the parent	Non-controlling interests	Total
Balance at 31 December 2024	54,595	25,893	10,012	(4,061)	793	(793)	20,194	(7,726)	98,908	-	98,908
Loss for the year	-	-	-	-	-	-	14,259	-	14,259	-	14,259
Other comprehensive income for the year	-	-	-	1,314	-	-	1	(224)	1,090	-	1,090
Total comprehensive income for the year	-	-	-	1,314	-	-	14,261	(224)	15,349	-	15,349
Disposal of own (treasury) shares	-	(5)	-	-	(46)	46	46	-	41	-	41
Transactions with owners recognized directly in equity	-	(5)	-	-	(46)	46	46	-	41	-	41
Realization of recognised exchange differences	-	-	-	423	-	-	(423)	-	-	-	-
Disposal of reserves for not written off costs of development	-	-	(1,287)	-	-	-	1,287	-	-	-	-
Balance at 31 December 2025	54,595	25,888	8,725	(2,324)	747	(747)	35,365	(7,950)	114,300	-	114,300

The accompanying policies and notes form an integral part of these of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Share capital	Capital reserves	Legal, statutory and general reserves	Reserves from accruals of foreign exchange differences	Reserves for own shares	Own shares	Retained earnings	Exchange differences on translation of a foreign operation	Total equity attributable to the equity holders of the parent	Non-controlling interests	Total
Balance at 31 December 2023	54,595	25,938	7,783	(3,795)	2,772	(871)	18,668	(6,627)	98,464	-	98,464
Profit for the year	-	-	-	-	-	-	2,132	-	2,132	-	2,132
Other comprehensive income for the year	-	-	-	(621)	-	-	(1)	(1,099)	(1,720)	-	(1,720)
Total comprehensive income for the year	-	-	-	(621)	-	-	2,131	(1,099)	412	-	412
Release of reserves for own (treasury) shares	-	-	-	-	(1,979)	-	1,979	-	-	-	-
Disposal of own (treasury) shares	-	(45)	-	-	-	78	-	-	33	-	33
Transactions with owners recognized directly in equity	-	(45)	-	-	(1,979)	78	1,979	-	33	-	33
Realization of recognised exchange differences	-	-	-	355	-	-	(355)	-	-	-	-
Reserves for not written off costs of development	-	-	2,229	-	-	-	(2,229)	-	-	-	-
Balance at 31 December 2024	54,595	25,893	10,012	(4,061)	793	(793)	20,194	(7,726)	98,908	-	98,908

The accompanying policies and notes form an integral part of these of these financial statements..

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

Cash flows from operating activities	Note	2025	2024
Profit for the year		14,259	2,132
Adjusted for:			
Income tax expense	15	1,557	914
Depreciation and amortization	10	12,186	10,811
Impairment of property, plant and equipment	11	-	154
Impairment of intangible assets	11	248	277
Interest expense and foreign exchange differences recognized in profit or loss		1,343	1,850
Share of profit of associates	22	(9,010)	(3,091)
Gains on disposal of property, plant and equipment and intangible assets	5	(64)	(1,273)
Interest income	13	(170)	(271)
Increase in long-term and short-term provisions, net		934	89
Impairment of trade receivables, net		37	23
Impairment and write-down of inventories	6	253	182
Operating profit before changes in working capital		21,574	11,797
Decrease in inventories	23	1,356	8,642
(Increase) in trade receivables		(5,166)	(767)
(Increase)/decrease in other receivables	25	(1,811)	2,947
(Decrease)/increase in trade payables		(1,465)	1,540
Increase/(decrease) in liabilities for advances received	32	3,078	(4,401)
Increase/(decrease) in other current liabilities		1,491	(940)
(Increase)/decrease in accrued income and prepaid expenses		(148)	2
Interest paid		(1,356)	(1,621)
Income tax paid		(1,412)	(743)
Net cash flows from operating activities		16,142	16,456
Cash flows from investing activities			
Interest received		161	288
Acquisition of property, plant and equipment	19	(4,194)	(9,894)
Acquisition of intangible assets	18	(1,046)	(3,013)
Proceeds from sale of property, plant and equipment and intangible assets		146	2,319
Dividends received		5,850	618
Net cash used in investing activities		917	(9,683)
Cash flows from financing activities			
Proceeds from borrowings	34	16,900	21,398
Repayment of borrowings	34	(28,069)	(27,221)
Repayment of lease liabilities	31	(1,132)	(1,144)
Net cash from/(used in) financing activities		(12,302)	(6,967)
Unrealized foreign exchange differences on cash and cash equivalents		(24)	(11)
Net increase/(decrease) in cash and cash equivalents		4,733	(205)
Cash and cash equivalents at the beginning of the year	26	3,044	3,249
Cash and cash equivalents at the end of the year	26	7,777	3,044

The accompanying policies and notes form an integral part of these of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. NEW STANDARDS AND INTERPRETATIONS

1.1. Application of new and revised International Financial Reporting Standards

A number of new standards, amendments to existing standards and interpretations have been issued by the International Accounting Standards Board and the International Financial Reporting Standards Interpretations Board, but have not yet entered into force for the accounting period ending 31 December 2025 and/or have not been adopted by the European Union and as such were not applied in the preparation of these financial statements. Most of the new standards, changes to existing standards and interpretations adopted by the European Union, which are not yet in use, will not have a significant impact on the Group's financial statements.

Except for the changes below, the Group has consistently applied the accounting policies as set out in the Notes below to all periods presented in these financial statements.

1.2. Effective standards, amendments to standards and implementations - adopted in 2025

Effective from 1 January 2025 the following standards, amendments or interpretations came into force:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: *Lack of Exchangeability* (issued on 15 August 2023);

The amendments to IAS 21 introduce requirements for assessing when a currency is exchangeable into another currency and when it is not. If a currency is determined to be non-exchangeable, entities are required to estimate the spot exchange rate. The amendments also introduce additional disclosure requirements. These changes apply to annual reporting periods beginning on or after 1 January 2025, with early application permitted.

Adoption of these standards and amendments has not determined substantial effects on the amounts recognized in balance sheet or income statement or impact on disclosure of accounting policies.

1.3. Standards, amendments to standards and interpretations issued but not yet effective

The standards, amendments to standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

- Amendments to IFRS 9 Financial instruments and IFRS 7 Financial instruments: Disclosures: *Classification and measurement of Financial Instruments* (issued on 30 May 2024; effective date 1 January 2026);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (issued on 18 July 2024; effective date 1 January 2026);
- Amendments to IFRS 9 Financial instruments and IFRS 7 Financial instruments: Disclosures: *Nature-dependent electricity contracts* (issued on 18 December 2024; effective date 1 January 2026);
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024; effective date 1 January 2027);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024; effective date 1 January 2027);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Disclosures: *Translation to Hyperinflationary Presentation Currency* (issued on 13 November 2025; effective date 1 January 2027);
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Disclosure: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (issued on 11 September 2014; effective date to be determined);

The Group is still in the process of assessing the impact of IFRS 18 and the related amendments, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash-flows, other disclosures of MPMs and the grouping of financial information. Other amendments and standards are not expected to significantly affect the Group's financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Set out below are the principal accounting policies consistently applied in the preparation of the financial statements for the current and prior year.

2.1. Statement of compliance

The separate financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

2.2. Basis of preparation

The Group maintains its accounting records in the Croatian language, in euro and in accordance with Croatian laws and the accounting principles and practices observed by enterprises in Croatia. All components of the Group maintain accounting records in their functional currencies. The preparation of the consolidated financial statements requires from the Management Board to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on the information available as at the date of preparation of the financial statements, and actual results could differ from those estimates.

The consolidated financial statements of the Group represent aggregate amounts of assets, liabilities, capital and reserves of the Group as of 31 December 2025, and the results of operations for the year that ended.

Consolidated financial statements are presented in euro (EUR). All amounts presented in the financial statements are expressed in thousands of euros unless otherwise stated, and there may be differences of 1 in the totals due to rounding.

2.3. Basis of consolidation

Accompanying consolidated financial statements comprise of the Company's financial statements and the entities under its control. The control principle sets out the following three elements of control:

- power over the investee;
- exposure, or rights, to variable returns from involvement with the investee; and
- the ability to use power over the investee to affect the amount of those returns.

The Company re-evaluates the existence of its control when the facts and circumstances indicate that one or more of the above-mentioned control elements have occurred.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

AD Plastik Group in the reporting period consists of companies (all in 100% ownership):

- AD Plastik d.d., Croatia
- AD Plastik Tisza Kft. Hungary
- ADP d.o.o., Serbia
- AO AD Plastik Togliatti, Russian Federation
- ZAO AD Plastik Kaluga, Russian Federation
- AD Plastik d.o.o., Slovenia

2.4. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer.

The contract exists only if it is legally enforceable and meets all of the following criteria:

- the contract is approved, and the parties are committed to their obligations,
- the rights to goods and services and payment terms can be identified,
- the contract has commercial substance, and
- collection of consideration is probable.

The definition of contract as stated above is by combining the clauses of following documentation: the Buyer's General Terms and conditions, the Nomination letter, the Purchase agreement and Purchase order.

The Group has contracts with Buyers (OEM) as Tier 1, with Buyer's suppliers as Tier 2, with subsidiaries and associates. The contracts exist for sales of following goods and services:

- Product sale,
- Tooling sale,
- R&D activities
- Royalty services,
- Technical support services

Contracts do not commit the customer to a specified quantity of products; however, the Group is generally required to fulfil its customer's purchasing requirements for the production life of the vehicle. Contracts do not typically become a performance obligation until the Group receives either a purchase order for a specific number of parts at a specified price. The long-term agreements with customers for specific product may range from five to seven years, contracts may be terminated by customers at any time, while occurred very rarely.

The Group's customers pay for products received in accordance with payment terms that are customary in the industry, typically 60 to 120 days. The Group's contracts with its customers do not have significant financing components.

Tooling and product sales may be contracted in separate agreements, or concluded at different points in time, or may be contracted in one agreement. In either case, any binding obligation for the customer with respect to parts is created only upon issuance of purchase orders. Revenue from tooling sale and product sale is recognised at point in time when the control is passed on the buyer.

The Group has determined that royalty and technical support services, tooling and the delivery of product parts are separate and distinct for the customer and therefore constitute separate performance obligations under IFRS 15, when the ownership is transferred.

The prices agreed in the contracts for the single performance obligations are considered to be the stand-alone.

The Group, in contracts with variable consideration, assesses whether there is an obligation to return the consideration to the customer and includes a portion of the variable consideration only if it is highly probable that there will not be a significant reversal of the total recognized revenue after resolving the uncertainties related to the variable consideration.

The Group considers a contract modification to have occurred when there is a change in the scope or price of the contract, or both, which is approved by the contracting parties. The Group considers that a contract modification exists when the contracting parties approve a modification that establishes new enforceable rights and performance obligations, or changes the existing ones. The Group recognizes a contract modification as a separate contract if the scope of the contract increases due to the addition of promised goods or services that are distinct from the previous ones, and if the contract price increases by an amount of consideration that reflects the selling prices of the additional promised goods or services and all appropriate adjustments to that price to reflect the circumstances of the contract. The Group recognizes a contract modification as part of the existing contract if the remaining goods or services are not distinct and therefore form part of a single performance obligation, which is partially fulfilled on the date of the contract modification.

Revenue from sale of products

Product sales are recognized when the products are delivered to, and accepted by the customer and when the control of a product is transferred to the customer. Sales to customers with whom self-invoicing has been arranged are recognized upon receiving from such a customer the confirmation of delivery, i.e. when control is transferred to the customer. Each delivery is considered as performance obligation that is satisfied at point in time. Some of the Group's contracts include variable consideration which take a form of year-to-year price reductions („productivity“), but Group has concluded that those discounts do not give rise to a material right as those decreases are consistent with the pricing pattern in the automotive industry which takes into consideration learning curve effect.

Some contracts with customers include warranty clauses for repair of faulty goods during a specified long-term period and cover only a product's compliance with agreed specifications. Such warranties granted by the Group are in most cases assurance type warranties recognized in accordance with IAS 37 when the control of product transfers to customers.

Revenue from the manufacture of tools

Revenues from tools are matched with contracts that are specifically concluded for developing an asset, or a group of assets, closely linked and interdependent on the design, technology and function or their final use or application. The Group estimates that the transfer of control of tools, gauges and other devices is met at the time of „SOP“ (Start Of Production), i.e. start of the mass production on them. At that point the Group recognizes revenue from the sale of tools. Costs of modification, completion and similar tool costs are recognised by the Group as an increase in inventory value.

Revenue from royalty and technical services

The Group generates revenues from royalty fees by concluding contracts with affiliates to whom it sells the right to use intellectual property calculated on the amount of products produced by these companies, and for which products the Group has carried out development activities.

Revenue from licenses is recognized at the time of execution, according to the quantities of products produced by the customer.

The Group generates revenues from technical services on the basis of contracts it has with affiliated companies to which it provides technical consulting services for the needs of development and industrialization. Revenue from royalty is recognized at the time of execution based on the generated sales of customers while revenue for technical-administrative support and consultancy services is recognized over time based on when the service is rendered.

2.5. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs that cannot be directly attributable to acquisition, construction or production of qualifying asset, are capitalized applying a capitalization rate. Capitalization rate is weighted average of borrowing costs applicable to the general borrowings, excluding borrowing costs that are directly attributable for acquisition of qualifying asset, until substantially all the activities necessary to prepare that asset for its intended use or sale are completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

2.6. Foreign-currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions. Presentation currency for Group is Euro. Functional currencies for companies included in Group are as follows:

- AD Plastik d.d., Croatia – Euro
- AD Plastik Tisza Kft. Hungary - Hungarian forint
- ADP d.o.o., Serbia, - Serbian dinar
- AO AD Plastik Togliatti, Russian Federation - Russian rouble
- ZAO AD Plastik Kaluga, Russian Federation - Russian rouble
- AD Plastik d.o.o., Slovenia - Euro

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

2.7. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

The Group may have a monetary item as an amount receivable from, or payable to a foreign entity. An item neither planned to be settled nor likely to arise in the foreseeable future is essentially part of the entity's net investment in a foreign operation and accounted for in accordance with IAS 21. The Group recognizes foreign exchange differences arising from monetary items that are part of the net foreign investment initially in other comprehensive income and accumulates them under a separate component of equity – Reserves from accruals of foreign exchange differences.

On disposal of a net investment in a foreign operation, the entire balance of exchange differences is transferred from equity to profit or loss.

2.8. Income tax

Current tax

Income tax expense is based on taxable profit for the year and represents the sum of the tax currently payable and deferred tax. Income tax is recognised in the statement of comprehensive income, except where it relates to items recognised directly in equity, in which case it is also recognised in equity. Current tax represents tax expected to be paid on the basis of taxable profit for the year, using the tax rates enacted at the date of the statement of financial position, adjusted by appropriate prior-period tax liabilities. According to the Croatian tax laws. Groups subsidiaries are not taxable at the consolidation level nor can tax losses be transferred among the group members. Subsidiaries are subject to the tax laws of their countries of registration.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rate expected to apply to taxable profit in the period in which the liability is expected to be settled or the asset realised, based on the tax rates in effect at the date of the statement of financial position.

The measurement of deferred tax liabilities and assets reflects the amount that the Group expects, at the date of the statement of financial position, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are not discounted and are classified in the statement of financial position as non-current assets and/or non-current liabilities. Deferred tax assets are recognised only to the extent that it is probable that the related tax benefit will be realised. At each date of the statement of financial position, the Group reviews the unrecognised potential tax assets and the carrying amount of the recognised tax assets.

2.9. Property, plant, equipment and intangible assets

Property, plant and equipment as well as intangible assets are recognised at purchase cost and subsequently reduced by accumulated depreciation/amortisation. Intangible asset represents capitalized development costs of all Group's projects. Intangible assets – Projects (which mainly refers to models, designs, and prototypes for auto parts developed by the Company) are depreciated according to its useful life which varies from 2 to 7 years. The purchase cost comprises the purchase price, import duties and non-refundable sales taxes (for property, plant and equipment) and any directly attributable costs of bringing an asset to its working condition and location for its intended use, such as employee remuneration, professional fees directly arising from putting an asset into its working condition, test costs (for intangible assets), as well as all other costs directly attributable to bringing an asset to a condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. Where it is obvious that expenses incurred resulted in an increase of expected future economic benefits to be derived from the use of an item of

property, plant and equipment or intangible assets in excess of the originally assessed standard performance of the asset, they are added to the carrying amount of the asset. Gains or losses on the retirement or disposal of property, plant and equipment or intangible assets are included in the statement of comprehensive income in the period in which they occur. Depreciation commences on putting an asset into use. Depreciation is provided so as to write down the cost or revalued amount of an asset other than land, property, plant and equipment and intangible assets under development over the estimated useful life of the asset using the straight-line method as follows:

	Depreciation rates in 2025	Depreciation rates in 2024
Property, plant and equipment, and intangible assets	%	%
Buildings	1.50	1.50
Machinery	7.00 - 10.00	7.00 - 10.00
Tools, furniture, office and laboratory equipment, measuring and control instruments	7.00 - 50.00	7.00 - 50.00
Vehicles	20.00	20.00
IT equipment	10.00 - 20.00	10.00 - 20.00
Others	10.00	10.00
Intangible assets - Projects	14.29 - 50.00	14.29 - 33.33
Software	20.00 - 50.00	20.00 - 50.00

Intangible assets based on contracts with customers occurred during the allocation of the purchase price by the acquisition of AD Tisza in Hungary, and these intangible assets are amortized at rates ranging from 16.67% to 25.00%.

2.10. Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of a business at the acquisition date. Goodwill generated by acquisition of a subsidiary is presented as an intangible asset.

Goodwill is tested for impairment annually or more often if the events and circumstances that indicate potential impairment occur. Goodwill is measured as cost of acquisition less accumulated losses due to impairment. Impairment losses on goodwill are not reversed. Gains and losses from the sale of a business include the net book value of goodwill, which relates to the sold business.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

2.11. Impairment of non-financial assets

At each reporting date the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is an indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, the Group's assets are also allocated to individual cash-generating units or, if this is not possible, they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

2.12. Investments in associates

An associate is an entity over which the Group has significant influence but no control over the entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control or joint control over those policies.

The results of operations of associates are incorporated in these financial statements using the equity method of accounting. Under this method, the Group's share in the profit or loss of associates is

recognized in profit and loss from the date of acquisition of significant influence until the date on which significant influence is lost.

Investments are recognized initially at cost and are subsequently adjusted by the changes in the acquirer's share of the net profit of the investee. Where the Group's share of losses in an associate is equal to or higher than the equity investment in the associate, no further losses are recognized, except where the Group has assumed an obligation or committed to make a payment on behalf of the associate.

2.13. Inventories

Inventories of raw material and spare parts are stated at the lower of cost and net realisable value, whichever is lower. Cost is determined using the weighted-average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less all variable selling costs.

Small inventory is written off when put in use.

The cost of product inventories i.e. the production price is based on direct material used, the cost of which is determined using the weighted average cost method, then direct labour costs and fixed overheads at the actual level of production which approximates the normal capacities, as well as variable overheads that are based on the actual use of the production capacities.

Inventories of goods are recognized at the cost of acquiring the inventories, which include the purchase price, import duties and other non-recoverable taxes, transportation costs, and other costs directly attributable to the acquisition of finished goods or materials.

2.14. Other trade receivables and prepayments

Other receivables and prepayments represent receivables and prepayments that are not included in financial instruments, and they are carried at nominal amounts less an appropriate allowance for impairment for estimated irrecoverable amounts.

The Group impairs the carrying amount of receivables in the same way as the impairment of financial assets.

2.15. Cash and cash equivalents

Cash comprises account balances with banks, cash in hand, deposits and securities at call or with maturities of less than three months.

2.16. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each date of the statement of financial position and adjusted to reflect the current best estimate. Where the effect of discounting is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation, determined using the estimated risk free interest rate as the discount rate. Where discounting is used, the reversal of such discounting in each year is recognised as a financial expense and the carrying amount of the provision increases in each year to reflect the passage of time.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the date of the statement of financial position, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions for litigation losses represents provisions relating to litigation against the Company from regular commercial operations and from disputes with former employees.

Provisions for unused vacation days are calculated on the basis of the remaining days of the vacation days that employees have made in the current year, multiplied by amount of gross 2 daily wage.

Employees bonuses represents rewards that were planned to be paid out in the coming year based on results from the current year.

2.17. Termination, long-service and other employee benefits

(a) Pension-related obligations

In the normal course of business, the Group makes payments, through salary deductions, to mandatory pension funds on behalf of its employees, as required by law. The contributions paid to the mandatory pension funds are recognised as salary expense when accrued. The Group does not have any other retirement benefit plan and, consequently, has no other obligations in respect of the retirement benefits for its employees. In addition, the Group is not obliged to provide any other post-employment benefits.

(b) Long-term employee benefits

Long-term employee benefits represent jubilee awards and post employment benefit obligations. Post employment benefit obligations falling due more than 12 months after the reporting date are discounted to their present value. Jubilee awards are paid in intervals according to time that employee was working for company.

The cost of benefits is determined using the projected unit credit method based on an actuarial valuation performed at each reporting date. Gains and losses arising from actuarial valuation are recognized in the period in which they arise.

Past service cost is recognized immediately to the extent that the benefits have already been vested. Otherwise, it is amortized on a straight-line basis over a specified period until the benefits become vested.

2.18. Financial instruments

Financial assets

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

On initial recognition, a financial asset is classified as measured at amortised cost.

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

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

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

Business model assessment

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

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

Trade receivables are held in the business model of holding for the purpose of collection.

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

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

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

The structure of the Group's financial assets is simple and primarily relates to trade receivables without a significant financial component. Struktura financijske imovine Grupe jednostavna je te se prvenstveno odnosi na potraživanja od kupaca bez značajne financijske komponente.

Subsequent measurement and gains and losses

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

Debt securities are initially recognised when they are originated. All other financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, if this is an instrument which is not stated at fair value through profit or loss.

Financial liabilities are classified as measured at amortised cost. A financial liability is classified as as measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Impairment of non-derivative financial assets

The Group recognises loss allowances for expected credit loss (ECLs) on financial assets measured at amortised cost.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if early warning indicators have been activated in accordance with the Group's policy or contractual terms of the instrument.

The Group considers a financial asset to be fully or partially in default if:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due based on historical experience of average market participant.

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

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Expected credit losses measurement

In accordance with IFRS 9, assets that are carried at amortised cost must have attributed expected credit losses (ECL)- the formula for calculating the annual ECL is the following:

Probability of default (PD) x Loss given default (LGD) x Exposure at default (EAD)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability, and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indications of impairment at each date of the statement of financial position. A financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the expected credit losses.

Impairment loss on a financial asset is recognised by reducing the carrying amount of the asset through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset have expired, when the asset is transferred and when substantially all the risks and rewards of ownership of the asset are passed onto another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the underlying contractual arrangement.

Interest income

Interest income is recognised on a pro rata temporis basis, using the effective interest method. Interest earned on balances with commercial banks (demand and term deposits) is credited to income for the period as it accrues. Interest on trade receivables is recognised as income when accrued.

2.19. Contingencies

Contingent liabilities have not been recognised in these consolidated financial statements. They are disclosed if the possibility of outflow of resources embodying economic benefits is possible. A contingent asset is not recognised in financial statements, but it is disclosed when the inflow of economic benefits becomes probable.

2.20. Events subsequent to the date of the statement of financial position

Events after the date of the statement of financial position that provide additional information about the Group's position at that date (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

2.21. Segment reporting

In the consolidated financial statements, the Group discloses sales revenues grouped by country. When assessing business performance and making decisions on the allocation of resources in accordance with IFRS 8, the Group's Management Board uses the division into two business segments: the EU, UK and Serbia and Russia. In the consolidated financial statements, the Group's operating results, assets and liabilities are presented for above mentioned business segments. The division into segments is based on the Group's presence in the different markets. Transactions between segments relate to sales of materials, revenues from engineering services and royalty revenues.

2.22. Leases

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

Leases are recognised by the present value of the lease payments and showed either as right-of-use assets or together with property, plant and equipment. Group also recognises a financial liability representing its obligation to make future lease payments. Lessees are recognised separately interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees are also required to re-measure lease liability due to certain events (e.g. a change in lease term, a change in future lease payments, resulting from a change in an index or discounting rate). The standard includes two recognition exemptions for lessees: "low-value" leases (e.g. tablets and personal computers) and „short-term" leases (leases which ends within 12 months). Low-value leases are assets with value lower than EUR 4,000.

Right-of-use assets and lease liabilities will be reported separately in the statement of financial position.

The Group has elected not to apply the requirements of IFRS 16 for low-value leases (e.g. printers) and short-term leases (e.g. apartments).

2.23. Grants

The Group recognizes grants as income over the period necessary to match them with related costs, for which they are intended to compensate on a systematic basis.

A grant receivable as compensation for costs already incurred is derecognised as income in the period in which it is receivable.

A grant related to income is reported as deduction from the related expense.

2.24. Investment property

Investment property is property held by the Group to earn rentals or for capital appreciation or for both, but not for sale in the ordinary course of business or for administrative purposes.

Investment property is measured initially at its cost, including transaction costs. Subsequently, investment property is stated at cost less accumulated depreciation and any impairment loss.

Investment property is depreciated on a straight-line basis at the rate of 1.5%.

Investment property is derecognised when either it has been disposed of or permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognised in the income statement in the year of retirement or disposal.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, the Management Board is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

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

The key areas of estimation in applying the Group's accounting policies that had a most significant impact on the amounts recognized in the financial statements were as follows.

Revenue from the sale of tools

Tools are custom made for the customer and cannot be used for other purposes. In accordance with the automotive practice, those contracts may differ with respect to the development of tools and transfer of the title to the customer. In such cases, the Group determines whether tool arrangements are sale, lease or development of own equipment, whether this is a lease arrangement and whether it is separate from the sale of car parts.

The Group has assessed that the sale of car parts is a separate performance obligation from the sale of tools since the customer has the control over the use of tool and unconditional right for payment upon the transfer of control of tool to the customer. Additionally, the development of the tool is not integrated with the production of parts to produce a combined output and those two are not interrelated as tool can be sold without affecting the sale of car parts. The contract for the sale of tools and the contract for the sale of auto parts are separate contracts, which should not be combined because there are two different performance obligations, which can also be seen from the fact that the prices for the tools are not linked to the contract for the sale of auto parts.

In addition, although in production of parts the Group may continue to use tools that it sold to customers, the Group has concluded that its arrangements do not contain a lease because customers control the use of the asset.

Measurement of fair values

Certain Group's accounting policies and disclosures require the measurement of fair values for non-financial assets.

The Group has an established control framework with respect to fair value measurement which assumes the overall responsibility of the

Management Board and finance department in relation to the monitoring of all significant fair value measurements and consultation with external experts.

Fair values are measured using information collected from third parties in which case the Board and the finance department assess whether the evidence collected from third parties support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy where such valuations should be classified. Fair values are categorised into different level in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more significant inputs are not based on observable market data, the fair value estimate is included in level 3.

Business risk in Russia

The Group has control over the cash flows of its Russian subsidiaries. There is currently a limit on the collection of credit receivables of RUB 10,000 thousand per month per subsidiary. There is no limit on the collection amount for other receivables for goods, services and loan interests. ZAO AD Plastik Kaluga is operating in a "cold mode", taking into account the withdrawal of all European customers from the Russian market with whom the Company did business before the start of the Russian-Ukrainian crisis. AO AD Plastik from Togliatti continues to operate with its main customer AutoVaz on the production of several models for Lada vehicles.

4.

SEGMENT INFORMATION

IFRS 8 requires operating segments to be identified based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Year ended 31 December 2025

	EU, UK and Serbia market	Russia market	Total
External income	140,235	19,720	159,955
Intra segment income	1,331	-	1,331
Total income	141,566	19,720	161,286
EBITDA	15,288	3,899	19,187
Profit of the year	11,737	2,522	14,259

	EU, UK and Serbia market	Russia market	Intra-segment effect	Total
Total assets	180,982	24,914	(19,547)	186,349
Capital and reserves	115,645	7,426	(8,771)	114,300
Liabilities	65,337	17,488	(10,776)	72,049
Total equity and liabilities	180,982	24,914	(19,547)	186,349

Year ended 31 December 2024

	EU, UK and Serbia market	Russia market	Total
External income	130,928	21,515	152,443
Intra segment income	4,022	-	4,022
Total income	134,950	21,515	156,465
EBITDA	8,376	5,037	13,413
Profit of the year	402	1,731	2,132

	EU, UK and Serbia market	Russia market	Intra-segment effect	Total
Total assets	178,379	25,044	(22,544)	180,879
Capital and reserves	104,645	3,034	(8,771)	98,908
Liabilities	73,734	22,010	(13,773)	81,971
Total equity and liabilities	178,379	25,044	(22,544)	180,879

EBITDA represents profit before income taxes, finance income/costs, depreciation and amortization.

Sales revenue based on geographical location of the customer:

	2025	2024
Slovenia	30,016	29,560
Russia	19,605	20,194
Romania	18,164	26,391
Slovakia	17,594	7,032
Hungary	15,288	16,652
Poland	13,361	9,912
Serbia	12,909	4,755
France	9,468	10,843
Italy	5,902	5,276
Spain	5,123	4,408
United Kingdom	4,969	4,952
Germany	3,036	3,977
Turkey	1,036	615
Czech Republic	763	1,228
Other	638	2,172
	157,872	147,967

Sales segmentation by type of the product is shown below:

	2025	2024
Car parts sales	140,886	115,701
Revenue from tools	7,168	23,319
Merchandise	4,340	6,061
Royalty revenue	2,391	1,560
Product development services	2,087	270
Engineering services revenue	1,000	1,056
	157,872	147,967

Income from companies within the same group, which make more than 15% of sales income in 2025, amounted to EUR 58,468 thousand (2024: EUR 37,181 thousand), while the carrying amount of receivables from this group amounted to EUR 11,707 thousand at 31.12.2025 (31.12.2024: EUR 6,670 thousand).

5. OTHER INCOME

	2025	2024
Income from compensation for canceled projects	745	1,590
Income from consumption of own products and services	540	398
Rental income and income from the sale of services to tenants	145	371
Income from sales of waste and secondary raw material	138	191
Income from damages and insurance	124	55
Gain from sale of property, plant and equipment and intangible assets	64	1,273
Income from validation, quality control and laboratory testing	14	11
Other operating income	313	587
	2,083	4,476

6. COST OF RAW MATERIAL AND SUPPLIES

	2025	2024
Direct materials	66,561	57,995
Electricity	3,901	3,818
Other raw material and supplies	3,575	2,877
Inventory shortage costs and value adjustments of inventory	253	182
	74,290	64,872

7. COST OF GOODS SOLD

	2025	2024
Cost of tools sold	5,724	19,179
Cost of trade goods	3,420	5,049
	9,145	24,229

8. SERVICE COST

	2025	2024
Transport	4,213	3,969
Maintenance costs	1,882	1,604
Intellectual services	1,415	1,723
Software licenses	1,230	1,091
Product quality assurance and control	817	487
Security and fire services	759	653
Municipal utility fees	703	497
Logistic services at distribution warehouses	559	548
Rental costs	342	412
Marketing	143	160
Water supply	143	116
Laboratory tests and calibration of equipment	140	100
Telephone, cell phone, internet costs	128	128
Intermediation services	117	161
Forwarding and shipping costs	33	16
Other service costs	28	61
	12,652	11,726

During 2025, the Group's auditors provided the Group with services related to the costs of the statutory audit of the Company's consolidated and unconsolidated statements and other verification services related to sustainability reporting and reporting on the remuneration of the Management Board and the Supervisory Board in the total amount of EUR 238 thousand (2024: EUR 220 thousand).

9. STAFF COSTS

	2025	2024
Net wages and salaries	21,433	19,570
Taxes and contributions	13,051	11,504
Other staff costs	6,162	3,564
	40,646	34,638

Other staff costs comprise jubilee awards, bonuses, termination benefits, commuting costs, cost of student service and other business-related costs. The Group included reversal of provision for jubilee awards in amount of EUR 7 thousand. Also, within "Other staff cost" provision for termination benefits in amount of EUR 168 thousand, provision for unused vacation days in amount of EUR 626 thousand and provision for employees bonuses in amount of EUR 76 thousand are shown. In the previous period, reversal of provision for unused vacation in amount of EUR 24 thousand was shown as a cost reduction within "Other staff cost". Also, within "Other staff costs" provision for termination benefits in amount of EUR 125 thousand is shown.

10. DEPRECIATION AND AMORTISATION

	2025	2024
Depreciation of property, plant, and equipment (Note 19)	8,788	7,752
Amortisation of intangible assets (Note 18)	2,214	1,858
Depreciation of right of use asset (Note 20)	1,145	1,162
Depreciation of investment property (Note 21)	39	39
	12,186	10,811

11. OTHER OPERATING EXPENSES

	2025	2024
Withholding tax and property tax expense	797	505
Insurance premiums	489	509
Business trips	460	575
Membership fees, contributions, municipal utility fees	385	364
Entertainment/representation costs	329	249
Customer complaints	297	181
Bank fees and commissions	288	236
Impairment and write off of capitalised development cost	248	277
Professional training costs	142	103
Cost of own consumption and goods provided free of charge	140	251
Safety at work and health services	112	80
Gifts, donations and sponsorships	71	191
Supervisory Board fees	59	52
Non-current tangible assets write off	-	155
Other expenses	248	232
	4,065	3,960

12. PROVISIONS FOR RISKS AND CHARGES

	2025	2024
Provision for legal cases, net (Note 28)	264	1
	264	1

13. FINANCE INCOME

	2025	2024
Foreign exchange gains, net	917	-
Interest income	170	271
	1,088	271

14. FINANCE COSTS

	2025	2024
Interest expense	1,241	1,536
Interest expense on lease liabilities	42	59
Foreign exchange losses, net	-	1,323
	1,283	2,917

15. INCOME TAX

Income tax comprises the following:

	2025	2024
Current tax	(896)	(1,070)
Deferred tax	(661)	156
	(1,557)	(914)

15 INCOME TAX (CONTINUED)

Reconciliation between the accounting and tax results is shown as follows:

	2025	2024
Profit/loss before tax	15,816	3,046
Tax using the Company's domestic tax rate (18%)	2,733	548
Effect of tax rates in foreign jurisdictions	171	121
Tax effect of:		
Share of profit of equity-accounted investees reported	(1,622)	(556)
Tax exempt revenue	372	519
Non-deductible expenses	(416)	(60)
Current-year losses for which no deferred tax asset is recognised	497	394
Changes in estimates from previous years	(178)	(52)
Profit tax expense	1,557	914
Effective tax rate	9.84%	30.01%

Deferred tax assets arise from the following:

2025	Opening balance	Charged to statement of compr. income	Charged to other compr. income	Closing balance
Temporary differences:				
Provisions for jubilee awards and termination benefits	102	(6)	-	96
Impairment of inventory	100	(26)	-	74
Impairment/reversal receivables/loans	121	3	-	124
Deferred tax assets from carried-over tax losses	2,208	(536)	5	1,676
Impairment of Investment property	329	-	-	329
Deferred tax liabilities from allocation of purchase price on fair value of Tisza Automotive Kft.	(19)	-	-	(19)
Differences between tax depreciation rates and accounting depreciation rates	(495)	(91)	(60)	(647)
Lease liabilities	441	(162)	(1)	278
Right of us assets	(427)	157	(3)	(274)
Balance at 31 December	2,360	(661)	(61)	1,638

15 INCOME TAX (CONTINUED)

Deferred tax assets arise from the following:

2024	Opening balance	Charged to statement of compr. income	Charged to other compr. income	Closing balance
Temporary differences:				
Provisions for jubilee awards and termination benefits	86	16	-	102
Impairment of inventory	66	34	-	100
Impairment/reversal receivables/loans	66	55	-	121
Deferred tax assets from carried-over tax losses	2,070	144	(6)	2,208
Impairment of Investment property	329	-	-	329
Deferred tax liabilities from allocation of purchase price on fair value of Tisza Automotive Kft.	(29)	10	-	(19)
Differences between tax depreciation rates and accounting depreciation rates	(414)	(111)	30	(495)
Lease liabilities	419	25	(3)	441
Right of us assets	(413)	(17)	3	(427)
Balance at 31 December	2,180	156	24	2,360

The tax losses available for carry-forward to the following tax periods are as follows:

	2025	2024
Tax losses from 2020	2,009	1,744
Tax losses from 2021	229	230
Tax losses from 2022	11,916	15,184
Tax losses from 2023	4,813	4,813
Tax losses from 2024	5,426	5,166
Tax losses from 2025	1,450	-
	25,843	27,136

In the future period from 2026 to 2030, the Group plans to generate taxable profit for which the aforementioned recognized deferred tax assets from tax losses will be utilized, except for the amount of unrecognized deferred tax of EUR 2,520 thousand that arose in subsidiaries in Serbia and Russia, given that it is unlikely that they will be utilized at the reporting date.

16.

EXCHANGE DIFFERENCES FROM TRANSLATION OF FOREIGN OPERATIONS AND RESERVES FROM ACCRUALS OF FOREIGN EXCHANGE DIFFERENCES - TRANSACTIONS WITH SUBSIDIARIES

	Reserves from accruals of foreign exchange differences - transactions with subsidiaries		Exchange differences from translation a foreign operations - transactions with subsidiaries	
	2025	2024	2025	2024
Balance at beginning of the year	(4,061)	(3,795)	(7,726)	(6,627)
Exchange differences from translation of foreign operations	-	-	(224)	(1,099)
Accruals of foreign exchange differences from the current year	1.602	(757)	-	-
Income tax	(288)	136	-	-
Exchange differences from translation of foreign operations, net	1,314	(621)	(224)	(1,099)
Realization of exchange differences	423	355	-	-
Balance at end of year	(2,324)	(4,061)	(7,950)	(7,726)

17.

EARNINGS PER SHARE

Basic earnings per share are determined by dividing the Group's net profit by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares redeemed and held by the Group as treasury shares. The basic earnings per share equal the diluted earnings per share, as there are currently no share options that would potentially increase the number of issued shares.

	2025	2024	2025	2024
Issued ordinary shares on 1 January			4,199,584	4,199,584
Effect of treasury shares held			(32,968)	(35,008)
Effect of treasury shares disposed of			(1,962)	(3,299)
Weighted-average number of ordinary shares on 31 December			4,164,654	4,161,277
Profit of the year	14,259	2,132		
Weighted average number of shares	4,164,654	4,161,277		
Basic and diluted earnings per share (in euros and cents)	3.42	0.51		

18. INTANGIBLE ASSETS

	Licences and software	Projects	Other intangible assets	Customer contracts	Intangible assets under deve- lopment	Total
Cost						
Balance at 31 December 2023	2,257	18,226	835	1,357	5,744	28,419
Additions	-	-	-	-	3,013	3,013
Assets put into use	27	5,606	-	-	(5,633)	-
Disposals	-	(891)	-	-	-	(891)
Write off and retirements	-	(1,065)	-	-	-	(1,065)
Effect of exchange differences	(18)	(114)	(4)	-	-	(136)
Balance at 31 December 2024	2,265	21,763	831	1,357	3,124	29,340
Additions	-	-	-	-	1,046	1,046
Assets put into use	84	3,284	-	-	(3,368)	-
Write off and retirements	(111)	(251)	-	-	-	(363)
Effect of exchange differences	18	108	1	-	-	127
Balance at 31 December 2025	2,255	24,903	832	1,357	802	30,150
Accumulated amortisation						
Balance at 31 December 2023	2,014	14,907	683	1,243	-	1,847
Charge for the year (Note 10)	83	1,599	62	114	-	1,858
Write off and retirements	-	(788)	-	-	-	(788)
Effect of exchange differences	(16)	(100)	(1)	-	-	(117)
Balance at 31 December 2024	2,081	15,617	744	1,357	-	19,800
Charge for the year (Note 10)	86	2,126	2	-	-	2,214
Write off and retirements	(111)	(4)	-	-	-	(115)
Effect of exchange differences	15	94	-	-	-	108
Balance at 31 December 2025	2,071	17,833	746	1,357	-	22,007
Net book value						
Balance at 31 December 2024	184	6,146	87	-	3,124	9,540
Balance at 31 December 2025	185	7,071	86	-	802	8,143

Projects comprise investments in the development of new products that are expected to generate economic benefits in future periods. Consequently, the costs are amortised over the period in which the related economic benefits flow into the Group.

Intangible assets under development mostly consists of capitalised development cost of new products. In 2025, the cost of net salaries and wages of EUR 385 thousand, the cost of taxes and contributions from salaries of EUR 156 thousand and the cost of contributions to

salaries of EUR 82 thousand were capitalized in intangible assets.

In the previous 2024, the capitalized cost of net salaries and wages amounted to EUR 540 thousand, the cost of taxes and contributions from salaries amounted to EUR 210 thousand, and the cost of contributions to salaries amounted to EUR 111 thousand.

In 2025, capitalized interest expense in the amount of EUR 4 thousand (2024: EUR 20 thousand) was recognized on intangible assets.

19. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Other tangible assets	Assets under development	Prepayments for tangible assets	Total
Cost							
Balance at 31 December 2023	18,276	51,000	108,085	384	6,370	247	184,362
Additions	-	-	-	-	10,108	(214)	9,894
Assets put into use	-	760	10,011	10	(10,768)	(14)	-
Disposals	-	(21)	(948)	(1)	-	-	(970)
Write off and retirements	-	(213)	(1,007)	(33)	-	-	(1,253)
Effect of exchange differences	(33)	(841)	(1,441)	(20)	(199)	(1)	(2,535)
Balance at 31 December 2024	18,243	50,685	114,701	339	5,511	19	189,498
Additions	-	-	-	-	4,145	48	4,194
Assets put into use	5	373	4,436	24	(4,838)	-	-
Disposals	(30)	-	(723)	(3)	-	-	(756)
Write off and retirements	-	-	(167)	(2)	-	-	(169)
Effect of exchange differences	58	1,515	2,350	27	432	1	4,383
Balance at 31 December 2025	18,277	52,573	120,597	385	5,250	68	197,150
Accumulated depreciation							
Balance at 31 December 2023	-	16,041	76,516	299	-	-	92,855
Charge for the year (Note 10)	-	1,115	6,611	26	-	-	7,752
Disposals	-	(15)	(799)	(1)	-	-	(815)
Write off and retirements	-	(83)	(984)	(33)	-	-	(1,100)
Effect of exchange differences	-	(273)	(1,084)	(20)	-	-	(1,377)
Balance at 31 December 2024	-	16,785	80,260	270	-	-	97,314
Charge for the year (Note 10)	-	1,103	7,657	28	-	-	8,788
Disposals	-	-	(672)	(2)	-	-	(674)
Write off and retirements	-	-	(167)	(2)	-	-	(169)
Effect of exchange differences	-	540	1,805	24	-	-	2,369
Balance at 31 December 2025	-	18,428	88,884	318	-	-	107,628
Net book value							
At 31 December 2024	18,243	33,900	34,440	69	5,511	19	92,183
At 31 December 2025	18,277	34,145	31,713	67	5,250	68	89,522

From assets mentioned in Note 19 Property, plant and equipment and in Note 21 Investment property, pledged assets are lands with the book value on the date of 31.12.2025 of (all in EUR thousand) 15,299 (31.12.2024 15,272), buildings 11,531 (31.12.2024 20,261).

The listed items as of December 31, 2025, include investments in land with a net book value of EUR 1,479 thousand, and investments in buildings with a net book value of EUR 1,700 thousand.

20. RIGHT OF USE ASSET

	Land	Buildings	Plant and equipment	Total
Cost				
Balance at 31 December 2023	29	4,864	1,998	6,891
Additions	1	-	131	132
Lease modification, net	-	11	1,035	1,046
Retirements	(5)	(45)	-	(50)
Effect of exchange differences	(1)	(2)	(53)	(56)
Balance at 31 December 2024	24	4,828	3,111	7,963
Additions	1	-	232	233
Effect of exchange differences	4	-	35	39
Balance at 31 December 2025	29	4,828	3,377	8,235
Accumulated depreciation				
Balance at 31 December 2023	6	2,832	1,570	4,408
Charge for the year (Note 11)	1	717	444	1,162
Retirements	(5)	(45)	-	(50)
Effect of exchange differences	-	(2)	(33)	(35)
Balance at 31 December 2024	2	3,502	1,981	5,485
Charge for the year (Note 11)	1	710	434	1,145
Effect of exchange differences	-	-	32	32
Balance at 31 December 2025	3	4,212	2,447	6,662
Net book value				
At 31 December 2024	22	1,326	1,130	2,478
At 31 December 2025	26	616	930	1,573

Amounts recognised in profit and loss

	2025	2024
Depreciation expense on right of use assets	1,145	1,162
Expense relating to leases of low value	269	314
Expense relating to short-term leases	54	64
Interest expense on lease liabilities	42	59
Expenses relating to variable lease payments not included in the measurement of lease liability	19	34
	1,529	1,633

In accordance with IFRS 16, Group has classified leases for land, buildings and plant and equipment as "Right-of-use asset". Within the category "Buildings", apartments and the leases of office buildings and

warehouses used by the Group in business are located in. The "Plant and equipment" category includes concluded machines, car and forklift rental agreements.

21. INVESTMENT PROPERTY

	Land	Buildings	Total
Cost			
Balance at 31 December 2023	1,479	2,618	4,097
Balance at 31 December 2024	1,479	2,618	4,097
Balance at 31 December 2025	1,479	2,618	4,097
Accumulated depreciation			
Balance at 31 December 2023	-	840	840
Charge for the year (Note 10)	-	39	39
Balance at 31 December 2024	-	879	879
Charge for the year (Note 10)	-	39	39
Balance at 31 December 2025	-	918	918
Net book value			
Balance at 31 December 2024	1,479	1,739	3,218
Balance at 31 December 2025	1,479	1,700	3,179

PlIncome from the rental of the building in 2025 amounts to EUR 4 thousand (2024: EUR 11.0 thousand), and the depreciation charge for the year 2025 amounts to EUR 39 thousand (2024: EUR 39 thousand). At December 31 2025 the carrying amount of investment property

approximates fair value, that has been internally determined by the Group based on the income capitalisation method which assumes sustainable annual lease income which investment property generates or is able to generate during its ordinary course of business.

22. INVESTMENTS IN ASSOCIATES

Name of associate	Principal activity	Country of incorporation and business	Ownership interest in %		Amount of equity investment, EUR'000	
			2024	2025	2024	2025
EURO Auto Plastic Systems	Manufacture of other vehicle spare parts and accessories	Mioveni, Romania	50.00%	50.00%	16,382	10,813
					16,382	10,813

Name of associate	Amount of equity investment	Share in the result for the year	Dividend paid	Effect of exchange differences	Amount of equity investment	
					31.12.2023	31.12.2024
EURO Auto Plastic Systems	11,872	3,091	(3,470)	(680)	10,813	
Total	11,872	3,091	(3,470)	(680)	10,813	

Name of associate	Amount of equity investment	Share in the result for the year	Dividend paid	Effect of exchange differences	Amount of equity investment	
					31.12.2024	31.12.2025
EURO Auto Plastic Systems	10,813	9,010	(2,472)	(969)	16,382	
Total	10,813	9,010	(2,472)	(969)	16,382	

Euro Auto Plastic Systems s.r.l. is considered to be associate since the management of its operations is under the control of Faurecia Automotive Holdings s.a.s.

Set out below is a summary of financial information about the associates:

	000 eur	
EURO Auto Plastic Systems	31.12.2025	31.12.2024
Operating Revenue	162,881	130,250
Operating Expenses	141,933	122,671
Financial Income	611	29
Financial Expenses	374	132
Total Revenue	163,493	130,280
Total Expenses	142,307	122,803
Profit Before Tax	21,186	7,477
Income Tax	(3,166)	(1,295)
Net Profit	18,020	6,183

EURO Auto Plastic Systems	31.12.2025	31.12.2024
Current assets	63,711	62,432
Fixed assets	16,562	19,650
Total assets	80,273	82,082
Short-term liabilities	46,166	60,624
Long-term liabilities and provisions	1,344	1,194
Total Liabilities	47,510	61,818
Net assets	32,763	20,264

23. INVENTORIES

	31.12. 2025	31.12. 2024
Raw material and supplies on stock	10,209	11,380
Tools	3,311	5,609
Finished products	2,988	3,440
Work in progress	2,687	1,779
Prepayments for inventories	2,299	909
Merchandise on stock	362	347
	21,856	23,464

The amount of inventories recognised as an expense during the 2025 was EUR 141,944 thousand (in the 2024 the expense was EUR 118,863 thousand). The amount includes material costs, personnel costs, transportation costs, depreciation and other indirect costs of producing inventory.

Total write-down of damaged and obsolete inventories in 2025 was EUR 253 thousand (in 2024 it was EUR 182 thousand).

24. TRADE RECEIVABLES

	31.12. 2025	31.12. 2024
Trade receivables (unrelated companies)	26,531	21,278
Receivables for dividends (associates)	-	3,470
Trade receivables (associates)	1,053	1,274
Expected credit loss	(788)	(977)
	26,796	25,045

The average debtors' days were 59 days in 2025 (2024: 59 days).

The movements expected credit losses are presented as follows:

	2025	2024
Balance at beginning of the year	977	986
Movements based on expected credit losses	100	29
Collected during the year	(63)	(5)
Written off during the year	(259)	(13)
Exchange differences	33	(20)
Total expected credit loss	788	977

Ageing analysis of receivables is shown as follows:

	31.12. 2025	31.12. 2024
0-90 days past due	4,483	1,594
91-180 days past due	91	663
181-365 days past due	269	156
Over 365 days past due	167	97
Not due	21,786	22,535
	26,796	25,045

25. OTHER RECEIVABLES

	31.12. 2025	31.12. 2024
Receivables from the State and State institutions	4,688	2,720
Prepayments made	237	373
Other receivables	20	32
	4,945	3,125

26. CASH AND CASH EQUIVALENTS

	31.12. 2025	31.12. 2024
Current account balance	6,102	3,888
Deposits	1,672	368
Cash in hand	3	6
Cash and cash equivalents in statement of financial position	7,777	4,262
Bank overdrafts	-	(1,218)
Cash and cash equivalents in statement of cash flows	7,777	3,044

As at 31 December 2025 the amount of EUR 1,672 thousand (31 December 2024 EUR 368 thousand) includes short term deposits which bear interest rate ranging from 14.6% to 16.3%.

27. CAPITAL

Subscribed capital amounts to EUR 54,595 thousand and consists of 4,199,584 shares, with a nominal value of EUR 13 per share (2024: EUR 54,595 thousand; 4,199,584 shares, with a nominal value of EUR 13 each). All shares are ordinary shares with all associated rights, except for treasury shares. These rights include the right to vote at the General Assembly of the Company as well as the right to receive dividends.

Capital reserves are the differences between the nominal and sale value of shares.

Statutory and general reserves consist of legal and statutory reserves and reserves for unwritten development costs.

Reserves were made by transferring from retained earnings to the position of legal and general reserves in the Group's capital in accordance with the local legislation. The transfer of capitalized development costs to intangible assets is made on the basis of net book value.

The treasury share item refers to 32,998 treasury shares as at 31.12.2025 while on 31.12.2024 treasury shares amounted 35,008. Retained earnings consists of retained earnings, profit for the year and all the transfers from retained earnings (dividend payments, transfer to reserves).

On the basis of mother company long-term investment in the subsidiary companies, in the group statement, have been formed reserves from the accrual of exchange rate differences.

28. LONG-TERM AND SHORT-TERM PROVISIONS

	Short-term		Long-term	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Vacation accrual	1,389	737	-	-
Legal cases	298	127	-	-
Termination benefits	195	170	318	307
Jubilee awards (long-service benefits)	48	27	132	159
Employee bonuses	95	14	-	-
	2,025	1,075	450	466

Movement in provisions was as follows:

	Jubilee Awards	Retirement/ termination benefits	Legal Cases	Vacation Accrual	Employee Bonuses	Total
Balance at 1 January 2024	185	477	127	737	15	1,541
Increase/(decrease) in provisions, net	(6)	37	171	652	80	934
Balance at 31 December 2024	179	514	298	1,389	95	2,475

	Jubilee Awards	Retirement/ termination benefits	Legal Cases	Vacation Accrual	Employee Bonuses	Total
Balance at 1 January 2024	185	352	126	772	16	1,451
Increase/(decrease) in provisions, net	-	125	1	(35)	(1)	90
Balance at 31 December 2024	185	477	127	737	15	1,541

The part of the provision included in other staff costs is shown in Note 9. All companies within the Group use a discount rate (in range 2.73% - 6.31%), fluctuation rate (in range 10.48% - 27.08%) and mortality data that are in line with the company's country of residence when calculating provisions (2024: discount rate in range 2.32% - 5.77%, fluctuation rate in range 11% - 31.38%).

In 2025, the Group created EUR 273 thousand of new provisions for legal actions, recognized the reversal of provisions for legal actions in the amount of EUR 11 thousand, and paid out EUR 90 thousand on existing provisions for legal actions. In 2024, the Group created EUR 7 thousand of new provisions for legal actions and recognized the reversal of provisions for legal actions in the amount of EUR 6 thousand.

29. LONG-TERM BORROWINGS

	31.12. 2025	31.12. 2024
Long-term borrowings	27,663	35,701
	27,663	35,701
Current portion of long-term borrowings (Note 34)	(9,212)	(17,851)
Total long-term borrowings	18,451	17,850

As of 31 December 2025, the Group was in compliance with all financial covenants agreed with banks. In the event of a breach of financial covenants, the bank has the right to cancel the loan agreement and declare it prematurely due.

Long-term borrowings are used to finance capital investments and development projects. Instruments of collateral provided for the for long-term loans include mortgage on real estate and equipment (Note 19), HBOR portfolio insurance and payment instruments. Most existing long-term loans are paid monthly. In 2025, the weighted average interest rate on the long-term loans was 2.73% (2024: 2.60 %).

30. DEFERRED REVENUE

	31.12. 2025	31.12. 2024
Deferred revenue	-	1
Total deferred revenue	-	1

Deferred revenue arose as a result of borrowing from a financial institution at an interest rate lower than the market rate.

31. LEASE LIABILITIES

	2025	2024
Balance at 1 January	2,526	2,517
Additions	233	132
Lease modifications, net	-	1,045
Interest expense on lease liabilities	42	59
Principal paid	(1,132)	(1,144)
Interest paid	(42)	(59)
Effect of exchange differences	7	(24)
	1,633	2,526
Long-term liabilities	881	1,380
Short-term liabilities	752	1,146

32. ADVANCES RECEIVED

	31.12. 2025	31.12. 2024
Customers outside Croatia	9,014	5,937
Customers in Croatia	1	1
	9,015	5,938

Advances received from foreign customers represent cash advanced ordered tools.

33. TRADE PAYABLES

	31.12. 2025	31.12. 2024
Trade payables outside Croatia	13,199	15,807
Trade payables in Croatia	4,127	5,878
Accrued expenses	1,622	786
	18,948	22,471

verage payment period for trade payables during 2025 equaled to 63 days (2024: 69 days).

34. SHORT-TERM BORROWINGS

	31.12. 2025	31.12. 2024
Current portion of long-term borrowings (Note 29)	9,212	17,851
Short-term loans - principle payable	6,500	8,418
Short-term commodity loans provided by suppliers	-	361
Short term borrowings - interest payable	55	126
	15,767	26,756

The short-term borrowings were used to finance development projects and for working capital purposes. Instruments of collateral provided for the short-term borrowings are payment instruments.

The short-term borrowings represent loans provided by the commercial banks, with a weighted average interest rate of 2.50% (2024: 4.09 %).

Movements in payables for borrowings (long-term and short-term) during the year:

	2025	2024
Balance on 1 January	44,606	49,925
New loans	16,900	21,398
Change in bank overdraft	(1,218)	440
Non-cash borrowings (suppliers paid directly)	2,000	-
Invoiced interest	1,143	1,473
Exchange differences	35	(10)
Interest paid	(1,215)	(1,500)
Repayments of received loans	(28,069)	(27,221)
Other	36	101
Balance on 31 December	34,218	44,606

35. OTHER CURRENT LIABILITIES

	31.12. 2025	31.12. 2024
Due to the State and State institutions	2,601	2,111
Amounts due to employees	2,127	1,775
Other current liabilities	91	27
Deferred revenue	1	36
	4,820	3,949

Obligations for state aid shown within deferred revenue arose as a result of borrowing from a financial institution at an interest rate lower than the market rate.

36. GOODWILL

	31.12. 2025	31.12. 2024
Goodwill resulting from acquisition of Tisza Automotive Kft.	2,391	2,391
	2,391	2,391

Recognized goodwill in amount of 2,391 EUR thousand relates to the difference between fair value of the net assets of AD Plastik Tisza Kft. and the value paid for the purchase of AD Plastik Tisza Kft. by AD Plastik d.d. Solin.

In 2024 and 2025 the Group tested impairment of goodwill resulted from acquisition of Tisza Automotive Kft. It is estimated that the company AD Plastik Tisza constitutes one cash generating unit. In 2025, the recoverable amount of the cash-generating unit was determined based on the application of the value in use method. The estimate is made based on a projection of future cash flows based on three-year plans, Cash flows beyond the three-year period is extrapolated using the estimated growth rates which is determined for cash generating unit. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. The cash flow projections included specific estimates for three years, considering WACC rate of 9.87 percent (in 2024 9.36 percent) and a terminal growth rate thereafter. The estimated growth in operating cash flows for the three-year period was 35.5 percent. The terminal growth rate was determined in accordance with market assumptions and was estimated by the Group at 2.5%.

Budgeted EBITDA was estimated considering past experience, adjusted as follows.

- new projects with customers either contracted with, announced by or subject to the negotiations with customers.

By performing the impairment test of goodwill, the Group has concluded that no impairment should be recognised on goodwill resulted from acquisition of Tisza Automotive Kft in 2025 and 2024.

37. RELATED PARTY TRANSACTIONS

Transakcije sa povezanim društvima bile su kako slijedi:

Receivables and payables for goods and services	Receivables		Payables	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EURO Auto Plastic Systems, Romania	1,053	1,277	10	13
	1,053	1,277	10	13

Operating and financing income and expenses	Income		Purchases	
	2025	2024	2025	2024
EURO Auto Plastic Systems, Romania	3,391	2,616	10	13
Sankt-Peterburgskaya investicionnaya kompaniya	-	-	36	27
	3,391	2,616	46	40

Receivables and payables for loans and interest	Receivables		Payables	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Sankt-Peterburgskaya investicionnaya kompaniya	-	-	-	1,906
	-	-	-	1,906

Receivables for dividends	Receivables	
	31.12.2025	31.12.2024
EURO Auto Plastic Systems, Romania	-	3,470
	-	3,470

Sankt-Peterburgskaya investicionnaya kompaniya is member of Group in which is also company AO Holding Autokomponenti. which holds 30% of shares in Company .

The total remuneration provided to the members of the Supervisory Board of AD Plastik d.d. and subsidiaries, The President and members of Management Board and General directors of subsidiaries in 2025 amounts to EUR 1,748 thousand (in 2024 EUR 1,628 thousand).

38. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

38.1. Gearing ratio

The Group's gearing ratio, expressed as the ratio of net debt to equity, is as follows:

	31.12. 2025	31.12. 2024
Long-term borrowings (Note 29)	18,451	17,850
Short-term borrowings (Note 34)	15,767	26,756
Cash and cash equivalents (Note 26)	(7,777)	(4,262)
Net debt	26,441	40,344
Equity	114,300	98,908
Net debt-to-equity ratio	23.13%	40.79%

Group has no liabilities under commodity loans on 31 December 2025 (31 December 2024: EUR 361 thousand – Notes 39 and 34). The amount as at 31 December 2024 is included in the Group's net debt. Equity consists of share capital, reserves, reserves for own shares, own shares, retained earnings and profit/loss for the year. The Group strives to have a debt-to-equity ratio of less than 50%.

38.2. Categories of financial instruments

	31.12. 2025	31.12. 2024
Financial assets	35,246	29,770
Trade receivables (Note 24)	26,796	25,045
Cash and cash equivalents and deposits (Note 26)	7,777	4,262
Accrued income and other receivables	673	463
Financial liabilities	57,019	71,333
Loans received (Notes 29,34)	34,218	44,607
Trade and other payables	21,168	24,200
Lease liabilities (Note 31)	1,633	2,526

Accrued income and other receivables include accrued income, other receivables less receivables from the State and advances given.

Trade and other payables include: trade and other payables less payables to the State and grants.

Details of concentration of credit risk are included in Note 24 Trade receivables.

Detailed information on credit risk management is stated under chapter Risks and opportunities in business of the Integrated annual report which integral part are those financial statements.

38.3. Risk of customer portfolio

Historical dependence on the one customer has been reduced through diversification of the customer portfolio. However, the consolidation of manufacturers in the automotive industry limits the possibility of further diversification. Risk is managed by contracting with new customers and those with a smaller share of the company's revenues and by developing long-term relationships with multiple partners to ensure revenue stability.

38.4. Market risk

Fluctuations in demand and changes in trends in the automotive industry, such as the transition to electric vehicles and hybrid models, can affect business. The transition to environmentally friendly technologies requires an adjustment of product and service strategies. Inflation and rising prices of key raw materials can also further threaten profitability, and the emergence of low-cost Chinese manufacturers on the European market further increases pressure on margins, but also opens up new opportunities. Group manages this risk through a focus on diversifying its product portfolio, monitoring global and regional trends, including the entry of new manufacturers into the EU market, and close cooperation with customers to adjust prices in line with market changes.

38.5. Interest rate risk

Interest rate risk refers to the potential for financial losses arising from changes in market interest rates. It is managed through continuous monitoring of market trends and projections, contracting fixed interest rates during periods of low rates and variable rates in high-rate environments, refinancing existing borrowings, and transferring part of investment in long-term assets to customers. In 2025, monetary policy decisions by central banks continued the trend of reducing key interest rates, which gradually had a positive impact on financing costs, alongside the ongoing deleveraging process throughout the year.

Interest-bearing borrowings are contracted at both variable and fixed interest rates. Borrowings with variable rates expose the Group to cash flow interest rate risk. As at 31 December 2025, loans contracted at variable interest rates amounted to EUR 18,352 thousand (2024: EUR 18,843 thousand). Interest rates on bank loans are linked to one-month and three-month EURIBOR.

If interest rates on variable-rate loans had been 1 percentage point higher/lower as at 31 December 2025, with all other variables held

constant, the Group's net profit would have been EUR 194 thousand lower/higher (2024: EUR 201 thousand).

38.6. Credit risk

The risk of non-payment by customers can lead to cash flow problems and reduce the Group's liquidity. AD Plastik Group cooperates with reputable customers who are financially stable companies, which minimizes the collection risk and receivables are realized within the agreed deadlines.

Group manages this risk by contracting with customers with a high financial rating and by monitoring the due dates of receivables and acting promptly in case of delays.

38.7. Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The carrying amounts of the Group's foreign-currency denominated monetary assets and monetary liabilities at the reporting date are provided in the table below.

At 31 December	Assets		Liabilities		Net FX position	
	2025	2024	2025	2024	2025	2024
EUR	4,999	4,644	29,018	34,637	(24,019)	(29,993)
RON	-	3,468	-	-	-	3,468
USD	1	3	1	-	-	3
GBP	2	2	-	-	2	2
	5,002	8,117	29,019	34,637	(24,017)	(26,520)

In EUR 4,999 thousand of EUR assets and EUR 29,018 thousand of EUR liabilities of subsidiaries (in 2024 EUR 4,644 thousand of EUR assets and EUR 34,637 thousand of EUR liabilities of Group) is included exposure on EUR intra Group receivables and loans in amount of EUR 1,538 thousand (in 2024 EUR 1,626 thousand), i.e EUR 23,737 thousand (in 2024 EUR 27,221 thousand)

Foreign currency sensitivity analysis

Foreign currency risk note includes exchange rate exposure of all monetary positions in all companies of the Group, which generate foreign exchange differences in separate reports of those companies.

On 31 December 2025, if RUB were to depreciate/appreciate by 1% compared to EUR, assuming all other variables remain unchanged, net profit of the Group for 2024 would be EUR 30 thousand (2024: EUR 65 thousand) (lower)/higher, because of (negative)/positive foreign exchange differences generated by conversion of trade receivables, cash and cash equivalents, trade payables and loans received originally denominated in euros.

38.8. Liquidity risk management

This risk represents the risk of the company not being able to convert assets into liquid assets in a short time, i.e the inability to fulfill its obligations to creditors. Therefore, AD Plastik Group maintains optimal amounts of funds on the account with secured available credit lines. Cash flow management is of key importance for liquidity risk management. Each company within the Group, based on operational business plans, financial liabilities and investment needs, plans its future cash needs on a monthly, quarterly and annual basis. Based on that data, the parent company's Finance Department prepares a consolidated cash flow plan of the Group, and makes decisions on timely provision of credit lines for capital investments and project financing, as well as placing surplus funds in deposits or covering the lack of funds from short-term financing sources.

In 2025, the parent company issued corporate guarantees to the subsidiaries in the following amounts: EUR 4,480 thousand to banks and EUR 50 thousand to suppliers (in 2024: EUR 7,700 thousand to banks, EUR 1,044 thousand to suppliers).

The following tables detail the Group's remaining contractual maturity for its non-derivative financial assets and liabilities. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the Group can require payment i.e. can be required to pay.

		Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
2025	Weighted average interest rate							
Assets								
Non-interest bearing	-	18,909	13,272	1,392	-	-	33,573	33,573
Interest bearing	17.78%	1,697	-	-	-	-	1,697	1,673
		20,606	13,272	1,392	-	-	35,270	35,246
Liabilities								
Non-interest bearing	-	13,787	5,731	1,650	-	-	21,168	21,168
Interest bearing	3.64%	807	1,748	13,942	18,874	546	35,917	34,218
Lease liability	2.13%	94	121	537	901	13	1,666	1,633
		14,688	7,600	16,129	19,775	559	58,751	57,019
		Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
2024	Weighted average interest rate							
Assets								
Non-interest bearing	-	15,309	10,900	3,150	-	43	29,402	29,402
Interest bearing	16.65%	375	-	-	-	-	375	369
		15,684	10,900	3,150	-	43	29,777	29,771
Liabilities								
Non-interest bearing	-	14,117	7,207	985	153	744	23,206	23,206
Interest bearing	2.88%	1,818	8,337	18,470	18,765	-	47,390	45,600
Lease liability	2.13%	113	195	877	1,419	-	2,604	2,526
		16,048	15,739	20,332	20,337	744	73,200	71,332

Total interest bearing liabilities in amount of EUR 34,218 thousand at 31 December 2025 refers to liabilities denominated in EUR (at 31 December 2024 EUR 45,600 thousand refers to liabilities denominated in EUR).

38.9. Fair value of financial instruments

Financial instruments held to maturity in the ordinary course of business are carried at the lower of cost and net amount less repaid portion. Fair value is the price that would be generated from the sales of some item of an asset or paid for transferring some liability in a fair transaction between market participants at the measurement date, regardless of whether it would be directly visible or evaluated by applying some other valuation technique. At 31 December 2025, the carrying amounts of cash, receivables, short-term liabilities, accrued expenses, short-term borrowings and other financial instruments match their fair values.

39. EVENTS AFTER THE REPORTING PERIOD

After 31 December 2025, there were no events that would have a significant impact on the financial statements for the year 2025, respectively they are not of such significance to the Group to require disclosure in the notes to the financial statements.

40. CONTINGENT LIABILITIES

Based on the Management's estimate, Group had no material contingent liabilities at 31 December 2025 which would require to be disclosed in the notes to the financial statements. Group had no capital expenditure commitments contracted at 31 December 2025 which would require to be disclosed in the notes to the financial statements. As at 31 December 2025 and 2024 there were no material legal actions outstanding against the Group with an expected negative outcome other than those reflected in these separate financial statements.

41. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Management Board of AD Plastik d.d. and authorised for issue on 24 April 2026.

For AD Plastik d.d. Solin by:

President of the Management Board
Katija Klepo



Member of Management Board
Mladen Peroš



Member of Management Board
Goran Soko



24 April 2026

AD PLASTIK d.d., SOLIN

**SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2025**

MANAGEMENT BOARD RESPONSIBILITY FOR SEPARATE FINANCIAL STATEMENTS

Pursuant to the Accounting Act of the Republic of Croatia, the Management Board is responsible for ensuring that separate financial statements are prepared for each financial year in accordance with International Financial Reporting Standards (IFRSs), as adopted in the European union, which give a true and fair view of the financial position and results of operations of AD Plastik d.d. Solin (the "Company") for that period.

After making enquiries, the Management Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the separate financial statements.

In preparing those separate financial statements, the Management Board is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making reasonable and prudent judgements and estimates;
- following applicable accounting standards and disclosing and explaining any material departure in the separate financial statements;
- preparing the separate financial statements under the going concern principle unless it is inappropriate to presume that the Company will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and their compliance with the Croatian Accounting Act. The above stated responsibility includes the responsibility for accuracy of the Management Report, which is an integral part of separate financial statements and submission of financial statements in electronic reporting format (ESEF) prescribed by regulatory technical standards developed by ESMA (European Securities and Markets Authority) and adopted by the European Commission. The Management Board is also responsible for safeguarding the assets of the Company, and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Management Board

For AD Plastik d.d. Solin:

President of the Management Board
Katija Klepo



Member of Management Board
Mladen Peroš



Member of Management Board
Goran Soko



AD Plastik d.d.
Matoševa 8
21210 Solin
Republic of Croatia
24 April 2026

Independent Auditor's Report

To the shareholders of AD Plastik d.d.

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of AD Plastik d.d. ("the Company"), which comprise:

- the separate statement of financial position as at 31 December 2025;
- and, for the year from 1 January 2025 to 31 December 2025:
- the separate statement of profit or loss and other comprehensive income;
 - the separate statement of changes in equity;
 - the separate statement of cash flows;

and

- notes, comprising material accounting policies and other explanatory information ("the separate financial statements").

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and Regulation (EU) No. 537/2014 of the European Parliament and of the Council. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to audits of the separate financial statements of public interest entities in the Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REVENUE RECOGNITION

Revenue in 2025: EUR 121,189 thousand (2024: EUR 111,152 thousand). As at 31 December 2025, trade receivables: EUR 23,498 thousand; accrued revenue: EUR 579 thousand (31 December 2024, trade receivables: EUR 21,916 thousand; accrued revenue: EUR 325 thousand).

Please refer to the Note 2.3 Revenue recognition of Significant accounting policies and Note 4 Sales in the separate financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is an important metric used to evaluate the financial performance of the Company. In the year ended 31 December 2025, its principal revenue streams included sales of car parts and of customized tools developed by the Company. As discussed in Note 2.3, revenue is recognized when control over the goods is transferred to the customer.</p> <p>Application of the revenue recognition principles of the relevant financial reporting standard, IFRS 15 <i>Revenue from Contracts with Customers</i> (“the Standard”), is complex and requires making significant assumptions and judgment. In the Company’s case, particular complexity is associated with the following aspects:</p> <ul style="list-style-type: none"> • Determination of whether a customer contract exists requires the Company to assess whether one document or a combination of documents, including general terms of business, nomination letter, agreement with customer and purchase orders, create enforceable rights and obligations of the parties to the arrangement. • Goods with different revenue recognition patterns, such as spare parts and tooling, may be sold as part of one contract or several contracts accounted for as one arrangement. The Company applies significant judgment in identifying contracts which require to be combined and accounted for as one arrangement, and in identifying performance obligations therein. 	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Assessing the accounting policy for recognition of revenue and its compliance with the requirements of the Standard; • Updating our understanding of the Company’s revenue recognition process, and testing the design and implementation of selected related internal controls within; • For a sample of sales transactions in the current year, inspecting underlying contractual provisions and making inquiries of relevant sales and finance personnel, in order to challenge: <ul style="list-style-type: none"> - The existence of a customer contract, by reference to the relevant criteria of the Standard, including, among other things, those relating to the parties’ commitment to their obligations and probability of collecting the consideration due; - Identification of the contracts which require to be accounted for on a combined basis and of performance obligations within those contracts, by among other things, assessment of whether the goods and services in the arrangements are distinct and also whether any subsequent changes to the contract price arising from the learning curve result in the reduced price representing the parts’ stand-alone selling price;

<ul style="list-style-type: none"> • Many contracts with customers entitle customers to price reductions after a certain period of purchase orders (as a result of expected reduction in the Company's costs along its learning curve). Judgement is required to determine whether such 'efficiency savings' provide customers with material rights to be accounted for as separate performance obligations. • Tooling arrangements are typically contracts or framework agreements between the Company and its customers for the sale of tools to be used in the production of customized parts for a given customer. Since such tooling arrangements may vary with respect to transfer of development activities and ownership, careful assessment to determine whether, among other things, an arrangement is a sale, a lease or development of its own equipment, whether it contains a lease and whether it is a separate performance obligation from the sale of car parts. <p>In the wake of the above factors, we considered revenue recognition to be associated with a significant risk of material misstatement in the separate financial statements. Therefore, the area required our increased attention in the audit and as such was determined to be a key audit matter.</p>	<ul style="list-style-type: none"> • Inspecting underlying contracts with customers for tooling sales transactions to identify any lease component embedded within those contracts, mainly by evaluating ownership rights, the party directing the use of the tool and whether there is a separate performance obligation in relation to the sale of car parts. • For a sample of sales transactions selected as part of the preceding procedure, challenging the timing of the transfer of control, the resulting pattern of revenue recognition and revenue amounts, by reference to sales invoices, inventory and shipping documents, customer acceptance forms and other documents as appropriate; • For a sample of invoices, obtaining confirmations of the amounts receivable outstanding as at the reporting date, and evaluating any differences between the amounts confirmed and the Company's records, by inspecting the underlying documentation such as contracts, invoices, shipping documents, customer acceptance forms and payments made by customers; • Inspecting journal entries posted to revenue accounts focusing on unusual and irregular items; • Examining whether the Company's revenue recognition-related disclosures in the separate financial statements appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.
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Other Information

Management is responsible for the other information. The other information comprises the Management Report (together with Sustainability Statement) and the Corporate Governance Report included in the Annual Report of the Company but does not include the separate financial statements and our auditor's report thereon.

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

We have performed a limited assurance engagement on the Consolidated Sustainability Statement that forms part of the other information and provided a separate unmodified assurance practitioner's conclusion thereon that is included within the other information.

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

With regard to the Management Report and the Corporate Governance Report, we also performed procedures prescribed by applicable legal requirements and we report that:

- the information given in the Management Report and the Corporate Governance Report for the financial year for which the separate financial statements are prepared, is consistent, in all material respects, with the separate financial statements;
- the Management Report and the Corporate Governance Report have been prepared, in all material respects, in accordance with applicable legal requirements.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Separate Financial Statements

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Information Required by Regulation (EU) No. 537/2014 of the European Parliament and the Council

Appointment of Auditor and Period of Engagement

We have been appointed to audit the annual separate financial statements of the Company by resolution of those charged with governance dated 17 July 2025. Our period of total uninterrupted engagement is 6 years, covering the periods ended 31 December 2020 to 31 December 2025.

Consistency with Additional Report to Audit Committee

We confirm that our audit opinion is consistent with the additional report to the Audit Committee.

Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 of the European Parliament of the Council and Article 44 of the Audit Act were provided and that we remained independent in conducting the audit.

Report on Compliance with the ESEF Regulation

In accordance with the requirements of Article 462 paragraph 5 of Capital Market Act, we are required to express an opinion on whether the separate financial statements of the Company as at and for the year ended 31 December 2025, as included in the attached electronic file adplastik-drustvo-2025-12-31-1-en.zip, have been prepared, in all material respects, in accordance with the requirements of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format ("the RTS on ESEF").

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation of the separate financial statements in a digital format that complies with the RTS on ESEF. This responsibility includes:

- the preparation of the separate financial statements in the applicable XHTML format and their publication;
- the selection and application of appropriate iXBRL tags, using judgment where necessary;
- creating and properly anchoring extension elements where no suitable element exists;
- performing block-tagging where required;
- ensuring consistency between digitised information and the separate financial statements presented in human-readable format; and
- the design, implementation and maintenance of internal control relevant to the application of the RTS on ESEF.

Those charged with governance are responsible for overseeing the Company's ESEF reporting, as a part of the financial reporting process.

Auditor's Responsibilities

Our responsibility is to express an opinion on whether the separate financial statements have been prepared, in all material respects, in accordance with the RTS on ESEF, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about whether the separate financial statements have been prepared, in all material respects, in accordance with the RTS on ESEF. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements of set out in the RTS on ESEF, whether due to fraud or error. Reasonable assurance is a high degree of assurance. However, it does not guarantee that the scope of procedures will identify all significant (material) non-compliance with the RTS on ESEF.



Our procedure included, among others:

- obtaining an understanding of the Company's ESEF preparation process;
- evaluating the design and implementation of relevant controls over the iXBRL tagging process;
- assessing the XHTML structure and the completeness of tagging;
- evaluating the appropriate application of core taxonomy elements, the creation and anchoring of extension elements, and the application of block-tagging where required; and, where relevant,
- assessing consistency between machine-readable and human-readable versions and the signed audited separate financial statements.

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

Opinion

In our opinion, based on the procedures performed and evidence obtained, the separate financial statements of the Company as at and for the year ended 31 December 2025 presented in ESEF format and contained in the aforementioned attached electronic file, have been prepared, in all material respects, in accordance with the requirements of the RTS on ESEF.

KPMG Croatia d.o.o.

KPMG Croatia d.o.o. za reviziju

24 April 2026

Croatian Certified Auditors
Eurotower, 17th floor
Ivana Lučića 2a
10000 Zagreb
Croatia

KPMG Croatia
d.o.o. za reviziju
Eurotower, 17. kat
Ivana Lučića 2a, 10000 Zagreb
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Domagoj Hrkać
Member of the Management Board, Croatian Certified Auditor

SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Notes	2025	2024
Sales	4	121,189	111,152
Other income	5	2,029	4,877
Total income		123,218	116,029
Increase/(decrease) in the value of work in progress and finished products		709	41
Cost of raw material and supplies	6	(56,923)	(45,904)
Cost of goods sold	7	(10,953)	(27,850)
Service costs	8	(9,092)	(8,354)
Staff costs	9	(29,945)	(24,175)
Depreciation and amortisation	10	(9,911)	(8,290)
Other operating expenses	11	(2,401)	(4,155)
Provisions for risks and charges, net	12	(264)	(1)
Impairment of loans and trade receivables (net)		(488)	(240)
Total operating expenses		(119,268)	(118,928)
Gain/(Loss) from operations		3,950	(2,899)
Financial income	13	3,192	4,065
Financial expenses	14	(1,175)	(1,323)
Profit from financing activities		2,017	2,742
(Loss)/profit before taxation		5,967	(157)
Income tax expense	15	(552)	554
Profit for the year		5,415	397
Other comprehensive income		-	-
Total comprehensive income for the year		5,415	397

The accompanying accounting policies and notes form an integral part of these separate financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Note	31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Intangible assets	16	7,971	9,278
Property, plant and equipment	17	65,683	69,067
Right-of-use assets	18	1,336	2,146
Investment property	19	3,178	3,217
Investments in subsidiaries and associates	20	12,987	12,987
Given long-term loans	21	12,844	13,709
Long-term receivables	22	2,222	2,222
Deferred tax assets	15	2,225	2,777
Total non-current assets		108,446	115,403
Current assets			
Inventories	23	11,853	11,294
Trade receivables	24	23,498	21,916
Other receivables	25	4,162	1,977
Given short-term loans	26	2,618	3,267
Cash and cash equivalents	27	5,497	3,046
Prepaid expenses		354	476
Accrued income		579	325
Total current assets		48,561	42,301
TOTAL ASSETS		157,007	157,704

SEPARATE STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Note	31.12.2025	31.12.2024
Share capital	28	54,595	54,595
Capital and other reserves		34,471	35,762
Retained earnings/(loss brought forward)		7,936	1,188
Total shareholders' equity		97,002	91,545
Long-term provisions	29	330	369
Long-term borrowings	30	16,526	16,178
Deferred revenue	31	-	1
Lease liabilities	32	786	1,200
Total non-current liabilities		17,642	17,748
Advances received	33	4,983	878
Trade payables	34	17,435	18,630
Short-term borrowings	35	14,994	24,466
Other current liabilities	36	2,871	2,622
Lease liabilities	32	603	985
Short-term provisions	29	1,477	830
Total current liabilities		42,363	48,411
Total liabilities		60,005	66,159
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		157,007	157,704

The accompanying accounting policies and notes form an integral part of these separate financial statements..

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

	Share capital	Capital reserves	General and legal reserves	Reserves for own (treasury) shares	Own (treasury) shares	Retained earnings	Total
Balance at 31 December 2023	54,595	25,884	7,694	2,773	(871)	1,040	91,115
Profit for the year	-	-	-	-	-	397	397
Total comprehensive income for the year	-	-	-	-	-	397	397
Release of reserves for own (treasury) shares	-	-	-	(1,979)	-	1,979	-
Disposal of own (treasury) shares	-	(45)	-	-	78	-	32
Transactions with the owners of the Company	-	(45)	-	(1,979)	78	1,979	32
Reserves for not written off costs of development	-	-	2,229	-	-	(2,229)	-
Balance at 31 December 2024	54,595	25,839	9,923	794	(794)	1,188	91,545

	Share capital	Capital reserves	General and legal reserves	Reserves for own (treasury) shares	Own (treasury) shares	Retained earnings	Total
Balance at 31 December 2024	54,595	25,839	9,923	794	(794)	1,188	91,545
Profit for the year	-	-	-	-	-	5,415	5,415
Total comprehensive income for the year	-	-	-	-	-	5,415	5,415
Release of reserves for own (treasury) shares	-	-	-	(46)	-	46	-
Disposal of own (treasury) shares	-	(5)	-	-	46	-	41
Transactions with the owners of the Company	-	(5)	-	(46)	46	46	41
Disposal of reserves for not written off costs of development	-	-	(1,287)	-	-	1,287	-
Balance at 31 December 2025	54,595	25,834	8,636	748	(748)	7,936	97,002

The accompanying accounting policies and notes form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

Cash flow from operating activities	Note	2025	2024
Profit for the current year		5,415	397
Adjusted for:			
Income tax	15	552	(554)
Depreciation and amortization	10	9,911	8,290
Write-off of property, plant and equipment	17	-	151
Impairment/write-off of intangible assets	16	248	-
Interest expense and foreign exchange differences recognized in profit or loss	14	1,174	1,322
Dividend income	13	(2,472)	(3,470)
Gains on disposal of property, plant and equipment and intangible assets	5	(41)	(2,055)
Interest income	13	(720)	(595)
Increase in long-term and short-term provisions (net)		607	97
Impairment of loan receivables (net)		512	232
Impairment of trade receivables (net)		(15)	8
Write-off of obsolete inventory	6	130	188
Impairment of investment in subsidiary	11	-	1,993
Operating profit before changes in working capital		15,303	6,004
(Increase)/decrease in inventories	23	(689)	10,178
(Increase) in short-term trade receivables		(4,923)	(1,093)
(Increase)/decrease in other receivables	25	(2,179)	2,116
(Increase)/decrease in accrued income and prepaid expenses		(130)	46
Increase in trade payables		874	1,720
Increase/(decrease) in advances received	33	4,105	(4,461)
Increase in other short-term liabilities		258	783
Interest paid		(1,161)	(1,352)
Net cash flow from operating activities		11,456	13,942
Cash flow from investing activities			
Interest received		361	-
Proceeds from repayment of loan principal		1,272	2,093
Purchase of property, plant and equipment	17	(3,489)	(8,359)
Purchase of intangible assets	16	(1,026)	(2,989)
Proceeds from sale of property, plant and equipment and intangible assets		119	2,092
Dividends received		5,850	618
Net cash inflows/(outflows) from investing activities		3,087	(6,545)

SEPARATE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

Cash flow from financing activities	Note	2025	2024
Loans received	35	16,900	21,398
Loan repayments	35	(27,004)	(26,172)
Lease principal repayments	32	(986)	(995)
Net cash inflows/(outflows) from financing activities		(11,091)	(5,769)
Unrealized foreign exchange differences on cash and cash equivalents		-	-
Net increase / (decrease) in cash and cash equivalents	27	3,453	1,627
Cash and cash equivalents at the beginning of the year	27	2,045	418
Cash and cash equivalents at the end of the current year	27	5,497	2,045

The accompanying accounting policies and notes form an integral part of these separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of euros)

1. NEW STANDARDS AND INTERPRETATIONS

1.1. Application of new and revised International Financial Reporting Standards

A number of new standards, amendments to existing standards and interpretations have been issued by the International Accounting Standards Board and the International Financial Reporting Standards Interpretations Board, but have not yet entered into force for the accounting period ending 31 December 2025 and/or have not been adopted by the European union and as such were not applied in the preparation of these financial statements. Most of the new standards, changes to existing standards and interpretations adopted by the European union, which are not yet in use, will not have a significant impact on the Company's financial statements.

Except for the changes below, the Company has consistently applied the accounting policies as set out in the Notes below to all periods presented in these financial statements.

1.2. Effective standards, amendments to standards and implementations - adopted in 2025

Effective from 1 January 2025 the following standards, amendments or interpretations came into force:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: **Lack of Exchangeability** (issued on 15 August 2023);

The amendments to IAS 21 introduce requirements for assessing when a currency is exchangeable into another currency and when it is not. If a currency is determined to be non-exchangeable, entities are required to estimate the spot exchange rate. The amendments also introduce additional disclosure requirements. These changes apply to annual reporting periods beginning on or after 1 January 2025, with early application permitted.

Adoption of these standards and amendments has not determined substantial effects on the amounts recognized in balance sheet or income statement or impact on disclosure of accounting policies.

1.3. Standards, amendments to standards and interpretations issued but not yet effective

The standards, amendments to standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- Amendments to IFRS 9 Financial instruments and IFRS 7 Financial instruments: Disclosures: Classification and measurement of Financial Instruments (issued on 30 May 2024; effective date 1 January 2026);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (issued on 18 July 2024; effective date 1 January 2026);
- Amendments to IFRS 9 Financial instruments and IFRS 7 Financial instruments: Disclosures: Nature-dependent electricity contracts (issued on 18 December 2024; effective date 1 January 2026);
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024; effective date 1 January 2027);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024; effective date 1 January 2027);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Disclosures: Translation to Hyperinflationary Presentation Currency (issued on 13 November 2025; effective date 1 January 2027);
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Disclosure: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014; effective date to be determined);

The Company is still in the process of assessing the impact of IFRS 18 and the related amendments, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash-flows, other disclosures of MPMs and the grouping of financial information.

Other amendments and standards are not expected to significantly affect the Company's financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Set out below are the principal accounting policies consistently applied in the preparation of the financial statements for the current and prior year.

2.1. Statement of compliance

The separate financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European union.

2.2. Basis of preparation

The Company maintains its accounting records in the Croatian language, in euro and in accordance with Croatian laws and the accounting principles and practices observed by enterprises in Croatia.

The preparation of the separate financial statements requires from the Management Board to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on the information available as at the date of preparation of the separate financial statements, and actual results could differ from those estimates.

The separate financial statements of the Company represent aggregate amounts of assets, liabilities, capital and reserves of the Company as of 31 December 2025, and the results of operations for the year then ended.

The Company also prepares its consolidated financial statements in accordance with International Financial Reporting Standards adopted by EU, which include the financial statements of the Company, as the parent, and the financial statements of the subsidiaries controlled by the Company. In these financial statements, investments in entities controlled by the Company or in which the Company has significant influence are carried at cost less impairment, if any. For a full understanding of the financial positions of the Company and its subsidiaries, as a group, and of the results of their operations and their cash flows for the year, users are advised to read the consolidated financial statements of the Group AD Plastik d.d. Details of the investments in subsidiaries and associates are presented in Note 20.

The financial statements are presented in euro (EUR). All amounts presented in the financial statements are expressed in thousands of euros unless otherwise stated, and there may be differences of 1 in the totals due to rounding.

2.3. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer.

Contract exists only if it is legally enforceable and meets all of the following criteria:

- the contract is approved and the parties are committed to their obligations,
- the rights to goods and services and payment terms can be identified,
- the contract has commercial substance, and
- collection of consideration is probable.

Definition of contract as stated above is by combining the clauses of following documentation: Buyer's General Terms and conditions, Nomination letter, Purchase agreement and Purchase order. The Company has contracts with Buyers (OEM) as Tier 1, with buyer's suppliers as Tier 2, with subsidiaries and associates. Contracts exists for sales of following goods and services:

- product sale,
- tooling sale,
- R&D activities
- royalty services,
- technical and engineering services

Contracts do not commit the customer to a specified quantity of products; however, the Company is generally required to fulfill its customers' purchasing requirements for the production life of the vehicle. Contracts do not typically become a performance obligation until the Company receives either a purchase order for a specific number of parts at a specified price. Long-term agreements with customers for specific product may range from five to seven years, contracts may be terminated by customers at any time, while occurred very rarely.

The Company's customers pay for products received in accordance with payment terms that are customary in the industry, typically 60 to 120 days. The Company's contracts with its customers do not have significant financing components.

Tooling and product sales may be contracted in separate agreements, or concluded at different points in time, or may be contracted in one agreement. In either case any binding obligation for the customer with respect to parts is created only upon issuance of purchase orders. Revenue from tooling sale and product sale is recognized at point in time when the control is passed on Buyer.

The Company has determined that royalty and technical support services, tooling and the delivery of product parts are separate and distinct for the customer and therefore constitute separate performance obligations under IFRS 15, when the ownership is transferred.

The prices agreed in the contracts for the single performance obligations are considered to be the stand-alone.

The company, in contracts with variable consideration, assesses whether there is an obligation to return the consideration to the customer and includes a portion of the variable consideration only if it is highly probable that there will not be a significant reversal of the total recognized revenue after resolving the uncertainties related to the variable consideration.

The company considers a contract modification to have occurred when

there is a change in the scope or price of the contract, or both, which is approved by the contracting parties. The company considers that a contract modification exists when the contracting parties approve a modification that establishes new enforceable rights and performance obligations, or changes the existing ones. The company recognizes a contract modification as a separate contract if the scope of the contract increases due to the addition of promised goods or services that are distinct from the previous ones, and if the contract price increases by an amount of consideration that reflects the selling prices of the additional promised goods or services and all appropriate adjustments to that price to reflect the circumstances of the contract. The company recognizes a contract modification as part of the existing contract if the remaining goods or services are not distinct and therefore form part of a single performance obligation, which is partially fulfilled on the date of the contract modification.

Revenue from sale of products

Product sales are recognized when the products are delivered to, and accepted by the customer and when the control of a product is transferred to the customer. Sales to customers with whom self-invoicing has been arranged are recognized upon receiving from such a customer the confirmation of delivery, i.e. when control is transferred to the customer. Each delivery is considered as performance obligation that is satisfied at point in time. Some of the Company's contracts include variable consideration which take a form of year-to-year price reductions („productivity“), but Company has concluded that those discounts do not give rise to a material right as those decreases are consistent with pricing pattern in automotive industry which takes into consideration learning curve effect.

Some contracts with customers include warranty clauses for repair of faulty goods during a specified long term period and cover of only a product's compliance with agreed specifications. Such warranties granted by the Company are in most cases assurance type warranties recognized in accordance with IAS 37 when the control of product transfers to customers

Revenue from tools

Revenues from tools are matched with contracts that are specifically concluded for developing an asset, or a group of assets, closely linked and interdependent on the design, technology and function or their final use or application. The company estimates that the transfer of control of tools, gauges and other devices is met at the time of „SOP“ (Start Of Production), i.e. start of the mass production on them. At that point Company recognizes revenue from the sale of tools. Costs of modification, completion and similar tool costs Company recognizes as an increase in inventory value.

Revenue from royalty and technical services

Company generates revenues from licenses by concluding contracts with affiliates to whom it sells the right to use intellectual property calculated on the amount of products produced by these companies, and

for which products the Company has carried out development activities. Revenue from licenses is recognized at the time of execution, according to the quantities of products produced by the customer.

Company generates revenues from technical services on the basis of contracts it has with affiliated companies to which it provides technical-administrative consulting services.

Revenue from royalty is recognized at the time of execution based on the generated sales of customers while revenue for technical-administrative support and consultancy services is recognized over time based on when the service is rendered.

2.4. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs that cannot be directly attributable to acquisition, construction or production of qualifying asset, are capitalised applying a capitalisation rate. Capitalisation rate is weighted average of borrowing costs applicable to the general borrowings, excluding borrowing costs that are directly attributable for acquisition of qualifying asset, until substantially all the activities necessary to prepare that asset for its intended use or sale are completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.5. Foreign-currency transactions

Transactions in foreign currencies are translated into euros at the rates of exchange in effect at the dates of the transactions. Cash, receivables and payables denominated in foreign currencies are retranslated at the rates of exchange in effect at the date of the statement of financial position. Gains and losses arising on translation are included in the statement of comprehensive income for the year.

2.6. Income tax

Current tax

Income tax expense is based on taxable profit for the year and represents the sum of the tax currently payable and deferred tax. Income tax is recognized in the statement of comprehensive income, except where it relates to items recognized directly in equity, in which case it is also recognized in equity. Current tax represents tax expected to be paid on the basis of taxable profit for the year, using the tax rates enacted at the date of the statement of financial position, adjusted by appropriate prior-period tax liabilities. The income tax rate for year 2025 and 2024 amounts to 18%.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rate expected to apply to taxable profit in the period in which the liability is expected to be settled or the asset realised, based on the tax rates in effect at the date of the statement of financial position. The income tax rate applicable to deferred tax assets is 18 %. The measurement of deferred tax liabilities and assets reflects the amount that the Company expects, at the date of the statement of financial position, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are not discounted and are classified in the statement of financial position as non-current assets and/or non-current liabilities. Deferred tax assets are recognized only to the extent that it is probable that the related tax benefit will be realized. At each date of the statement of financial position, the Company reviews the unrecognized potential tax assets and the carrying amount of the recognized tax assets.

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

In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.7. Property, plant, equipment and intangible assets

Property, plant and equipment as well as intangible assets are recognized at purchase cost and subsequently reduced by accumulated depreciation. Intangible asset represent capitalized development costs of all Company's projects. Intangible assets Projects (which mainly refers to models, designs, and prototypes for auto parts developed by the Company) is depreciated according to its useful life which varies from 2 to 7 years. The purchase cost comprises the purchase price, import duties and non-refundable sales taxes (for property, plant and equip-

ment) and any directly attributable costs of bringing an asset to its working condition and location for its intended use, such as employee remuneration, professional fees directly arising from putting an asset into its working condition, test costs (for intangible assets), as well as all other costs directly attributable to bringing an asset to a condition for its intended use. Maintenance and repairs, replacements and improvements of minor importance are expensed as incurred. Where it is obvious that expenses incurred resulted in an increase of expected future economic benefits to be derived from the use of an item of property, plant and equipment or intangible assets in excess of the originally assessed standard performance of the asset, they are added to the carrying amount of the asset. Gains or losses on the retirement or disposal of property, plant and equipment or intangible assets are included in the statement of comprehensive income in the period in which they occur. Depreciation commences on putting an asset into use. The Company reviews the estimated useful life of assets at the end of each year. Depreciation is provided so as to write down the cost or revalued amount of an asset other than land, property, plant and equipment and intangible assets under development over the estimated useful life of the asset using the straight-line method as follows:

	Depreciation rates in 2025	Depreciation rates in 2024
Property, plant and equipment, and intangible assets	%	%
Buildings	1.50	1.50
Machinery	7.00 - 10.00	7.00 - 10.00
Tools, furniture, office and laboratory equipment, measuring and control instruments	7.00 - 50.00	7.00 - 50.00
Vehicles	20.00	20.00
IT equipment	10.00 - 20.00	10.00 - 20.00
Others	10.00	10.00
Intangible assets - Projects	14.29 - 50.00	14.29 - 33.33
Software	20.00 - 50.00	20.00 - 50.00

2.8. Impairment of non-financial assets

At each reporting date the Company reviews the carrying amounts of its impairment of non-financial assets (Inventories and Deferred Tax Asset excluded) to determine whether there is an indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, The Company's assets are also allocated to individual cash-generating units or, if this is not possible, they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

2.9. Investments in subsidiaries and associates

A subsidiary is an entity over which the Company has effective control over financial and operating policy decisions of the Company. The results, assets and liabilities of subsidiaries are incorporated in these separate financial statements using the cost method of accounting.

An associate is an entity over which the Company has significant influence and usually an ownership interest from 20 to 50 percent, but no control over the entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control or joint control over those policies. The results of operations of associates are incorporated in these financial statements using the cost method of accounting.

2.10. Inventories

Inventories of raw material and spare parts are stated at the lower of cost and net realisable value, whichever is lower. Cost is determined using the weighted-average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less all variable selling costs.

Small inventory is written off when put in use. The cost of product inventories i.e. the production price is based on direct material used, the cost of which is determined using the weighted average cost method, then direct labour costs and fixed overheads at the actual level of production which approximates the normal capacities, as well as variable overheads that are based on the actual use of the production capacities. Inventories of goods are recognized at the cost of acquiring the inventories, which include the purchase price, import duties and other

non-recoverable taxes, transportation costs, and other costs directly attributable to the acquisition of finished goods or materials.

2.11. Other trade receivables and prepayments

Other trade receivables and prepayments represent receivables and prepayments that are not included in financial instruments, and they are carried at nominal amounts less an appropriate allowance for impairment for estimated irrecoverable amounts.

The Company impairs the carrying amount of receivables in the same way as the impairment of financial assets.

2.12. Cash and cash equivalents

Cash comprises account balances with banks, cash in hand, and deposits at call or with maturities of less than three months.

2.13. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each date of the statement of financial position and adjusted to reflect the current best estimate. Where the effect of discounting is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation, determined using the estimated interest rate specific for obligation as the discount rate. Where discounting is used, the reversal of such discounting in each year is recognized as a financial expense and the carrying amount of the provision increases in each year to reflect the passage of time.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the date of the statement of financial position, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions for litigation losses represents provisions relating to litigation against the Company from regular commercial operations and from disputes with former employees.

Provisions for unused vacation days are calculated on the basis of the remaining days of the vacation days that employees have made in the current year, multiplied by amount of gross daily wage.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.14. Termination, long-service and other employee benefits

(a) Pension-related obligations

In the normal course of business, the Company makes payments, through salary deductions, to mandatory pension funds on behalf of its employees, as required by law. The contributions paid to the mandatory pension funds are recognized as salary expense when accrued. The Company does not have any other retirement benefit plan and, consequently, has no other obligations in respect of the retirement benefits for its employees. In addition, the Company is not obliged to provide any other post-employment benefits.

(b) Long-term employee benefits

Long-term employee benefits represent jubilee awards and post employment benefit obligations. Post employment benefit obligations falling due more than 12 months after the reporting date are discounted to their present value. Jubilee awards are paid in intervals according to time that employee was working for Company.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognized in the period in which they arise.

Past service cost is recognized immediately to the extent that entitlement to benefits has already been acquired. Otherwise, it is amortized proportionately over a period of time until the right to receive benefits is acquired.

2.15. Financial instruments

Financial assets

Trade receivables are initially recognized when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

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

On initial recognition, a financial asset is classified as measured at amortized cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial

assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

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

Business model assessment

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

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

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

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

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

The structure of the Company's financial assets is simple and primarily relates to trade receivables without a significant financial component and loans given.

Subsequent measurement and gains and losses

Financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities

Debt securities are initially recognized when they are originated. All other financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Financial liabilities are measured at amortized cost. A financial liability is classified as measured at amortized cost using the effective interest method. Interest expenses and exchange differences are recognized within profit or loss. Any gain or loss on derecognition is also recognized within profit or loss.

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

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

Impairment of non-derivative financial assets

The Company recognizes loss allowances for expected credit loss (ECLs) on financial assets measured at amortized cost.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if early warning indicators have been activated in accordance with the Company's policy or contractual terms of the instrument.

The Company considers a financial asset to be fully or partially in default if:

the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held);

the financial asset is more than 360 days past due based on historical experience of average market participant.

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

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of expected credit losses

In accordance with IFRS 9, assets that are carried at amortized cost must have attributed expected credit losses (ECL). Formula for calculating yearly ECL is the following:

Probability of default (PD) x Loss given default (LGD) x Exposure at default (EAD).

Company used publicly available information to model ECL for loans, as follows:

Probability of default: Company used latest available Moody's Annual Default Study. Marginal PD for automotive industry was used for every year. Probability of default used in calculation is shown in the table below:

2.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Years	Cumulative probability of default	Marginal probability of default
1	2.3%	2.3%
2	4.5%	2.2%
3	6.6%	2.1%
4	8.5%	1.9%
5	10.4%	1.9%
6	12.1%	1.7%
7	13.6%	1.6%
8	15.1%	1.5%
9	16.4%	1.4%
10	17.4%	1.0%

Loss given default: Company used latest available Moody's Annual Default Study. It was calculated using annual default recoveries percentage. LGD used in 2025 is 62.70% (in 2024: 62.33%).

Exposure at default: Company calculated it internally taking into account annually repayment schedule for loans for every year of repayment.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset or liability, and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indications of impairment at each date of the statement of financial position. A financial asset are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the expected credit losses.

Impairment loss on a financial asset is recognized by reducing the carrying amount of the asset through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset have expired, when the asset is transferred and when substantially all the risks and rewards of ownership of the asset are passed onto another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Classification as financial debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the underlying contractual arrangement.

Interest income

Interest income is recognized on a pro rata temporis basis, using the effective interest method. Interest earned on balances with commercial banks (demand and term deposits) is credited to income for the period as it accrues. Interest on trade receivables is recognized as income when accrued.

2.16. Contingencies

Contingent liabilities have not been recognized in these separate financial statements. They are disclosed if the possibility of outflow of resources embodying economic benefits is possible. A contingent asset is not recognized in financial statements, but it is disclosed when the inflow of economic benefits becomes probable.

2.17. Events subsequent to the date of the statement of financial position

Events after the date of the statement of financial position that provide additional information about the Company's position at that date (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes to the separate financial statements when material.

2.18. Segment reporting

In separate financial statements the Company discloses sales revenues grouped by country (Note 4).

When assessing business performance and making decisions on the allocation of resources in accordance with IFRS 8 the Company's Management Board uses the division into two operating segments: EU, UK and Serbia and Russia. In the consolidated financial statements the Group's financial results, assets and liabilities are disclosed for above mentioned operating segments.

2.19. Leases

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

Leases are recognized by the present value of the lease payments and showed either as right-of-use assets or together with property, plant and equipment. Company also recognizes a financial liability representing its obligation to make future lease payments. Lessees are recognized separately interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees are also required to re-measure lease liability due to certain

events (e.g. a change in lease term, a change in future lease payments, resulting from a change in an index or discounting rate). The standard includes two recognition exemptions for lessees: „low-value“ leases (e.g. tablets and personal computers) and „short-term“ leases (leases which ends within 12 months). Low-value leases are considered assets with value lower than EUR 4,000.

Right-of-use assets and lease liabilities will be reported separately in the statement of financial position.

The Company has elected not to apply the requirements of IFRS 16 for low-value leases (e.g. printers) and short-term leases (e.g. apartments). Detailed movement of right of use assets are presented in Note 18 and movements of lease liability in Note 33.

2.20. Grants

Company recognizes grants as income over the period necessary to match them with related costs, for which they are intended to compensate on a systematic basis.

Receivables from government to reimburse expenses that have already been incurred are recognized in profit or loss in the period in which the receivable is incurred, and these grants are deducted from related expenses in financial statements.

2.21. Investment property

Investment property is property held by the Company to earn rentals or for capital appreciation or for both, but not for sale in the ordinary course of business or for administrative purposes.

Investment property is measured initially at its cost, including transaction costs. Subsequently, investment property is stated at cost less accumulated depreciation and any impairment loss.

Investment property is depreciated on a straight-line basis at the rate of 1.5%.

Investment property is derecognized when either it has been disposed of or permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognized in the income statement in the year of retirement or disposal.

3.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 2, the Management Board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. The key areas of estimation in applying the Company's accounting policies that had a most significant impact on the amounts recognized in the financial statements were as follows:

Revenue from the sale of tools

Tools are custom made for the customer and cannot be used for other purposes. In accordance with the automotive practice, those contracts may differ with respect to the development of tools and transfer of the title to the customer. In such cases, the Company determines whether tool arrangements are sale, lease or development of own equipment, whether this is a lease arrangement and whether it is separate from the sale of car parts.

The Company has assessed that the sale of car parts is a separate performance obligation from the sale of tools since the customer has the control over the use of tool and unconditional right for payment upon the transfer of control of tool to the customer. Additionally, the development of the tool is not integrated with the production of parts to produce a combined output and those two are not interrelated as tool can be sold without affecting the sale of car parts. The contract for the sale of tools and the contract for the sale of auto parts are separate contracts, which should not be combined because there are two different performance obligations, which can also be seen from the fact that the prices for the tools are not linked to the contract for the sale of auto parts.

In addition, although in production of parts the Company may continue to use tools that it sold to customers, the Company has concluded that its arrangements do not contain a lease.

Recoverability of investments in subsidiaries

At the end of each reporting period, the Company carries out the process of identifying indicators that would indicate that the value of investments in subsidiaries and associates (shown in Note 20) is potentially impaired and, if such indicators are identified, the Company assesses the recoverable amount of the investment through impairment testing.

When implementing the process of identification of impairment indicators, the Company considers a number of factors. Depending on the circumstances, a single factor by itself or several of them in combination may result in an indication of impairment. Unfavourable developments in the industry, such as the recent COVID 19 pandemic or macroeconomic disturbances due to the war in Ukraine, which led to challenges in supply chains and the lack of necessary quantities of semiconductors, as a rule, result in the implementation of impairment tests if there is noticeable significant impact on the operating results of subsidiaries and associates. In addition to the above, the Company monitors the key performance indicators of subsidiaries, the most important of which are realized operating margins and net assets of subsidiaries. Operating margins of subsidiaries are annually compared with available market multipliers for the valuation of similar companies in the industry to determine if they deviate significantly, which would indicate the need to perform a detailed impairment test. Additionally, negative or insufficient net assets of a subsidiary also typically indicate the need to perform an impairment test.

When the Company concludes for a particular investment that one factor by itself or several of them in combination result in an indication of impairment, a detailed impairment test and assessment of the recoverable value of the investment is prepared. As a rule, the discounted cash flow method (DCF method) is used to make an investment assessment, which is based on the assumption that the value of the company represents the present value of future net cash flows. When calculating the recoverable amount, as a rule, the Company applies the terminal growth rate of cash flows after a three-year period and discounts such cash flows using a discount rate that reflects the risk of the asset in question and which, for the purpose of calculating the impairment test, is approximated by the weighted average cost of capital (WACC) related to the primary sales market of individual subsidiary and industry. Impair-

ment tests are also tested for sensitivity to changes in key variables such as the discount rate, growth rate, and similar.

During 2025, the Company identified indicators of impairment related to its investments in subsidiary ZAO AD Plastik Kaluga and conducted detailed impairment tests on the investments and loans provided.

The recoverable value of investments and loans placed with ZAO AD Plastik Kaluga is equivalent to the fair value of net assets, less the cost of sales based on market and comparable asset prices (level 2 in determining fair value). When estimating the fair value of the property, the price for comparable property on the market was used, which were additionally corrected taking into account the condition and location of the property, as well as the Company's assessment of the total costs that would be required to sell the valued property. The company estimated the cost of sales depending on the type of property based on market conditions, historical experience and other relevant factors. The result of this valuation procedure is an increase in the impairment of loans given to ZAO AD Plastik Kaluga in the amount of 511 thousand euros. This effect is contained in the position of the Statement of comprehensive income entitled Impairment of loans and trade receivables (net).

Measurement of fair values

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

The Company has an established control framework with respect to fair value measurement which assumes the overall responsibility of the Management Board and finance department in relation to the monitoring of all significant fair value measurements and consultation with external experts.

Fair values are measured using information collected from third parties in which case the Board and the finance department assess whether the evidence collected from third parties support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy where such valuations should be classified. Fair values are categorised into different level in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more significant inputs are not based on observable market data, the fair value estimate is included in level 3.

Business risk in Russia

The Company has control over the cash flows of its Russian subsidiaries. There is currently a limit on the collection of credit receivables of RUB 10,000 thousand per month per subsidiary. There is no limit on the collection amount for other receivables for goods, services and loan interests. ZAO AD Plastik Kaluga is operating in a "cold mode", taking into account the withdrawal of all European customers from the Russian market with whom the Company did business before the start of the Russian-Ukrainian crisis. AO AD Plastik from Togliatti continues to operate with its main customer AutoVaz on the production of several models for Lada vehicles.

4. SALES

	2025	2024
Foreign sales	121,175	110,284
Domestic sales	14	868
	121,189	111,152

Sales segmentation by country is shown below:

	2025	2024
Slovenia	30,016	29,243
Romania	18,164	26,391
Slovakia	16,777	6,020
Serbia	15,138	7,852
Poland	11,599	8,661
Hungary	7,703	7,998
Italy	5,902	5,208
France	5,239	7,011
Spain	4,329	3,491
Great Britain	1,758	1,287
Germany	1,655	2,526
Russia	781	1,667
Turkey	764	411
Czech Republic	763	1,222
Croatia	14	868
Other countries	587	1,296
	121,189	111,152

Sales segmentation by type is shown below:

	2025.	2024.
Car parts sale	102,653	73,985
Merchandise	9,060	12,036
Revenue from tools	3,252	20,042
Licenses fees	2,780	1,889
Engineering services revenue	1,950	2,930
Product development services	1,494	270
	121,189	111,152

The largest sales income from companies in the same group, which make more than 15% of sales income in 2025, amounted to EUR 50,773 thousand (2024: EUR 29,936 thousand), while the carrying amount of receivables from this group amounted to EUR 10,449 thousand at 31.12.2025 (31.12.2024: EUR 5,267 thousand).

The second largest sales income from companies in the same group, which make more than 15% of sales income in 2025 amounted to EUR 20,412 thousand (2024: EUR 28,327 thousand), while the carrying amount of receivables from this group amounted to EUR 1,958 thousand at 31.12.2025 (31.12.2024: EUR 367 thousand).

5. OTHER INCOME

	2025	2024
Income from compensation for canceled projects	745	1,474
Income from consumption of own products and services	532	383
Income from damages and insurance	107	49
IT support services for subsidiaries	101	86
Income from sales of waste and secondary raw material	89	116
Rental income and income from the sale of services to tenants	50	277
Gain from sale of property, plant and equipment and intangible assets	41	2,055
Income from validation, quality control and laboratory testing	14	15
Other operating income	350	422
	2,029	4,877

6. COST OF RAW MATERIAL AND SUPPLIES

	2025	2024
Direct materials	50,978	40,573
Electricity	2,952	2,859
Other raw material and supplies	2,863	2,284
Inventory shortage costs and value adjustment of inventory	130	188
	56,923	45,904

7. COST OF GOODS SOLD

	2025	2024
Cost of merchandise	8,346	11,054
Cost of tools sold	2,607	16,755
Other costs of goods sold	-	41
	10,953	27,850

8. SERVICE COSTS

	2025	2024
Transport	2,613	2,329
Maintenance costs	1,312	1,059
Intellectual service cost	997	1,345
Software licenses	991	993
Product quality assurance and control	708	408
Security and fire services	653	555
Communal fee	632	427
Logistic services at distribution warehouses	284	273
Rental costs	214	259
Marketing	141	156
Water	132	108
Intermediation services	117	161
Engineering services costs	99	94
Laboratory tests and calibration of equipment	87	53
Telephone, cell phone, internet costs	78	82
Other service costs	34	52
	9,092	8,354

During 2025, the Company's auditors provided the Company with services related to the costs of the statutory audit of the Company's consolidated and unconsolidated statements and other verification services related to sustainability reporting and reporting on the remuneration of the Management Board and the Supervisory Board, also services related to audit of reports on relations with related companies in the total amount of EUR 150 thousand (2024: EUR 143 thousand).

9. STAFF COSTS

	2025	2024
Net wages and salaries	15,244	13,300
Taxes and contributions on and out of salaries	9,422	7,900
Other staff costs	5,279	2,975
	29,945	24,175

Other staff costs comprise jubilee awards, bonuses, termination benefits, commuting costs, cost of student service and other business-related costs. Company included reversal of provision for termination benefits in amount of EUR 36 thousand, and reversal of provision for jubilee awards in amount of EUR 7 thousand as cost reduction within category "Other staff cost". Further, provision for termination benefits in amount of EUR 184 thousand and provision for unused vacation days in amount of EUR 427 thousand are shown within "Other staff cost".

In the previous period, reversal of provision for termination benefits in amount of EUR 30 thousand, reversal of provision for unused vacation days in amount of EUR 4 thousand, and reversal of provision for jubilee awards in amount of EUR 3 thousand are shown as cost reduction within category "Other staff cost". Further, within "Other staff cost" provision for termination benefits is shown in amount of EUR 134 thousand.

10. DEPRECIATION AND AMORTISATION

	2025	2024
Depreciation of property, plant and equipment (Note 17)	6,794	5,631
Amortisation of intangible assets (Note 16)	2,085	1,608
Depreciation of right of use assets (Note 18)	993	1,012
Depreciation of investment property (Note 19)	39	39
	9,911	8,290

11.

OTHER OPERATING EXPENSES

	2025	2024
Withholding tax	424	159
Business trips	361	413
Membership fees, contributions, municipal utility fees	304	274
Customer complaints	266	170
Capitalised development cost write-off	248	-
Insurance premiums	168	156
Entertainment/representation costs	138	170
Cost of own consumption and goods provided free of charge	130	241
Professional training costs	99	63
Gifts, donations and sponsorships	65	73
Supervisory Board fees	59	52
Safety at work and health services	57	39
Impairment of related parties investment	-	1,993
Non-current tangible assets write off	-	151
Other expenses	82	202
	2,401	4,155

12.

PROVISIONS FOR RISKS AND CHARGES

	2025	2024
Provision for possible litigation losses, net (Note 29)	264	1
	264	1

13.

FINANCIAL INCOME

	2025	2024
Dividend income from associate	2,472	3,470
Interest income	720	595
	3,192	4,065

14.

FINANCIAL EXPENSES

	2025	2024
Interest expense	1,073	1,271
Interest expense on lease liabilities	34	49
Foreign exchange losses, net	67	3
	1,175	1,323

15. INCOME TAX

Income tax comprises the following:

	2025	2024
Current income tax expense	-	
Deferred tax income/(expense)	(552)	554
	(552)	554

Movement of Deferred tax assets/(liabilities) are presented in following table:

2025	Opening balance	(Charged)/ credited to statement of comprehensive income, net	Closing balance
Tax losses carried forward	2,120	(517)	1,603
Provisions for jubilee service and termination benefits	101	(9)	92
Impairment of investment property	329	-	329
Impairment of inventory	100	(28)	72
Impairment/(reversal) receivables/loans	121	(1)	120
Right of use assets	(386)	146	(240)
Lease liabilities	393	(143)	250
Balance at 31 December	2,778	(552)	2,226

2024	Opening balance	(Charged)/ credited to statement of comprehensive income, net	Closing balance
Tax losses carried forward	1,675	445	2,120
Provisions for jubilee service and termination benefits	83	18	101
Impairment of investment property	329	-	329
Impairment of inventory	66	34	100
Impairment/(reversal) receivables/loans	66	55	121
Right of use assets	(380)	(6)	(386)
Lease liabilities	385	8	393
Balance at 31 December	2,224	554	2,778

Reconciliation between the accounting and tax results is shown as follows:

	2025	2024
Accounting profit/(loss) before tax	5,967	(156)
Income tax at a rate of 18%	1,074	(28)
<i>Correction for tax effects</i>		
Non-deductible expenses	117	441
Tax exempt revenues	(461)	(903)
Changes in estimates from previous years	(178)	(64)
Profit tax expense	552	(554)
Effective tax rate	9.24%	355.06%

The effective income tax rate in Republic of Croatia in year 2025 was 18% the same as it was for the year 2024.

An amount of EUR 178 thousand was recognized as deferred tax assets from previously unrecognized tax losses from 2022. The Company

is planning to achieve taxable profit in the period from 2026 to 2027, for which forementioned deferred tax assets is planned to be used.

The tax losses available for carry-forward to the following tax periods are as follows:

	2025	2024
Tax losses from 2022 - expire in 2027	4,486	8,348
Tax losses from 2023 - expire in 2028	4,140	4,140
Tax losses from 2024 - expire in 2029	2,473	2,473
	11,099	14,961

Given that in 2025 the Company recognized deferred tax assets on a portion of the previously unrecognized deferred tax assets on tax loss carryforwards from 2022 in the amount of EUR 178 thousand, the

remaining unrecognized deferred tax assets on tax loss carryforwards from 2022 amount to EUR 416 thousand (2024: EUR 594 thousand)

16.

INTANGIBLE ASSETS

	Software	Projects	Other intangible assets	Intangible assets under development	Total
Cost					
Balance at 31 December 2023	1,826	14,114	756	5,763	22,459
Additions	-	-	-	2,989	2,989
Transfer from assets under development	19	5,609	-	(5,629)	-
Disposals	-	(891)	-	-	(891)
Balance at 31 December 2024	1,846	18,833	756	3,124	24,558
Additions	-	-	-	1,026	1,026
Transfer from assets under development	64	3,284	-	(3,348)	-
Retirements/Write Offs	(99)	(248)	-	-	(347)
Balance at 31 December 2025	1,811	21,869	756	802	25,237
Accumulated amortisation					
Balance at 31 December 2023	1,630	11,353	689	-	13,672
Charge for the year	76	1,471	61	-	1,608
Balance at 31 December 2024	1,706	12,825	750	-	15,280
Charge for the year	72	2,011	2	-	2,085
Write Offs	(99)	-	-	-	(99)
Balance at 31 December 2025	1,679	14,836	752	-	17,266
Net book value					
At 31 December 2024	140	6,008	6	3,124	9,278
At 31 December 2025	132	7,033	4	802	7,971

Projects relate to investments in the development of new products, from which economic benefits are generated in future periods. Accordingly, the costs incurred are amortized over the period of generating economic benefits for the Company. Intangible assets in preparation mostly relate to capitalized costs of developing new products. In 2025, the cost of net salaries and wages of EUR 385 thousand the cost of taxes and contributions from salaries of EUR 156 thousand and the

cost of contributions to salaries of EUR 82 thousand were capitalized in intangible assets. In the previous 2024, the capitalized cost of net salaries and wages amounted to EUR 540 thousand the cost of taxes and contributions from salaries amounted to EUR 210 thousand and the cost of contributions to salaries amounted to EUR 111 thousand. In 2025, capitalized interest expense in the amount of EUR 4 thousand (2024: EUR 20 thousand) was recognized on intangible assets.

17.

PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Assets under development	Total
Cost					
Balance at 31 December 2023	17,366	36,087	76,049	3,415	132,916
Additions	-	-	-	8,359	8,359
Transfer from assets under development	-	271	8,991	(9,262)	-
Disposals	-	-	-	-	-
Retirements/Write Offs	-	(215)	(845)	-	(1,061)
Balance at 31 December 2024	17,366	36,142	84,195	2,511	140,214
Additions	-	-	-	3,489	3,489
Transfer from assets under development	-	100	3,715	(3,815)	-
Disposals	(30)	-	(253)	-	(283)
Retirements/Write Offs	-	-	(173)	-	(173)
Balance at 31 December 2025	17,336	36,242	87,484	2,185	143,247
Accumulated depreciation					
Balance at 31 December 2023	-	11,988	54,437	-	66,425
Charge for the year (Note 10)	-	687	4,944	-	5,631
Disposals	-	-	-	-	-
Retirements/Write Offs	-	(81)	(828)	-	(909)
Balance at 31 December 2024	-	12,594	58,553	-	71,147
Charge for the year (Note 10)	-	697	6,097	-	6,794
Disposals	-	-	(204)	-	(204)
Retirements/Write Offs	-	-	(172)	-	(172)
Balance at 31 December 2025	-	13,291	64,274	-	77,565
Net book value					
At 31 December 2024	17,366	23,549	25,642	2,511	69,067
At 31 December 2025	17,336	22,952	23,210	2,185	65,682

The company manufactures part of its equipment in-house. Accordingly, in 2025, the capitalized cost of net salaries and wages was EUR 107 thousand, the cost of taxes and contributions from salaries EUR 43 thousand, and the cost of contributions on salaries EUR 22 thousand. In the previous year, 2024, the capitalized cost of net salaries and wages was EUR 59 thousand, the cost of taxes and contributions from salaries EUR 23 thousand, and the cost of contributions on salaries EUR 12 thousand.

From assets mentioned in Note 17 Property, plant and equipment and in Note 19 Investment property, pledged assets are lands with book value on the date of 31.12.2025 of (in thousand EUR) 12,126 (31.12.2024: 15,405) and buildings 11,401 (31.12.2024: 17,223). The mentioned assets include investment property, land in the net book value of 1,479 and buildings in the net book value of 1,700 (in thousand EUR).

18.

RIGHT OF USE ASSET

	Buildings	Plant and equipment	Total
Cost			
Balance at 31 December 2023	4,818	1,029	5,847
Lease modification, net	11	1,035	1,046
Balance at 31 December 2024	4,829	2,064	6,893
Additions	-	183	183
Balance at 31 December 2025	4,829	2,247	7,076
Accumulated depreciation			
Balance at 31 December 2023	2,785	949	3,734
Charge for the year (Note 10)	717	295	1,012
Balance at 31 December 2024	3,502	1,244	4,746
Charge for the year (Note 10)	710	283	993
Balance at 31 December 2025	4,212	1,527	5,739
Net book value			
At 31 December 2024	1,327	820	2,147
At 31 December 2025	617	720	1,337

Amounts recognised in profit and loss

	2025	2024
Depreciation expense on right of use assets	993	1,012
Expense relating to leases of low value	145	175
Expense relating to short-term leases	50	51
Interest expense on lease liabilities	34	49
Expenses relating to variable lease payments not included in the measurement of lease liability	19	34
	1,241	1,320

In accordance with IFRS 16, Company has classified leases for buildings and plant and equipment as "Right of use asset". Within the category "Buildings", the leases of office buildings and warehouses used by the Company in business are positioned. The "Plant and equipment" category includes concluded car and forklift rental agreements.

19.

INVESTMENT PROPERTY

	Land	Buildings	Total
Cost			
Balance at 31 December 2023	1,479	2,618	4,097
Balance at 31 December 2024	1,479	2,618	4,097
Balance at 31 December 2025	1,479	2,618	4,097
Accumulated depreciation			
Balance at 31 December 2023	-	840	840
Charge for the year (Note 11)	-	39	39
Balance at 31 December 2024	-	879	879
Charge for the year (Note 11)	-	39	39
Balance at 31 December 2025	-	918	918
Net book value			
Balance at 31 December 2024	1,479	1,739	3,218
Balance at 31 December 2025	1,479	1,700	3,179

Income from the rental of the building in 2025 amounts to EUR 4 thousand (2024: EUR 110 thousand), and the depreciation charge for the year 2025 amounts to EUR 39 thousand (2024: EUR 39 thousand).

At December 31 2025 the carrying amount of investment property approximates fair value, that has been internally determined by the company based on the income capitalization method which assumes sustainable annual lease income which investment property generates or is able to generate during its ordinary course of business.

20.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Set out below are details of the Company's subsidiaries at the end of the reporting period:

Name of subsidiary	Country of incorporation and business	Ownership interest in %		Amount of equity investment, in EUR '000	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
AD Plastik Tisza Kft.	Tiszaújváros, Hungary	100%	100%	9,418	9,418
ADP d.o.o.	Mladenovac, Serbia	100%	100%	-	-
AO AD Plastik Togliatti	Samara, Russian Federation	100%	100%	674	674
AD Plastik d.o.o.	Novo Mesto, Slovenia	100%	100%	8	8
ZAO AD Plastik Kaluga	Kaluga, Russian Federation	100%	100%	-	-
				10,100	10,100

Currently, there is a limit on the loan collection from Russian subsidiaries in the amount of 10,000 thousand rubles on a monthly basis per one subsidiary company.

Name of associate	Country of incorporation and business	Ownership interest in %		Amount of equity investment, EUR '000	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
EURO Auto Plastic Systems	Mioveni, Romania	50%	50%	2,887	2,887
				2,887	2,887
Total investments in subsidiaries and associates				12,987	12,987

Company has a 50-percent equity share in EURO Auto Plastic Systems, but has no control over the entity. However, the company is treated as an associate.

20.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES (CONTINUED)

Set out below is a summary of financial information about the subsidiaries and associates:

AO AD Plastik Togliatti, Togliatti, Russian Federation	31.12.2025	31.12.2024
Current assets	11,603	12,886
Fixed assets	9,060	7,947
Total assets	20,663	20,833
Short-term liabilities	(5,786)	(10,784)
Long-term liabilities and provisions	(595)	(457)
Total Liabilities	(6,381)	(11,241)
Net assets	14,282	9,592
ZAO AD Plastik Kaluga, Kaluga, Russian Federation	31.12.2025	31.12.2024
Current assets	708	1,875
Fixed assets	3,549	3,397
Total assets	4,257	5,272
Short-term liabilities	(3,099)	(2,864)
Long-term liabilities and provisions	(8,007)	(8,960)
Total Liabilities	(11,106)	(11,824)
Net assets	(6,849)	(6,552)

AD Plastik Tisza, Tiszaújváros, Hungary	31.12.2025	31.12.2024
Current assets	4,749	5,037
Fixed assets	5,844	5,992
Total assets	10,593	11,029
Short-term liabilities	(4,644)	(6,512)
Long-term liabilities and provisions	(2,649)	(1,891)
Total Liabilities	(7,293)	(8,403)
Net assets	3,300	2,626
ADP d.o.o, Mladenovac, Serbia	31.12.2025	31.12.2024
Current assets	4,630	4,936
Fixed assets	6,025	6,673
Total assets	10,655	11,609
Short-term liabilities	(6,514)	(6,280)
Long-term liabilities and provisions	(7,580)	(7,537)
Total Liabilities	(14,094)	(13,817)
Net assets	(3,439)	(2,208)
AD Plastik d.o.o., Novo Mesto, Slovenia	31.12.2025	31.12.2024
Current assets	488	483
Fixed assets	-	-
Total assets	488	483
Short-term liabilities	(26)	(23)
Long-term liabilities and provisions	-	-
Total Liabilities	(26)	(23)
Net assets	462	460

EURO Auto Plastic Systems	31.12.2025	31.12.2024
Current assets	63,711	62,432
Fixed assets	16,562	19,650
Total assets	80,273	82,082
Short-term liabilities	(46,166)	(60,624)
Long-term liabilities and provisions	(1,344)	(1,193)
Total Liabilities	(47,510)	(61,817)
Net assets	32,763	20,265

21.

GIVEN LONG-TERM LOANS

	31.12. 2025	31.12. 2024
Long-term loans to subsidiaries	16,011	16,364
Long-term receivables for interests	729	729
Impairment of given loans	(3,895)	(3,384)
	12,844	13,709

Long-term investment loans were granted to the subsidiaries with maturities from two to nine years and an interest rate of 4.38% in 2025. During 2024 loans were granted with the interest rate of 3.25%. In 2025, the impairment of loans granted to ZAO AD Plastik Kaluga increased by EUR 511 thousand.

22.

LONG-TERM RECEIVABLES

	31.12. 2025	31.12. 2024
ADP d.o.o., Mladenovac, Serbia	2,222	2,222
	2,222	2,222

23.

INVENTORIES

	31.12. 2025	31.12. 2024
Raw material and supplies on stock	5,558	6,448
Work in progress	1,864	1,071
Prepayments for tools	1,778	595
Finished products	1,765	1,818
Tools	621	1,103
Merchandise on stock	267	259
	11,853	11,294

The amount of inventories recognized as an expense during the 2025 was EUR 94,990 thousand (in the 2024 the expense was EUR 96,344 thousand). The amount includes material costs, personnel costs, transportation costs, depreciation and other indirect costs of producing inventory.

Total inventory write – off was EUR 130 thousand in 2025 (in 2024: EUR 188 thousand). The inventories were deemed as obsolete. The inventory write – off is included in note 6 – Cost of raw material and supplies, line „Inventory shortage costs and value adjustment of inventory“.

24.

TRADE RECEIVABLES

	31.12. 2025	31.12. 2024
Trade receivables (unrelated companies)	19,326	12,952
Trade receivables (intra group)	3,479	4,599
Receivables for dividends (associates)	-	3,470
Trade receivables (associates)	1,053	1,274
Expected credit loss	(360)	(379)
	23,498	21,916

The average credit period on sales is 70 days (2024: 65 days). Movements in the expected credit loss can be presented as follows:

	2025	2024
Balance at beginning of the year	379	373
Movements based on IFRS 9 expected credit losses	(15)	8
Collected during the year	(4)	-
Written off during the year	-	(2)
Total expected credit loss	360	379

Ageing analysis of not impaired receivables can be presented as follows:

	31.12. 2025	31.12. 2024
0 - 90 days past due	702	968
91 - 180 days past due	231	775
181 - 365 days past due	446	1,200
Over 365 days past due	2,290	983
Not due	19,829	17,990
	23,498	21,916

Most of the receivables past due beyond 365 days comprise amounts owed by the subsidiaries.

25. OTHER RECEIVABLES

	31.12. 2025	31.12. 2024
Receivables from the State and State institutions	3,979	1,645
Domestic prepayments made	153	117
Foreign prepayments made	29	205
Other receivables	1	10
	4,162	1,977

Amounts due from the State and State institutions comprise from these receivables:

	31.12. 2025	31.12. 2024
VAT refund receivables	3,854	1,560
Receivables for sick leave	119	79
Other receivables	6	6
	3,979	1,645

26. GIVEN SHORT-TERM LOANS

	31.12. 2025	31.12. 2024
Interest receivables	2,618	2,348
Receivables per short-term loans	-	600
Receivables for the short-term portion of long-term loans	-	319
	2,618	3,267

Interest receivables relate to loans given to subsidiaries.

27. CASH AND CASH EQUIVALENTS

	31.12. 2025	31.12. 2024
Current account balance	5,493	3,039
Foreign account balance	3	5
Cash in hand	1	3
Cash and cash equivalents in statement of financial position	5,497	3,046
Bank overdrafts	-	(1,001)
Cash and cash equivalents in statement of cash flows	5,497	2,045

28. CAPITAL

The subscribed share capital amounts to EUR 54,595 thousand and consists of 4,199,584 shares with a nominal value of EUR 13 per share (2024: EUR 54,595 thousand, 4,199,584 shares with a nominal value of EUR 13 each). All shares are ordinary shares with all associated rights, except for treasury shares. These rights include the right to vote at the General Assembly of the Company as well as the right to receive dividends. Capital reserves are the differences between the nominal and selling values of a share.

General and legal reserves consist of legal reserves up to 5% of the amount of share capital (defined by the Croatian Company law), and of

reserves for unwritten development costs. Under Croatian Accounting Law, Article 18, Paragraph 12, AD Plastik d.d. has made provisions for not written - off development costs stated in Assets. The provision was made with the transfer from Retained earnings to the position of General and legal reserves of Company's equity. Amount of provisions at least amounts capitalized development costs stated in Assets at the end of previous year.

Own treasury shares refers to treasury shares of the Company. The company owns 32,998 treasury shares on 31.12.2025. The Company owned 35,008 treasury shares on the date of 31.12.2024.

29. LONG-TERM AND SHORT-TERM PROVISIONS

	Short-term		Long-term	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Vacation accrual	940	513	-	-
Termination benefits	195	168	206	216
Legal cases	298	127	-	-
Jubilee awards (long-service benefits)	44	23	124	153
	1,477	831	330	369

Movement in provisions was as follows:

	Jubilee Awards	Retirement/ termination benefits	Legal Cases	Vacation Accrual	Total
Balance at 1 January 2025	175	385	127	513	1,200
Increase/(decrease) in provisions, net	(7)	15	172	427	607
Balance at 31 December 2025	168	400	299	940	1,807
	Jubilee Awards	Retirement/ termination benefits	Legal Cases	Vacation Accrual	Total
Balance at 1 January 2024	178	282	126	517	1,103
Increase/(decrease) in provisions, net	(3)	103	1	(4)	97
Balance at 31 December 2024	175	385	127	513	1,200

Key assumptions used in calculating provisions for jubilee awards and severance pay in 2025 are the discount rate of 2.73% and the fluctuation rate of 18.62%. Discount rate of 2.32% and the fluctuation rate of 16.59% were used in calculation of the required provisions in the year of 2024. Fluctuation rate is based on average fluctuation of employees in the last 5 years.

In 2025, the Company created EUR 273 thousand of new provisions for legal actions, recognized the reversal of provisions for legal actions in the amount of EUR 11 thousand, and paid out EUR 90 thousand on existing provisions for legal actions.

In 2024, the Company created EUR 7 thousand of new provisions for legal actions and recognized the reversal of provisions for legal actions in the amount of EUR 6 thousand.

30. LONG - TERM BORROWINGS

	31.12. 2025	31.12. 2024
Long-term borrowings	25,566	33,234
	25,566	33,234
Current portion of long-term borrowings (Note 35)	(9,040)	(17,056)
Total long-term borrowings	16,526	16,178

Long-term borrowings are used to finance investments and development projects. Instruments of collateral provided for the long-term loans include mortgage on real estate, HBOR portfolio guarantee and payment instruments. Majority of the long-term loans are repayable on a monthly basis.

The company, as of December 31, 2025, is in compliance with all financial covenants agreed with the banks. In the event of a breach of financial covenants, the bank has the right to cancel the loan agreement and declare it prematurely due.

In 2025, the weighted average interest rate on the long-term loans was 2.32% (in the 2024 the average interest rate on the long-term loans was 2.31%). The Company regularly meets all its obligations arising from the loans and observes all the conditions specified in the underlying contracts.

31. DEFERRED REVENUE

	31.12. 2025	31.12. 2024
Deferred revenue	-	1
Total deferred revenue	-	1

Deferred revenue arose as a result of borrowing from a financial institution at an interest rate lower than the market rate.

32. LEASE LIABILITIES - IFRS 16

	2025	2024
Balance at 1 January	2,185	2,139
Additions	183	-
Lease modifications, net	-	1,041
Interest expense on lease liabilities	34	49
Principal paid	(980)	(995)
Interest paid	(34)	(49)
	1,388	2,185
Long-term liabilities	786	1,200
Short-term liabilities	602	985

33. ADVANCES RECEIVED

	31.12. 2025	31.12. 2024
Foreign customers	4,982	877
Domestic customers	1	1
	4,983	878

34. TRADE PAYABLES

	31.12. 2025	31.12. 2024
Foreign trade payables	11,829	12,123
Domestic trade payables	4,126	5,878
Accrued expenses	1,480	630
	17,435	18,631

In 2025, the average days payables outstanding was 74 (2024: 69 days).

35.

SHORT - TERM BORROWINGS

	31.12. 2025	31.12. 2024
Current portion of long-term borrowings (Note 30)	9,040	17,056
Short-term borrowings - principal payable	5,900	7,302
Short-term borrowings - interest payable	54	108
	14,994	24,466

The short-term borrowings were used to finance working capital. Instruments of collateral provided for the short-term borrowings are payment instruments.

In 2025, the weighted average interest rate on the short-term loans was 3.58% (3.91% in 2024). The Company fulfils all its obligations under the loans regularly.

The total movement in loans (short-term and long-term) during the year can be shown as follows:

	2025	2024
Balance at 1 January	40,643	44,952
Borrowings raised	16,900	21,398
Change in bank overdrafts	(1,002)	396
Interest expenses	973	1,201
Interest paid	(1,026)	(1,233)
Principal repaid	(27,004)	(26,172)
Non-cash borrowings (suppliers paid directly)	2,000	-
Rest of changes	36	101
Balance at 31 December	31,520	40,643

36.

OTHER CURRENT LIABILITIES

	31.12. 2025	31.12. 2024
Amounts due to employees	1,633	1,350
Due to the State and State institutions	1,153	1,213
Other current liabilities	85	22
Grant liabilities	1	36
	2,872	2,622

Grant liabilities arose as a result of borrowing from a financial institution at an interest rate lower than the market rate.

37.

RELATED-PARTY TRANSACTIONS

Transactions with related companies were as follows:

Receivables and payables for goods and services	Receivables		Payables	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
ADP d.o.o., Mladenovac, Serbia	3,482	3,318	1,518	1,038
AD Plastik Tisza, Hungary	1,378	1,015	22	115
EURO Auto Plastic Systems, Romania	1,053	1,277	10	13
ZAO AD Plastik Kaluga, Russia	647	647	2	2
AO AD Plastik Togliatti, Russia	193	1,840	-	-
AD Plastik d.o.o., Slovenia	-	-	474	473
	6,753	8,098	2,026	1,640

Receivables and payables for loans and interest	Receivables		Payables	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
ADP d.o.o., Mladenovac, Serbia	8,087	7,762	-	-
ZAO AD Plastik Kaluga, Russia	6,725	7,814	-	-
AD Plastik Tisza, Hungary	651	633	-	-
AO AD Plastik Togliatti, Russia	-	768	-	-
Sankt-Peterburgskaya investicionaya kompaniya	-	-	-	1,906
	15,463	16,976	0	1,906

Receivables for dividends	Receivables		Receivables	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EURO Auto Plastic Systems, Romania	-	3,470	-	-
	0	3,470	0	0

During the 2025 in its financial statements Company recognized an impairment of receivables based on expected credit losses (all regarding the impairment of given loans) in the amount of EUR 512 thousand. Total amount of receivables impairment based on expected credit loss on the date of 31 December 2025 is EUR 3,895 thousand and it is related with the Companies - ADP doo Mladenovac EUR 681 thousand

(2024: EUR 681 thousand), ZAO ADP Kaluga EUR 3,206 thousand (2024: EUR 2,703 thousand) and AD Plastik Tisza EUR 8 thousand (2024: 0). During the 2025 in its financial statements Company recognized a impairment of long-term receivables from ADP doo Mladenovac in the amount of EUR 40 thousand(2024: 40 thousand).

Sankt-Peterburgskaya investicionnaya kompaniya is member of Group in which is also company AO Holding Autokomponenti. Company AO Holding Autokomponenti holds 30% of shares in Company AD Plastik d.d..

Purchase transactions	Income		Purchases	
Operating income and expenses	2025	2024	2025	2024
EURO Auto Plastic Systems, Romania	3,391	2,616	71	30
ADP d.o.o., Mladenovac, Serbia	2,289	3,148	4,357	5,486
AO AD Plastik Togliatti, Russia	938	2,925	-	-
AD Plastik Tisza, Hungary	359	359	2	101
ZAO AD Plastik Kaluga, Russia	1	649	-	-
AD Plastik d.o.o., Slovenia	-	-	99	94
	6,978	9,696	4,529	5,712

Of the total operating income in 2025, EUR 1 thousand refers to profit from the sale of tangible assets (ADP d.o.o. Mladenovac EUR 1 thousand). Of the total operating income in 2024, EUR 1,878 thousand

refers to profit from the sale of intangible assets (ZAO AD Plastik Kaluga EUR 641 thousand; AO AD Plastik Togliatti EUR 1,236 thousand).

Financial transactions	Income		Expenses	
Financial income and expenses	2025	2024	2025	2024
EURO APS, Romania	2,472	3,470	-	-
ZAO AD Plastik Kaluga, Russia	368	306	-	-
ADP d.o.o., Mladenovac, Serbia	324	241	-	-
AD Plastik Tisza, Hungary	26	20	-	-
AO AD Plastik Togliatti, Russia	2	28	-	-
Sankt-Peterburgskaya investicionnaya kompaniya	-	-	36	27
	3,192	4,065	36	27

The total remuneration provided to the members of the Supervisory Board and President and members of Management Board in 2025 amounts to EUR 603 thousand (in 2024 EUR 636 thousand).

38.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENTA

38.1 Gearing ratio

The Company's gearing ratio, expressed as the ratio of net debt to equity, is expressed as follows:

	31.12. 2025	31.12. 2024
Long-term borrowings (Note 30)	16,526	16,178
Short-term borrowings (Note 35)	14,994	24,466
Cash and cash equivalents (Note 27)	(5,497)	(3,046)
Net debt	26,023	37,598
Equity	97,002	91,545
Net debt-to-equity ratio	26.83%	41.07%

Equity consists of share capital, reserves, reserves for own shares, own shares, retained earnings and profit/loss for the year.

38.2 Categories of financial instruments

	31.12. 2025	31.12. 2024
Financial assets	47,258	44,494
Trade receivables (Notes 24)	23,498	21,916
Given loans and other financial assets (Notes 21, 26)	15,462	16,976
Cash and cash equivalents and deposits (Note 27)	5,497	3,046
Non-current trade receivables (Note 22)	2,222	2,222
Accrued income and other receivables	579	334
Financial liabilities	51,965	62,717
Loans received (Notes 30, 35)	31,520	40,644
Trade and other payables	19,056	19,888
Lease liabilities (Note 32)	1,389	2,185

Accrued income and other receivables includes: accrued income, other receivables less receivables from the State and advances given.

Trade and other payables includes amounts from Statement of financial position: trade payables and other current liabilities less accrued expenses, payables to the State and grants.

Probability of default: Company used latest available Moody's Annual Default Study. Marginal PD for automotive industry was used for every year. Lifetime probabilities of default are based on historical data published by Moody's rating agency for Automotive industry group. Loss given default (LGD) parameters generally reflect an assumed LGD rate of 62.70% (in 2024: 62.33%).

The exposure to credit risk for loans given at amortized cost at the reporting date 31.12.2025 by subsidiary was as follows:

	31.12. 2025	31.12. 2024
ZAO AD Plastik Kaluga (Notes 21, 26)	9,931	10,516
ADP d.o.o. Mladenovac (Notes 21, 26)	8,768	8,443
AD Plastik Tisza Kft (Notes 21, 26)	659	633
AO AD Plastik Togliatti (Notes 21, 26)	-	768
Total	19,357	20,360

Loans given to subsidiaries include interest. The amount of loans given is in the gross amount without an impairment allowance. Balance of an impairment allowance of in amount of EUR 3,895 thousand (2024: EUR 3,384 thousand) in respect of loans given is recognized in statement of financial position. Collaterals for loans given to subsidiaries are promissory notes.

38.3. Risk of customer portfolio

The historical dependence on one customer has been reduced through the diversification of the customer portfolio. However, the consolidation of manufacturers in the auto industry limits the possibility of further diversification. The risk is managed by contracting deals with new customers and those with a smaller share in the Company's revenues, and by developing long-term relationships with several partners in order to ensure income stability.

38.4. Market risk

Fluctuations in demand and changes in trends in the automotive industry, such as the transition to electric vehicles and hybrid models, can affect business operations. The transition to environmentally friendly technologies requires an adjustment of product and service strategies. Inflation and rising prices of key raw materials can also further threaten profitability, and the emergence of low-cost Chinese manufacturers on the European market further increases pressure on margins, but also opens up new opportunities. The Company manages this risk by focusing on diversifying its product portfolio, monitoring global and regional trends, including the entry of new manufacturers into the EU market, and working closely with customers to adjust prices in line with market changes.

38.5. Interest rate risk

Interest rate increases may increase financing costs, which reduces profitability and limits the availability of capital for investments. Interest rate risk is managed by negotiating more favorable borrowing terms, including variable interest rates in high-interest conditions and fixed interest rates in low-interest conditions, refinancing existing loan obligations in accordance with market conditions, with the aim of optimizing the cost of financing, and transferring a portion of investments in long-term project assets to the buyer.

Interest-bearing loans are contracted at variable and fixed interest rates. Borrowings with variable rates expose the Company to cash flow interest rate risk. As of 31 December 2025, loans contracted at variable interest rates amounted to EUR 15,827 thousand (2024: EUR 15,727 thousand). Interest rates on bank loans are linked to one-month and three-month EURIBOR.

If interest rates on variable rate loans as of 31 December 2025 were 1 percentage point higher/lower, assuming that other variables remain unchanged, the Company's net profit would be EUR 157 thousand lower/higher (2024: EUR 166 thousand).

38.6. Credit risk

The risk of non-payment by customers can lead to cash flow problems and reduce the company's liquidity. The company cooperates with renowned customers who are financially stable companies, which minimizes the risk of collection and claims are realized within the agreed deadlines. The credit risk related to the given loans is under the company's control, given that these are loans granted to subsidiaries in which the company is the sole owner.

The Company manages this risk by contracting deals with customers with a high financial rating and by monitoring the due dates of receivables and taking timely action in case of delays.

38.7. Foreign currency risk management

Since the euro became the official currency of payment in Croatia on January 1, 2023, the significant currency risk disappeared. The Company does not have significant foreign currency exposure as of 31.12.2025.

38.8. Liquidity risk management

This risk represents the risk of the company not being able to convert assets into liquid assets in a short time, ie the inability to fulfill its obligations to creditors. Therefore, Company maintains optimal amounts of funds on the account with secured available credit lines.

Cash flow management is of key importance for liquidity risk management. Company, based on operational business plans, financial liabilities and investment needs, plans its future cash needs on a monthly, quarterly and annual basis. Based on that data, Company's Finance Department prepares a cash flow plan of the Company, and makes decisions on timely provision of credit lines for capital investments and project financing, as well as placing surplus funds in deposits or covering the lack of funds from short-term financing sources.

The Company issued corporate guarantees to the subsidiaries in the following amounts: EUR 4,480 thousand to banks and EUR 50 thousand to suppliers.

The following tables detail the Company's remaining estimated maturity for its non-derivative financial assets and liabilities. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the Company can require payment and can be required to pay..

		Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
2025	Weighted average interest rate							
Assets								
Non-interest bearing	-	14,824	10,594	4,155	-	-	29,574	29,574
Interest bearing	2.65%	36	69	2,937	6,761	10,621	20,425	17,684
		14,861	10,663	7,093	6,761	10,621	49,999	47,258
Liabilities								
Non-interest bearing	-	12,980	4,772	1,304	-	-	19,056	19,056
Interest bearing	2.55%	764	1,684	13,175	17,070	164	32,858	31,520
Lease liability	2.00%	80	94	448	796	-	1,418	1,389
		13,824	6,550	14,928	17,866	164	53,333	51,965
		Up to 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
2024	Weighted average interest rate							
Assets								
Non-interest bearing	-	10,103	9,023	6,171	-	-	25,297	25,296
Interest bearing	4.38%	158	329	3,531	7,294	12,716	24,028	19,198
		10,261	9,352	9,702	7,294	12,716	49,325	44,494
Liabilities								
Non-interest bearing	-	12,988	5,304	603	-	-	18,895	18,895
Interest bearing	2.60%	1,185	8,138	16,874	16,937	-	43,134	41,637
Lease liability	2.00%	99	167	752	1,225	-	2,243	2,185
		14,272	13,609	18,229	18,162	-	64,272	62,717

As of 31 December 2025, the Company had EUR 31,520 thousand in interest bearing liabilities and EUR 19,050 thousand in non-interest-bearing liabilities. As of 31 December 2024, the Company had a total of EUR 41,637 thousand in interest bearing liabilities and EUR 18,895 thousand in non-interest bearing liabilities. As of 31 December 2025 lease liabilities amounted to EUR 1,385 thousand.

38.9. Fair value of financial instruments

Financial instruments held to maturity in the ordinary course of business are carried at the lower of cost and net amount less repaid

portion. Fair value is the price that would be generated from the sales of some item of an asset or paid for transferring some liability in a fair transaction between market participants at the measurement date, regardless of whether it would be directly visible or evaluated by applying some other valuation technique. At 31 December 2025, the carrying amounts of cash, receivables, short-term liabilities, accrued expenses, short-term borrowings and other financial instruments match their fair values.

39.

EVENTS AFTER THE REPORTING PERIOD

After 31 December 2025, there were no events that would have a significant impact on the financial statements for the year 2025, respectively they are not of such significance to the Company to require disclosure in the notes to the financial statements.

40.

CONTINGENT LIABILITIES

Based on the Management's estimate, the Company had no material contingent liabilities at 31 December 2025 which would require to be disclosed in the notes to the financial statements. The Company had no capital expenditure commitments contracted at 31 December 2025 which would require to be disclosed in the notes to the financial statements. As at 31 December 2025 and 2024 there were no material legal actions outstanding against the Company with an expected negative outcome other than those reflected in these separate financial statements.

41.

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

These separate financial statements were approved by the Management Board of AD Plastik d.d. and authorized for issue on 24 April 2026.

Za AD Plastik d.d. Solin:

President of the Management Board
Katija Klepo



Member of Management Board
Mladen Peroš



Member of Management Board
Goran Soko



24 April 2026