InfiniAL®

impol 200 YEARS
Aluminium Industry

# ANNUAL REPORT 2024

Impol Group and of Impol 2000, d. d. for 2024

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2,405

employees in the Impol Group

66,641

in EUR was the amount of the added value per employee

2.31

was the ratio between NET debt and achieved EBITDA

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# 242.5

tonnes of products was the consolidated sales volume in 2024

# 923.2

EUR million was the consolidated volume of net revenues from sales

# 52.06

in EUR million was the amount of the consolidated EBITDA

# 20.9

in EUR million was the consolidated net profit

# BUSINESS REPORT
IN 2024

Determination is the engine that turns hard work into success.

01

# JOINT REPORT OF THE BOARD OF DIRECTORS AND EXECUTIVE DIRECTORS ON THE OPERATIONS OF IMPOL 2000, D. D., AND THE IMPOL GROUP IN 2024 AND ORIENTATIONS OVER THE COMING YEARS

## DEAR SHAREHOLDERS, BUSINESS PARTNERS AND CO-WORKERS!

2024 was a particularly symbolic year for the Impol Group - it ended before the start of celebration of the two-year anniversary of our existence. This remarkable milestone encourages us to reflect on the path we have walked together, while at the same time opening the view to the future we want to co-create in the spirit of durability, innovation and stability.

These same values have continued to provide the basis for navigating through economic uncertainty and market volatility over the past year. We operated in a challenging economic and geopolitical environment marked by continuing military conflicts, instability in energy markets, inflationary pressures and a cooling of the European economy, particularly in Germany, our key export market. All these conditions have required constant adjustment, strategic decision-making and effective internal operation.

## Operating in uncertain conditions

As early as the second half of 2024, we've already seen a significant drop in demand. The forecasts of all the associations in which we participate have been rather poor for 2025 or have predicted extremely low industrial growth in the euro zone. The biggest challenges we identified were the reduction of premiums and the deterioration of market conditions in certain industries, in particular the automotive industry, where we also faced sudden interruptions of major projects. Nevertheless, by being flexible, proactive and expanding our customer base, we were able to limit the impact of the decline in orders on total realisation.

## Sustainability and digitalisation as the engine of the future

We have prioritised two key strategic areas: decarbonisation and digital transformation. Through continuous improvements in the recycling process, increasing the share of secondary aluminium and developing products under the InfiniAL brand, we have strengthened our position as a responsible producer of aluminium solutions.

The INDIGO project and the TPM certificates obtained are an example of how to connect leanness, security and digital transformation.

## Organisational development and investing in people

We believe our greatest competitive advantage lies in our people. The launch of a staff development academy, numerous in-house trainings, active work with young people, support for families and systematic care for a safe and healthy environment confirm our commitment to long-term relationships and a high level of organisational culture.

Staff structure remains stable, as we ended the year with 2,405 employees. In 2024, we have successfully carried out several internal training courses, including the National Vocational Qualification Programme for Machine Operators. We continued our activities to improve safety and ergonomics in the workplace.

We have also adopted important organisational and systemic measures to increase flexibility - we have adjusted the number of shifts and processes according to the current order status.

## Looking ahead

2025 will be a year of celebration for Impol, but also a year of strategic decisions. Markets remain unpredictable, forecasts for the European economy are tentative, and this requires continued flexibility and readiness for change.

In the coming years we will focus on:
- expanding our sales network to new markets,
- strengthening the capacity of foil production,
- strengthening the capacity of painted products,
- strengthening of the smelting and casting capacity by reducing the cost of the input raw material,
- further digitising all processes,
- increasing the share of environmentally friendly products,
- providing funding sources in a demanding environment.

We enter the new year united and with clear goals. A 200-year tradition is not just an achievement, but a commitment to continue to create lasting value for owners, employees, customers, suppliers and the wider community.

We thank all our employees for their efforts, partners for their confidence and shareholders for their support. We will persevere on the path of progress, responsibility and excellence.

Board of Directors and Executive Directors of the Impol Group in Slovenska Bistrica, March 2025

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

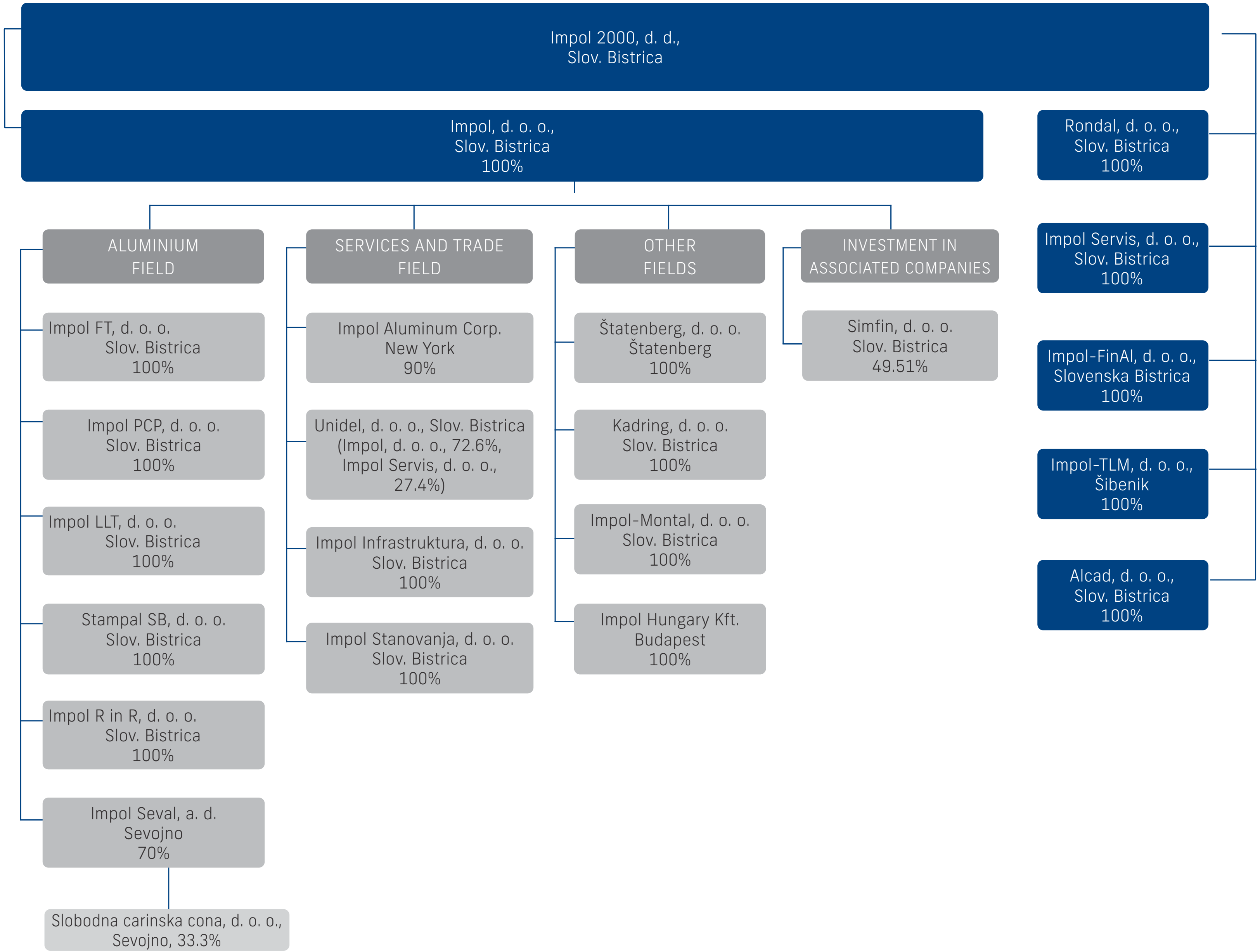
Andrej Kolmanič
(Chief Executive Officer and Board of Directors Member)

Irena Šela
(Executive Director of Finance and IT)

## ORGANISATION OF THE IMPOL GROUP

Impol 2000, d. d. is the holding company of the Impol Group. The Company implements many activities; the biggest one regarding revenues is the transit sale of commercial goods. Other sources of revenues include planning, controlling, organising, financing and informing services, sale and after sale and other.

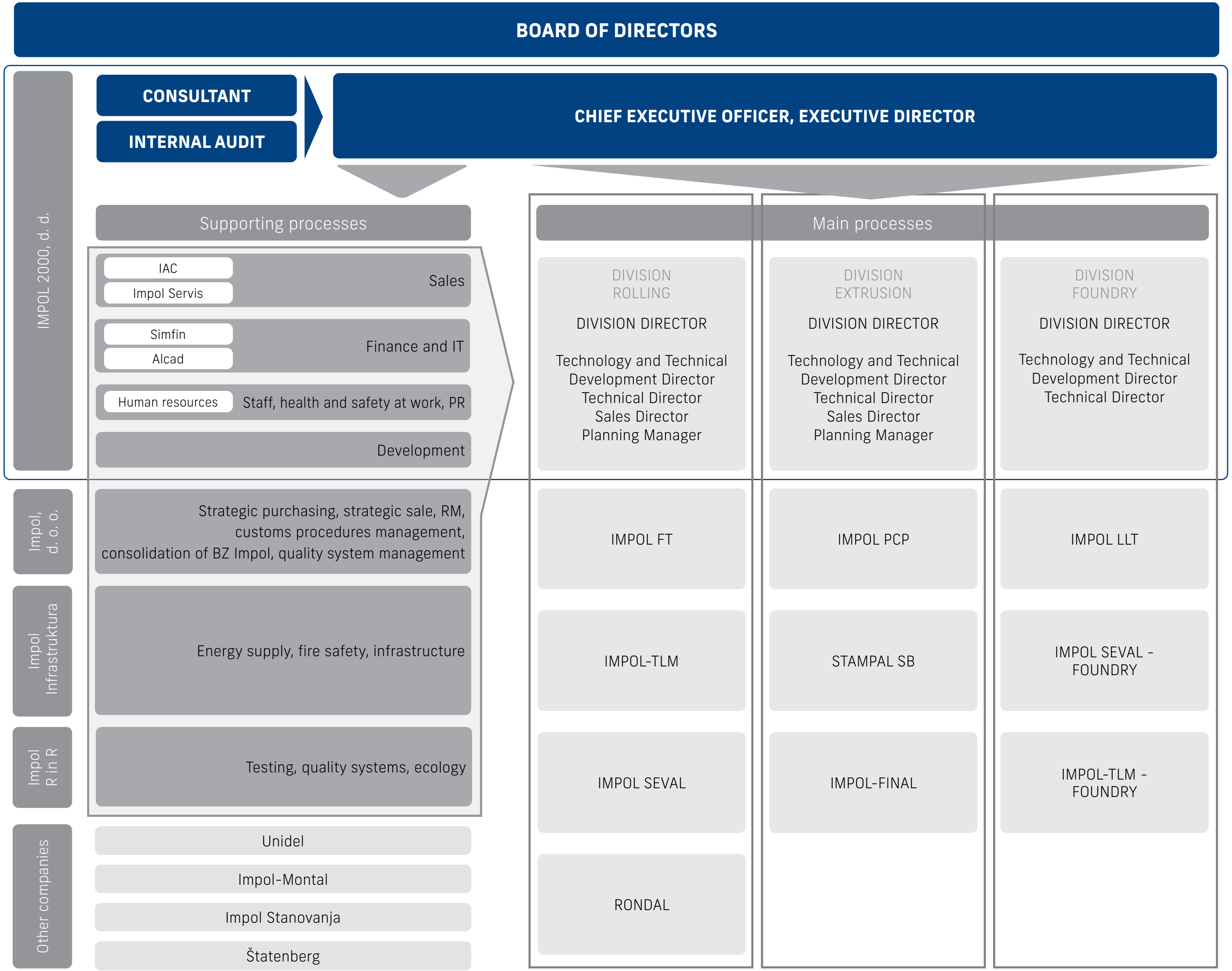
**Figure 1: The Impol Group organisation – ownership structure**



# DIVISION ORGANISATION

The Impol Group is organised in three divisions, namely rolling, extrusion and foundry, which enables the comprehensive development of individual programmes and the transfer of good practices. Within each individual division the development of the expert field, the achievement of set annual goals, the sale of specialised products to end buyers and ensuring the consistency of operations with corporate rules of the Impol Group are coordinated.

**Figure 2: Division organisation**



## MANAGEMENT AND GOVERNANCE SYSTEM

All companies within the Impol Group are required to manage their business operations by observing the rules and policies, adopted in the Impol Group Code of Business Conduct, which is publicly accessible on the website of the Impol Group (www.impol.si).

The Company's management is responsible for keeping proper accounts and the establishment of internal controls, ensuring the functioning of internal controls, and the selection and application of accounting policies.

The Board of Directors is responsible for the review and approval of information related to sustainable development and for confirming investments in this area. The Executive Directors provide effective implementation of a sustainable development strategy, thereby contributing to the achievement of the sustainable goals of the organisation. The Board of Directors regularly monitors key sustainable topics such as environmental influences, work safety and social responsibility. Within the framework of its meetings, the Impol 2000, d. d. college receives monthly reports covering the above-mentioned topics and reports on the achievement of indicators in the above-mentioned areas.

In addition, the Board of Directors is responsible for approving the Sustainable Development Strategy and monitoring the implementation of the key actions. Members are regularly involved in education on current sustainability issues and risks in order to make informed decisions (GRI 2-14, GRI 2-17).

In order to make the systems of internal controls and risk management function, we perform the following:

- Unification of accounting policies and their consistent application;
- Provision and upgrading of a uniform accounting system that allows maintenance of uniform accounting policies;
- Provision and upgrading of a single business information system, which increases the efficiency of operational processes and at the same time provides the possibility of controlling all the Group companies;
- Implementation of adequate accounting and business reporting at all levels of the Group companies including:
    - The provision of accurate and reliable accounting data based on credible book-keeping documentation and proofs of the existence of business events featuring all data that is necessary for correct record-keeping;
    - The provision of accurate, reliable and fair accounting data and reports that are appropriately verified before he publication by the implementation of controls at multiple levels, namely by the comparison of the data from subsidiary book-keeping and the data in the book-keeping documents, comparison of the data of business partners (external confirmation), comparison of the actual physical state with the accounting records and by synchronising data between subsidiary bookkeeping and the general ledger;
- Implementation of regular internal audits;
- Implementation of regular external assessments;
- Establishment of a Risk Management Committee which monitors all the risks identified within the Group and, where appropriate, is engaged in individual processes where certain risks may occur or have occurred;
- Implementation of its own system of managing risks regarding aluminium operations.

Risk management is presented in detail in the risk related section.

We believe that the current system of internal controls in Impol 2000, d. d. and the Impol Group was effectively established in 2024 and that the operation was in accordance with the legal provisions and ensured the possibility of achieving business goals.

a) Data on the functioning of the Company's General Meeting and its key competences, and the description of the rules for the shareholders and the method of their enforcement

The shareholders shall exercise their rights on the Company matters at a General Meeting in accordance with the ZGD-1. The convocation of a General Meeting is regulated by the Statute. The General Meeting is convened by the Board of Directors. A General Meeting shall also be convened if shareholders whose shares represent one-twentieth of the share capital require it in a written form stating the purpose and reasons. If the Board of Directors refuses to give effect to the request, the minority may request the court to authorise it to convene the General Meeting. The same applies when the majority requests the extension of the agenda after the General Meeting of shareholders has been convened.

The Board of Directors shall convene the General Meeting one month before the meeting by publishing the notice on AJPES and the Company's website. The publication by the Board of Directors shall also indicate the time and place of the General Meeting.

The General Meeting can only be attended and the right to cast votes may be exercised by the shareholders who announce their participation at the General Meeting and who are entered into the central register of book-entry securities as owners of shares at cut-off date upon the General Meeting being convened.

The General Meeting shall decide regarding:

- the adoption of the annual report,
- the use of the distributable profit,
- the appointment and recall of the members of the Board of Directors,
- the granting of a discharge to the members of the Board of Directors,
- the amendments to the Statute,
- the measures to increase and decrease capital,
- the dissolution of the Company and status transformation,

- the appointment of an auditor,
- Other matters if stipulated by the Statute in accordance with the law or other matters laid down in the Act.

The General Meeting is responsible for the adoption of the annual report only if the Board of Directors fails to approve it, or if the Board of Directors leaves a decision on the approval of the Annual Report to the General Meeting.

At the General Meeting held on 12 July 2024 the shareholders took note of the Annual Report and the Report of the Board of Directors on the results of the verification of the Annual Report for 2023, and of the remuneration of the members of the management and supervisory bodies. The General Meeting decided to use part of the formed accumulated profit of Impol 2000, d. d., amounting to EUR 10,667,670.00, for the disbursement of dividends to shareholders, whereby shareholders will be paid dividends in the amount of EUR 10.00 gross per share. The remaining portion of the accumulated profit in the amount of EUR 41,039,362.39 shall remain undistributed.

b. Data on the composition and functioning of the management and supervisory bodies and their committees

The Board of Directors which represents the Company is composed of non-executive directors. The President of the Board of Directors is the legal representative of the Company. The Board of Directors therefore runs the Company, whereas the two Executive Directors run the ongoing operations. The Executive Directors represent the Company in accordance with the law and are independent representatives of the Company. In accordance with the resolution adopted by the Board of Directors, the Executive Directors must obtain the approval for specific areas of operations:

- Acquisition, takeover and cessation of shareholdings in other companies and the establishment of new companies,
- Acquisition, disposal or encumbrance of real estate,
- Pledge or other forms of encumbering of other assets,
- Taking out short-term loans, leasing, emission of bills or commercial papers and acquisition of other liquid assets from external sources,
- Provision of guarantees,
- Granting loans to employees and third parties,
- Investments into fixed capital.

Composition of the Board of Directors after appointments made at the General Meeting from 1 January 2021 on:
- Jernej Čokl, Board of Directors President;
- Vladimir Leskovar, Board of Directors Vice President;
- Janko Žerjav, Board of Directors Member;
- Andrej Kolmanič, Board of Directors Member;
- Dejan Košir, Board of Directors Member.

Jernej Čokl, Vladimir Leskovar, Janko Žerjav and Andrej Kolmanič are members of the Board of Directors appointed by the General Meeting and whose term of office expires on 31 December 2026. Dejan Košir was appointed member of the Board of Directors by the RBEIG**.**

The Board of Directors appointed two Executive Directors:
- Andrej Kolmanič, Chief Executive Officer,
- Irena Šela, Executive Director of Finance and IT.

The term of the two Executive Directors ended on 31 December 2024 and was extended until 31 December 2028 (GRI 2-9, GRI 2-11, GRI 2-13).

**5.8. Point 8, Paragraph 6, Article 70 of the ZGD-1 – Rules of the Company**

Executive Directors are appointed by the Board of Directors. The term of office of the Executive Directors shall be four years with the possibility of reappointment. The Executive Director must meet the conditions laid down in the Companies Act ZGD-1, additional conditions may be determined by the Board of Directors. The Board of Directors shall decide on the conclusion, approval and termination of the contracts on the performance of a function of the Executive Director.

The Company has a Board of Directors which runs the Company, supervises the implementation of operations and performs other tasks in accordance with the law and statute. The Board of Directors consists of five members. Four members are elected by the General Meeting, and a representative body of workers of the Impol Group (hereinafter: RBEIG) shall have the right to elect one member in accordance with the statutory provisions and the agreement concluded between the Board of Directors and employee representatives – the Group electors.

A member of the Board elected by the RBEIG has a position of a non-executive director in the Board of Directors and represents the interests of all the employees in the companies affiliated to the Group. The term of the member of the Board of Directors appointed by the RBEIG is two years with the possibility of reappointment.

The term of office of the Board of Directors members elected by the General Meeting is up to six years with the possibility of reappointment. The term of office of each member of the Board of Directors is finally decided by the General Meeting by adopting a resolution. If the term of office of a Board of Directors member is subject to early termination, the next General Meeting will elect a new member for the remainder of the term of office.

The Statute may be amended by the General Meeting requiring a majority of at least three quarters of the share capital represented.

**5.9. Point 9, Paragraph 6, Article 70 of the ZGD-1 – Authorisations of the members of the management, especially authorisations for issuing or purchasing own shares**

The authorisations are defined under point 4 of the statement – Information on the composition and functioning of the management and supervisory bodies and their committees. The Board of Directors and Executive Directors have no special powers in connection with the issue or purchase of treasury shares.

**5.10. Point 10, Paragraph 6, Article 70 of the ZGD-1 – Important agreements in which the Company is a party and which take effect, change or are cancelled on the basis of the change in the control over the Company as a result of a bid, as stipulated by the act regulating acquisitions**

The Company is not aware of any such agreements.

**5.11. Point 11, Paragraph 6, Article 70 of the ZGD-1 – Agreements between the Company and the members of its management or supervisory bodies or the employees which foresee compensation should such persons, due to a bid as stipulated by the act regulating acquisitions: resign, be fired without cause, or their employment relationship be terminated**

In the event of resignation, recall or termination of the employment contract without good reason, the management is not entitled to compensation.

At the meeting in person held on 4/1/2021, the Board of Directors adopted a decision to appoint Vladimir Leskovar, Tanja Ahaj and a member of the Board of Directors appointed by a representative body of workers, as members of the Audit Committee. From 28/1/2021, Dejan Košir replaces Bojan Gril as member of the Audit Committee (GRI 2-10).

## Operation of the Audit Committee

Operation of the Audit Committee in 2024

The Audit Committee of Impol 2000, d. d. (hereinafter: AC) held in its full composition, as appointed, in 2024 three meetings in person at which it implemented its tasks in line with the provision of Article 280 of the Companies Act ZGD-1.

The Audit Committee:

a) Monitored financial reporting on the basis of the received financial and accounting reports on current business operations on monthly basis. The AC provided, as needed, in terms of the minutes comprising recommendations and proposals to ensure a coherent monitoring of the accounting report procedure. It monitored the preparation of individual annual reports of the Group companies and of the consolidates annual report in terms of content and timeline. At the same time it discussed important verifications and assessments, used for the preparation of financial statements and important and/or unusual transactions, it verified investments, solvency, liquidity and capital adequacy, and it assessed the quality of financial information. The AC established that the Company met the requirements in terms of solvency, liquidity and capital adequacy on the basis of its financial results from monthly and annual statements of accounts;

b) Reviewed the suitability and comprehensiveness of other measures taken and forwarded opinions to the Board of Directors;

c) Monitored the efficiency of internal controls which it deemed efficient and realised. The AC regularly monitored the assessment of work of the internal audit on the basis of the received monthly reports and it evaluated its operation as successful. By evaluating and following up the reports and by evaluating the operation of the Risk Management Committee, the AC establishes that all risk areas are adequately monitored and managed;

d) Monitored obligatory audit of annual and consolidated financial statements and established that the external audit was implemented professionally, successfully and comprehensively;

e) Monitored the external auditor's independence and established that the independence was ensured;

f) Verified the implementation of the contract concluded for the performance of an external audit between an independent auditor and Impol 2000, d. d., and other companies of the Group, where independent audits are necessary;

g) Verified an independent auditor's report and notified the Board of Directors about its agreement with the expressed opinion that the to consolidated accounts, profit or loss and cash flows fairly represent in all aspects the financial position of Impol 2000, d. d. and its subsidiaries in line with the International Financial Reporting Standards. It agreed with the auditors' conclusion that the business report is in line with the revised consolidated financial statements;

h) Specifically verified and evaluated the content of the Annual report of the Impol Group and Impol 2000, d. d. and agreed and presented the opinion to the Board of Directors;

i) Supervised the integrity of financial information provided by the Company and it participated in the defining of the important audit fields;

j) Cooperated with the independent auditor in the implementation of the audit of the Annual report of Impol 2000, d. d. and the Impol Group, mainly by mutual sharing of information on main and important audit issues;

k) Cooperated with an internal auditor in preparing and confirming an internal audit plan by mutual sharing information on the main internal audit issues as it followed the operation of internal audit on monthly basis through the reports it received on its operation;

l) Regularly provided views and proposal to the Board of Directors for the adoption of decisions in areas which it closely monitors in accordance with the purpose of its function (GRI 2-12, GRI 2-27).

## COMPANIES IN THE IMPOL GROUP

The Impol Group operates as part of the holding company Impol 2000, d. d., which has direct subsidiaries Impol, d. o. o., Rondal, d. o. o., Impol Servis, d. o. o., Impol-TLM, d. o. o., Impol-FinAl, d. o. o., and company Alcad, d. o. o. Impol, d. o. o. operates with fourteen operating subsidiaries, three operating sub-companies (the latter were attached to the parent company Impol Seval at the end of December 2024) and with two operating companies.

Consolidated accounts include all companies in which the Impol Group holds more than 50% management rights, meaning that Simfin, d. o. o., and Slobodna carinska cona are not included in the consolidation but are included as associated companies in line with the equity method.

**Table 1: Other operating companies within the Impol Group**

| | | Company | Share |
|---|---|---|---|
| | | Impol 2000, d. d. – parent company – directly controls: | |
| **1** | | Impol Servis, d. o. o.<br>(controls 27.4% of Unidel, d. o. o.) | 100% |
| **2** | | Impol, d. o. o. with the following subsidiaries | 100% |
| **2.1** | | Impol Seval, a. d. Serbia with the subsidiaries: | 70% |
| **associated companies** | | 1. Slobodna carinska cona | 33.33% |
| **2.2** | | Impol LLT, d. o. o. | 100% |
| **2.3** | | Impol FT, d. o. o. | 100% |
| **2.4** | | Impol PCP, d. o. o. | 100% |
| **2.5** | | Stampal SB, d. o. o. | 100% |
| **2.6** | | Impol R in R, d. o. o. | 100% |
| **2.7** | | Impol Infrastruktura, d. o. o. | 100% |
| **2.8** | | Impol Aluminium Corporation, New York (ZDA) | 90% |
| **2.9** | | Impol Stanovanja, d. o. o. | 100% |
| **2.10** | | Štatenberg, d. o. o. | 100% |
| **2.11** | | Unidel, d. o. o. (27.4% is owned by Impol Servis, d. o. o.) | 72.6% |
| **2.12** | | Impol-Montal, d. o. o. | 100% |
| **2.13** | | Kadring, d. o. o. | 100% |
| **2.14** | | Impol Hungary Kft. | 100% |
| **2.15** | **associated** | Simfin, d. o. o. | 49.5% |
| **3.** | | Rondal, d. o. o. | 100% |
| **4.** | | Impol-TLM, d. o. o. | 100% |
| **5.** | | Impol-FinAl, d. o. o. | 100% |
| **6.** | | Alcad, d. o. o. | 100% |

Of 23 Group companies (including the associated ones), 5 operate abroad. Impol-TLM, d. o. o., is a direct subsidiary of Impol 2000, d. d. The associated company Impol Brasil Aluminum LTDA, in which Impol 2000, d. d. 50% owned, had officially closed in September 2024. There are also three subsidiaries of Impol, d. o. o. operating abroad: IAC, New York, USA, Impol Seval, a. d., Serbia, and Impol Hungary Kft. In December 2024, the subsidiaries of Impol Seval, a. d., namely Impol Seval Tehnika, Impol Seval PKC and Impol Seval Final, were merged into the parent company Impol Seval, a. d.

## SUBSIDIARIES AND ASSOCIATED COMPANIES WHERE IMPOL 2000, D. D. EXERCISES DIRECT OR INDIRECT PREVAILING INFLUENCE

**Table 2:** **Subsidiaries of Impol 2000, d. d.**

| Subsidiaries – direct influence | Company registration number | Standard Industrial Classification | Carrying amount of the financial investment in EUR 31/12/2023 | Carrying amount of the financial investment in EUR 31/12/2024 | Equity participation in % | Equity in EUR as of 31/12/2023 | Net profit or loss in EUR in 2023 | Equity in EUR as of 31/12/2024 | Net profit or loss in EUR in 2024 |
|---|---|---|---|---|---|---|---|---|---|
| **Impol Servis, d. o. o., Partizanska ulica 38, Slovenska Bistrica** | 5482593 | 47,520 | 245,037 | 245,037 | 100 | 1,656,379 | 137,356 | 1,470,854 | 115,233 |
| **Impol, d. o. o., Partizanska ulica 38, Slovenska Bistrica** | 5040736 | 24,420 | 73,988,863 | 73,988,863 | 100 | 243,755,451 | 39,582,114 | 257,007,785 | 23,265,727 |
| **Rondal, d. o. o., Partizanska ulica 38, Slovenska Bistrica** | 5888859 | 25,500 | 100,000 | 100,000 | 100 | 9,386,577 | 1,451,573 | 9,412,021 | 1,630,777 |
| **Impol-TLM, d. o. o., Narodnog preporoda 12, Šibenik, Croatia** | 4433203 | 2442 | 63,773,766 | 63,773,766 | 100 | 64,174,676 | 1,359,546 | 64,248,332 | 73,656 |
| **Impol-FinAl, d. o. o., Partizanska ulica 38, Slovenska Bistrica** | 7176899 | 25,620 | 1,000,000 | 1,000,000 | 100 | 1,771,660 | 534,046 | 2,104,840 | 338,358 |
| **Alcad, d. o. o., Mroževa ulica 5, Slovenska Bistrica** | 5694507 | 62,010 | 2,227,000 | 2,227,000 | 100 | 1,024,152 | 147,274 | 873,709 | 53,147 |

**Table 3:** Subsidiaries of Impol, d. o. o.

| Subsidiaries – direct influence | Company registration number | Standard Industrial Classification | Country of the company | Equity in EUR as of 31/12/2023 | Net profit or loss in EUR in 2023 | Equity in EUR as of 31/12/2024 | Net profit or loss in EUR in 2024 |
|---|---|---|---|---|---|---|---|
| **Impol-Montal, d. o. o.** | 5479355 | 25,120 | Slovenia | 2,958,751 | 916,650 | 3,366,249 | 907,498 |
| **Impol Stanovanja, d. o. o.** | 5598010 | 68,320 | Slovenia | 3,633,346 | 64,466 | 4,072,766 | 439,644 |
| **Štatenberg, d. o. o.** | 5465249 | 56,101 | Slovenia | 459,179 | 4,523 | 461,016 | 1,837 |
| **Unidel, d. o. o.** | 5764769 | 14,120 | Slovenia | 1,865,794 | 140,811 | 2,061,444 | 200,743 |
| **Impol Aluminium Corporation, New York** | / | 51,520 | USA | 2,087,629 | 55,201 | 2,664,620 | 611,091 |
| **Impol Seval, a. d.** | 7606265 | 2442 | Serbia | 81,165,923 | 2,848,753 | 75,167,295 | 75,552 |
| ***Impol Seval PKC, d. o. o.** | 17618245 | 7022 | Serbia | 67,139 | 24,782 | 0 | 27,522 |
| ***Impol Seval Final, d. o. o.** | 17618261 | 6920 | Serbia | 96,811 | 43,683 | 0 | 37,500 |
| ***Impol Seval Tehnika, d. o. o.** | 17618253 | 2562 | Serbia | 546,603 | 24,288 | 0 | 156,936 |
| **Stampal SB, d. o. o.** | 1317610 | 25,500 | Slovenia | 8,207,421 | 1,273,580 | 7,277,353 | 578,567 |
| **Kadring, d. o. o.** | 5870941 | 70,220 | Slovenia | 1,521,441 | 652,649 | 1,513,084 | 292,741 |
| **Impol FT, d. o. o.** | 2239418 | 25,500 | Slovenia | 12,731,952 | 3,607,292 | 12,703,699 | 2,403,120 |
| **Impol PCP, d. o. o.** | 2239442 | 25,500 | Slovenia | 23,352,412 | 6,316,632 | 22,418,181 | 3,625,012 |
| **Impol LLT, d. o. o.** | 2239434 | 24,530 | Slovenia | 8,518,480 | 3,081,866 | 7,948,966 | 1,147,194 |
| **Impol R in R, d. o. o.** | 2239400 | 72,190 | Slovenia | 1,297,180 | 276,555 | 1,233,240 | 191,963 |
| **Impol Infrastruktura, d. o. o.** | 2239426 | 68,320 | Slovenia | 857,586 | 93,449 | 905,349 | 50,409 |
| **Impol Hungary Kft.** | / | 1,724 | Hungary | 54,307 | 58,314 | 51,201 | 690 |

* Impol Seval Tehnika, Impol Seval PKC and Impol Seval Final were merged in December 2024 into Impol Seval, a. d., which held a 100% stake in all three companies.

Other associated companies are those in which Impol 2000, d. d. directly or indirectly owns more than 20% in share capital (GRI 2-1, GRI 2-2).

**Table 4:** Associated companies where Impol 2000, d. d. has indirect influence

| Associated companies – indirect influence | Country | Share in % |
|---|---|---|
| **Simfin, d. o. o., Partizanska ulica 38, Slovenska Bistrica*** | Slovenia | 49.5 |
| **Slobodna carinska cona**** | Serbia | 33.33 |

*Shareholding in possession of a subsidiary - Impol, d. o. o.
**Shareholding in possession of a subsidiary - Impol Seval, a. d., majority held by Impol, d. o. o.

## SHARES AND SHAREHOLDERS

After the share capital increase being entered on 15/02/2000, the Company's share capital amounts to EUR 4,451,540. The share capital of Impol 2000, d. d., is divided into 1,066,767 registered no-par value shares.

The share capital of the is divided into:

- 23,951 no-par value shares of the first issue,
- 1,029,297 no-par value shares of the second issue,
- 13,519 no-par value shares of the third issue.

The shares are held by named persons, are of the same class and are transferable. The central share register is kept by KDD. At the end of the year, 815 shareholders were registered, which continues to show adequately diversified ownership. Approximately 48,45% of shares is owned by natural persons.

**Table 5: Carrying amount of a share of Impol 2000, d. d. in EUR**

| Year | Book value of a share – consolidated – including the equity of minority shareholders | Book value of a share – consolidated – without the equity of minority shareholders | Carrying amount of a share of Impol 2000, d. d. (the holding company) |
|---|---|---|---|
| **2024** | 373.99 | 353.05 | 71.52 |
| **2023** | 365.60 | 342.91 | 70.10 |
| **2022** | 335.10 | 311.22 | 65.30 |
| **2021** | 260.25 | 241.63 | 62.12 |
| **2020** | 236.43 | 215.77 | 56.25 |
| **2019** | 226.93 | 206.26 | 58.99 |
| **2018** | 207.94 | 188.86 | 57.39 |
| **2017** | 175.74 | 159.32 | 55.07 |
| **2016** | 144.38 | 130.76 | 53.53 |
| **2015** | 119.58 | 108.57 | 51.66 |
| **2014** | 99.88 | 91.04 | 49.61 |
| **2013** | 89.61 | 80.54 | 47.93 |
| **2012** | 77.78 | 69.83 | 45.88 |
| **2011** | 69.21 | 61.21 | 40.85 |
| **2010** | 56.46 | 49.90 | 36.19 |
| **2009** | 52.75 | 46.41 | 32.13 |
| **2008** | 53.33 | 47.27 | 26.54 |
| **2007** | 50.19 | 42.06 | 23.70 |

Members of the Board of Directors in the composition of up to and including 31/12/2024 own 18,662 of all shares of Impol 2000, d. d. or 1.75% in total.

The carrying amount of a share of Impol 2000, d. d. as of 31/12/2024 is presented in the table.

**Table 6: Overview of the shareholders as of 31/12/2024**

| Holder | Number of shares | % |
|---|---|---|
| **Bistral, d. o. o.** | 111,449 | 10.45% |
| **Impol-Montal, d. o. o.** | 80,482 | 7.54% |
| **Karona, d. o. o.** | 72,796 | 6.82% |
| **Alu-Trg, d. o. o.** | 58,882 | 5.52% |
| **Kranjc Danilo** | 58,245 | 5.46% |
| **Upimol 2000, d. o. o.** | 54,787 | 5.14% |
| **Alumix, d. o. o.** | 53,400 | 5.01% |
| **Simpal, d. o. o.** | 53,400 | 5.01% |
| **Albacore Investicije, d. o. o.** | 24,818 | 2.33% |
| **Simfin, d. o. o.** | 19,173 | 1.80% |
| **Others** | 479,335 | 44.93% |
| **Total** | 1,066,767 | 100.0% |

## Conflict of interests

The Impol Group stipulates in its Code of Business Conduct that all employees, including managers, must act in accordance with high standards of business ethics and respect legal provisions and internal acts.

Furthermore, the Impol Group requires suppliers in its Supplier Code of Conduct to disclose any actual or potential instances that could constitute a conflict of interest for Impol Group employees.

With these measures, the Impol Group ensures that employees and business partners operate in accordance with high ethical standards and avoid situations where personal interests could affect the impartiality and objectivity of business decisions.

Conflicts of interest must be disclosed to stakeholders, including, among other things, membership of several committees, inter-ownership by suppliers and other stakeholders, and trading in the shares of Impol 2000, d. d. by the management and its family members (GRI 2-15).

## Restrictions on transfer of shares

The transfer of shares shall request a written consent of the Board of Directors, which verifies before the transfer if conditions for transfer, specified in the Company Statute, have been met.

### 5.3. Point 3, Paragraph 6, Article 70 of the ZGD-1 – Qualified holdings according to the ZPre-1

On 31 December 2024, qualified holdings on the basis of the first paragraph Article 77 of the Takeovers Act are presented in the table below.

**Table 7: Shareholders with qualifying holdings as of 31/12/2024**

| Shareholder | Number of shares | Share |
|---|---|---|
| Bistral, d. o. o. | 111,449 | 10.45% |
| Impol-Montal, d. o. o. | 80,482 | 7.54% |
| Karona, d. o. o. | 72,796 | 6.82% |
| Alu-Trg, d. o. o. | 58,882 | 5.52% |
| Kranjc Danilo | 58,245 | 5.46% |
| Upimol 2000, d. o. o. | 54,787 | 5.14% |
| Alumix, d. o. o. | 53,400 | 5.01% |
| Simpal, d. o. o. | 53,400 | 5.01% |

By controlling the companies Simpal, d. o. o., and Alumix, d. o. o., the company Upimol 2000, d. o. o., has an increased equity impact in Impol 2000, d. d.

### 5.4. Point 4, Paragraph 6, Article 70 of the ZGD-1

The Company did not issue any securities that would carry special control rights.

### 5.5. Point 5, Paragraph 6, Article 70 of the ZGD-1 – Employee share scheme

The Company has no employee share scheme.

### 5.6. Point 6, Paragraph 6, Article 70 of the ZGD-1 – Restrictions related to voting rights

The Statute of Impol 2000, d. d. includes a restriction of voting rights, namely a shareholder who holds more than 10% of the Company's shares cannot exercise the voting right for the shares exceeding 10% of the shares of the Company.

### 5.7. Point 7, Paragraph 6, Article 70 of the ZGD-1 – All agreements among shareholders that could result in the restriction of the transfer of securities or voting rights

The Company is not aware of any such agreements.

# DIVERSITY POLICY

The purpose of the diversity policy is to provide the fundamental principles with regard to ensuring diversity of the management members with the goal to achieve the best possible efficiency of the management and thus to keep or increase the Company's developmental and competitive advantages. The diversity policy aims to encourage the diversity of the management members and their knowledge and skills.

When determining the optimal composition of the management and in preparing the proposal to the General Meeting of shareholders, we take into consideration especially the following diversity goals or aspects:

- the proposition for the appointment of the members of the Board of Directors, provided by the General Meeting of the Company, must be prepared in a manner guaranteeing the heterogeneity of its composition and functioning in order to have the professional knowledge, experiences, skills, and personal characteristics of individual members of the Board of Directors complement one another. In the event of a one-member body, the manager must have as broad a scope as possible of the professional knowledge, experiences, and skills from different areas, in order to contribute as much as possible to the attainment of the business excellence of the Company. We also ask other people responsible for drawing up proposals – company shareholders to take into consideration this principle;
- we ensure proper continuity so as to achieve a suitable relationship between existing and new management members;
- the selection of potential candidates for management members should, if possible, take into account diversity in terms of gender and age.

The diversity policy should be considered particularly in the candidate selection and proposal process for members of the management body. We also ask all the Company shareholders, who have the right to give proposals in the General Meeting's decisions, to take into consideration the diversity policy.

The management or supervision body of Impol 2000, d. d., is the Board of Directors, which is composed by five members. In the previous term (from 01/01/2015 to 31/12/2020) the Board of Directors was composed of five members, all of which men, and two Executive Directors who were not members of the Board of Directors, whereby the main Executive Director was a man and the Executive Director of Finance and IT was a woman.

As of 01/01/2021, the Board of Directors entered a new six-year term of office, whereby all five members are again men; however, in this term of office the Board of Directors appointed an Executive Director from its members, whereas the Executive Director of Finance and IT, who is not a member of the Board of Directors, is a woman.

There are four women in the management of the Impol Group (Impol 2000, d. d., and directly or indirectly affiliated companies – 20 companies in total). With regard to the activity performed by the Impol Group - manufacturing and producing aluminium products, where there is a low degree of representation of women in managerial positions – we believe that this gender ratio in management or supervisory bodies of the Company is appropriate. A five-year analysis of the average salary of employees by gender does not reveal significant differences between the average female and male salary. In 2024, the average salary of male employees was 3.3% higher than the average salary of female employees (GRI 202-1). We established that the Company is implementing the diversity policy, since its management bodies are composed so as to ensure suitable know-how, experience and personal characteristics that contribute to the Group's growth and development (GRI 405-1).

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

Andrej Kolmanič
(Chief Executive Officer and Board of Directors Member)

Irena Šela
(Executive Director of Finance and IT)

# STRATEGIC ORIENTATIONS

A solid foundation for a clear vision and an inspiring future.

# STRATEGIC ORIENTATIONS OF THE IMPOL GROUP

## THE MISSION OF THE IMPOL GROUP

Sustainable manufacture of aluminium products which provide customers the best ration between price and quality, whereby we meet the expectation of all stakeholders.

### Values

Innovation – development of new products that enable business growth and adding value.

Diligence – recognising and rewarding employees who contribute to the development of the system with their efforts.

Adaptability – seeking flexible business models that enable an agile satisfaction of the needs of customers and other stakeholders.

Excellence – shaping business processes in the direction of business excellence with the intention of becoming a world-class company.

Loyalty – encouraging employee loyalty and at the same time showing loyalty through sustainable development of good business relations with business partners.

## KEY ACCELERATORS OF CHANGE

The Impol Group will successfully adapt to and look for promising market opportunities in trends in the coming period.


## FUNDAMENTAL OBJECTIVES

To increase added value per employee to EUR 80,000 and to ensure a business design in accordance with the guidelines of sustainable development.

## SUSTAINABLE DEVELOPMENT PILLARS OF THE IMPOL GROUP

| **SUSTAINABLE BUSINESS MODEL** | SUSTAINABLE PRODUCTS | ENVIRONMENTAL PROTECTION | RECYCLING | SUSTAINABLE PRODUCTION/ PROCESSES | CARING FOR EMPLOYEES | PARTNERSHIP WITH THE LOCAL COMMUNITY |
|---|---|---|---|---|---|---|
| **Focus profit to modernise and expand production and ensure at least 60% of the financing of business processes with the capital.**<br><br>**We are accountable to our shareholders, the management board and Code of business conduct.**<br><br>**Ensuring the increase of the value of shareholders' investments.**<br><br>**Adapting the organisational structure with the intention of facilitating the development of each individual division and achieving internal efficiency.**<br><br>**Following values of sustainable development and meeting the expectations of end users and other stakeholders of the Impol Group.**<br><br>**Following EU guidelines and timeline of introducing the legislation in the area of sustainability.**<br><br>**In addition to profitability, the fundamental operating goals also include ensuring a positive impact on the world.** | Promoting sales to industrial customers as their development supplier.<br><br>To be the leading European supplier of forging rods, extruded products, and to become a valued supplier of rolled products to the automotive industry.<br><br>Restructuring the production mix in order to accelerate the manufacture of products with higher added value.<br><br>Increasing the volume of finalised products to at least 10 thousand tonnes per year and developing new technologies for finalising rolled and extruded products.<br><br>Emphasis will be placed to eco alloys in developing new alloys.<br><br>Increasing the share of use of returnable packaging and recycled packaging. | Lowering flow and burn-off factors by 1% annually, thereby reducing required incoming material.<br><br>By 2030, the majority of primary aluminium will have low carbon footprint (max. 6 t $CO_2$/t).<br><br>By 2030, 37% of energy will be obtained from renewable resources.<br><br>Reducing total emissions by 55% by 2030.<br><br>Increasing the proportion of secondary raw materials used to 43% by 2030 at all sites, up to a maximum of 50% at the Slovenska Bistrica site.<br><br>Increasing the energy efficiency of installations and increase the use of electricity from renewable sources to 37% by 2030. | Increasing the share of secondary input raw material to 50% and developing relevant technological processes accordingly.<br><br>We will primarily invest in increasing recycling capacities in the area of foundry.<br><br>Preparing a sales and purchasing model of establishing loop-backs with customers.<br><br>Preparing and processing waste aluminium before the melting phase with the goal of including contaminated waste and decreasing loss.<br><br>Reusing aluminium obtained from slag processing.<br><br>Establishing recycling of production materials and auxiliary resources. | Increasing productivity, utilisation of the working equipment and reducing losses in processes with the project of operational excellence.<br><br>Optimising production and business processes by implementing a modern information system.<br><br>Introducing measuring productivity and OEE indicator; establishing standardisation processes and automatising scheduling and planning processes.<br><br>Increasing the efficiency of production processes by automatising and robotising production lines.<br><br>Increasing the efficiency of energy use by 2030 and achieve the national goal of 9% compared to the base year of 2020. | Ensuring management excellence at all level with clear objectives, policies and responsibilities.<br><br>Developing areas and employment levels, where added value is raised, decreasing jobs without added value; establishing attractive jobs in order to ensure further development of the company and recruitment.<br><br>Ensuring a more just and transparent payment system that encourages productive work and development.<br><br>Upgrading the system of recruiting and selecting employees with the intention of introducing top staff from the desired areas into the system.<br><br>Establishing a career system for employees with the intention of preserving knowledge, raising motivation and employee commitment.<br><br>Ensuring a safe and healthy working environment. | We are an active partner in sustainable development of the local community.<br><br>We will encourage sustainable mobility.<br><br>The volume of resources, intended for donations/ sponsorships, will amount to at least 0.3‰ of income on an annual basis. |

## FUNDAMENTAL STRATEGIC POLICIES OF THE DIVISIONS

| | ROLLING | EXTRUSION | FOUNDRY |
|---|---|---|---|
| **VISION** | To become a recognisable European rolling company – a reliable and competitive provider of thin and thicker aluminium rolled products for the industrial supply chain. | In the area of rods, profiles and tubes, we will maximise the opportunities for production, the volume of drawn rods of all shapes and sizes are maximised as well as extruded rods from difficult-to-manufacture alloys so that Impol becomes the largest European manufacturer in this field. | To remain a more visible producer of a wide range of aluminium castings by focusing on higher added value recycling with optimal use of primary aluminium, internal recycled waste, external waste and alloying elements. |
| **MISSION** | The Rolling division develops comprehensive processing operations that include melting with recycling, hot rolling, cold and hot foil rolling with finishings and minimum engagement of external capacities. | Increasing the volume of operations through affiliated companies in the division with the intention of increasing added value per employee and raising the recruitment level terms of higher quality and shipping punctuality. | Ensuring the necessary raw material supply of the remaining two divisions in the Group, following the required product and alloy mix and quality and sustainable requirements. |
| **INVEST-MENTS** | In the rolling division we will continue carrying out investments in the standardisation of the size of transport units and elimination of bottlenecks at individual locations. Production will be organised according to the principles of maximising the productivity of the rolling and cutting lines.<br><br>At Impol FT we will invest in cutting capacities of the thin programme.<br><br>Investments at Impol-TLM will be directed toward modernising the cold-rolling mill and rolling capacities with the objective of raising productivity and programme quality.<br><br>We are planning the construction of rolling oil distillation systems for “Air pure” rolling plants in Šibenik and Sevojno. | Increasing the capacities of cold processing.<br><br>Increasing the capacities for finalising products and for manufacturing blanks. | Investments will be primarily directed towards the equipment needed to increase the proportion of casting slabs and to expand the dimensional range of cast bars.<br><br>At the same time, investments are also planned in the field of expanding storage capacities for input raw materials and increasing the level of digitisation, automation and energy efficiency. |
| **OBJECTIVES** | Specialisation of production programmes by locations.<br><br>Restructuring and improving the product mix from the current 65% of standard products, sold through distributors, from 20 to 30% of our products.<br><br>Improving operational excellence and quality in processes with the aim of achieving a technologically specific consumption of raw material in the process chain.<br><br>Increase the proportion of self-supply with foundry formats, in particular for the rolling mills, and ensure the rolling of circular raw materials for the foil mills.<br><br>Integrating knowledge and capabilities in order to supply industrial B2B chains. | Developing an organisational model, consistent with the expectations of the market and customers.<br><br>Raising information support of business operations (MES …).<br><br>Improving productivity per employee using process automation.<br><br>Introducing new technologies of processing profiles and tubes. | Increasing the use of external waste in a minimum proportion of 50% relative to the total contribution and the spread of purchasing sources of secondary raw materials and alloy elements.<br><br>Mastering the technology of hot-top casting of slabs and the technology of casting bars with hole.<br><br>Developing a new MES system and implementation of lean production methods Level 3. |

# PLAN OF OPERATIONS FOR THE IMPOL GROUP IN 2025

**Table 8:** Planned indicators for 2025

| INDICATORS | |
|---|---|
| Cash flow from current operations (net profit after tax + depreciation) (in EUR 000) | 44,666 |
| Added value per employee in EUR | 69,094 |
| EBITDA (operating profit + depreciation) (in EUR 000) | 55,358 |
| EBIT (operating profit) (in EUR 000) | 30,793 |
| Profit before tax (PBT) (in EUR 000) | 24,176 |
| Net debt (in EUR 000) | 123,282 |
| Net debt/EBITDA | 2.23 |

# BUSINESS OVERVIEW

The success of the company begins where passion meets perseverance.

03

# PERFORMANCE ANALYSIS

## IMPOL GROUP PERFORMANCE

### Notes on the Profit or Loss Statement of the Impol Group

In the 2024 financial year, we generated net sales revenue of EUR 923.2 million, which is 5.28% more than in 2023. The increase in revenues was due to a higher volume of sales. In the sales revenue structure, revenues generated on the domestic market (i.e. the markets where Impol has production sites, including Hungary) represented 5,69% and decreased by 5,81% compared to the previous year. Revenues generated in foreign markets accounted for 94.31% of total revenues and in comparison with 2023 they increased by 6.04%. Most of the revenues we generated in foreign markets are achieved in the markets of the European Union, which is presented in the report later.

Operating expenses of the Impol Group amounting to EUR 914.1 million are by 10.3% higher than in the previous year. The costs of goods, material and services increased by 11.39% in comparison to the previous year and account for 86% in the structure. The most important category of operating expenses is the cost of material, which amounted to EUR 559 million in 2024, which is 6.53% more than in the previous year. Their share in total operating expenses equals 61.15%. The largest share of costs of material represents the costs of raw materials, and the remaining costs are the costs of energy products, water, packaging and other materials.

Costs of services which account for 8.23% of total operating expenses amounted to EUR 75.2 million in 2024 and increased by 19.24% compared to 2023. Costs of labour amounting to EUR 103.8 million are by 6.09% higher compared to 2023. Write-offs, which include depreciation costs, revaluation operating expenses of intangible assets and tangible fixed assets, revaluation operating expenses of current assets and revaluation operating revenues from leases in the amount of EUR 22.2 million, are by 0.64% lower compared to 2023. Other operating expenses in 2024 amounted to EUR 2.1 million, which is by 28.36% less than in the previous year. Other operating expenses include the largest share of the costs associated with expenditure on environmental and land protection, expenditure on the protection of the human environment, expenditure for advertisements, calls, membership fees, scholarships and donations.

In the 2024 financial year, we generated EUR 30.4 million of earnings before interest and taxes (EBIT) and EUR 52.1 million of earnings before interest, tax, depreciation and amortisation (EBITDA). Compared to the previous year, this means lower EBIT by 50.13% and lower EBITDA by 37.31%. We generated a negative financing result in the amount of EUR 5.2 million (2023: EUR -6.1 million).

Financial expenses relating to interest on liabilities to banks decreased by EUR 0,7 million in 2024 compared to 2023 and thus amounted to EUR 6,2 million (from EUR 6,9 million in 2023).

In 2024 we thus generated net profit of EUR 20.9 million. (2023: EUR 45.4 million).

### Notes on the Statement of Financial Position of the Impol Group

At the end of 2024, the assets of the Impol Group equalled EUR 669.4 million, which is EUR 13.5 million less than total assets of the Group at the end of 2023. The biggest impact on the change in assets was the decrease in cash on the one hand and the increase in receivables and stocks on the other hand.

Long-term assets amounted to EUR 241,7 million and did not increase significantly compared to the previous year (by 2,4%). As of 31/12/2024, short-term assets amount to EUR 427.7 million, which is EUR 20 million more than on 31/12/2023. Cash decreased by EUR 60,3 million, stocks increased by EUR 30 million, short-term business receivables also increased by EUR 10,6 million.

The total liabilities to sources of assets of the Impol Group amounted to EUR 669.4 million in 2023 and decreased by 1.97% in 2024 compared to 31/12/2023. The Group increased its capital by EUR 9 million (an increase of 2,3% compared to the end of 2023). Long-term liabilities decreased by EUR 6.9 million compared to the end of 2023, representing a decrease of 6.1% (mainly due to the decrease in long-term financial liabilities), and the short-term liabilities decreased by EUR 15.5 million, representing a decrease of 8.9% (mainly due to the decrease in short-term financial liabilities). At the end of 2024, provisions and long-term accrued costs and deferred revenues decreased by EUR 0.1 million compared to the end of 2023.

### Cash flow statement

In 2024, we generated a positive operating cash flow in the amount of EUR 5.5 million (in 2023 in the amount of EUR 121.1 million). We generated negative investing cash flow in the amount of EUR 25.6 million compared to the year before when it amounted to EUR 22.7 million. Cash flow from financing was negative in the amount of EUR 40.2 million (in 2023 it was negative in the amount of EUR 66.3 million). The closing balance of cash was decreased by EUR 60.3 million compared 2023.

# PERFORMANCE OF IMPOL 2000, D. D.

## Notes on the Profit or Loss Statement of Impol 2000, d. d.

In 2024, Impol 2000, d. d. generated net sales revenues of EUR 37.6 million from the sales of products, services and merchandise, which is 2.61% less than in the previous year. On the domestic market, we generated EUR 35.1 million in net revenues from the sale of products, services and goods, which is 93.33% of the total revenue from sales and just under 1.16% less than in 2023. In foreign markets we generated net revenues of EUR 2.5 million, which is 19.13 less than in 2023. In 2024, operating expenses decreased by 4.02% compared to 2023 and stood at EUR 37 million. Cost of goods and material sold account for 57.9% of all operating expenses and are followed by labour costs equalling 34.54%, costs of services represent 5.98% of operating expenses, whereas write-offs and other operating expenses together represent 1.58% of all operating expenses.

In 2024, we generated EUR 0.85 million of operating profit. In 2023, operating profit amounted to EUR 0.35 million.

The operating cash flow (EBITDA) in the amount of EUR 1.1 million was positive. In 2024, we generated EUR 11.4 million of positive financing result. Financial revenues of EUR 12.1 million are EUR 25.53 million lower than in 2023. In 2024, the net profit after tax amounted to EUR 12.2 million, while in 2023 it amounted to EUR 15.8 million.

## Notes on the Statement of Financial Position of Impol 2000, d. d.

At the end of 2024, the assets of the Company represented EUR 149.3 million, which is 1.59% less than at the end of 2023. Long-term assets in 2024 are practically unchanged compared to long-term assets in 2023. The decrease in total assets is primarily the result of a decrease in cash and short-term operating receivables.

As of 31/12/2024, the short- and long-term liabilities of the company stood at EUR 149.3 million and were EUR 2.4 million higher than the liabilities of the previous year. Lower liabilities of the Company mainly result from lower short-term financial liabilities. These were reduced in part by the increase in long-term financial liabilities, i.e. the extension of a long-term loan from an affiliated company.

The capital of the Company in the amount of EUR 76.3 million was 2.02% higher or EUR 1.5 million higher compared to 2023. In 2024, dividends were paid out in the gross amount of EUR 10.0/share, which equalled EUR 10.6 million for all shares.

The net debt on the last day of 2024 (calculated as the difference between financial liabilities and cash assets and short-term financial investments) amounted to EUR 56 million and is higher by EUR 9.7 million compared to the end of 2023.

## Statement of cash flows of Impol 2000, d. d.

In 2024, we generated positive operating cash flow in the amount of EUR 9.2 million. In 2023, it was negative and it amounted to EUR 4.9 million. The cash flow from investing was positive and amounted to EUR 1.7 million in 2024. The negative cash result for financing amounted to EUR 12.3 million in 2024 (also negative in the amount of EUR 13.5 million in 2023). The entire cash result in 2024 was negative and amounted to EUR 1.5 million (in 2023 it was negative in the amount of EUR 2.2 million).

# REVIEW OF 2024

2024 was marked by the following events in the aluminium industry:

- Increase in aluminium prices: Aluminium prices rose by about 7% in 2024 compared to the year before. This is due to limited supply, low stocks and disruptions in the supply of raw materials such as bauxite. Analysts predict a further increase in aluminium prices in 2025, which will affect costs and strategies of manufacturers.
- Impact on the Chinese market: As the largest producer and consumer of aluminium, China had a strong impact on the global market through its economic measures. State stimulus programmes have contributed to price increases, while the slow recovery of the Chinese industry after the pandemic has led to a stabilisation of supply and demand.
- Low economic growth in the euro zone: Germany has stagnated for the second consecutive year, and low growth has also been recorded in other important euro zone countries, such as Italy and France. Growth was also held back by higher material, energy and labour costs, which put additional strains on the financial capacity of the economy.
- Decline in demand for electric cars: In 2024, the European automotive industry has recorded a significant decline in electric vehicles (EV), mainly due to the abolition or reduction of state subsidies in key markets such as Germany and France, which directly affected the sale of EV and thus the need for aluminium components. Electric vehicles use more aluminium than traditional vehicles, so a drop in sales has led to a reduction in aluminium manufacturers.
- Emphasis on sustainability and recycling: As a result of increasing environmental awareness, aluminium producers have stepped up their efforts towards sustainable production. Recycling of aluminium has become a key element, as it reduces the need to mine new materials and the associated $CO_2$ emissions. The use of advanced technologies to increase the efficiency of recycling will be introduced.
- Technological progress and digitalisation: Investments in the digitalisation of production processes are increasing to increase efficiency and competitiveness.
- Geopolitical tensions and trade policies: Trade tensions between major economies affected import and export tariffs for aluminium, causing price fluctuations and market uncertainty. Producers have had to adapt their strategies in order to face the challenges posed by global trade policies.

The main successes of the Impol Group were as follows:

- Advancing sustainability: By developing products with a low-carbon footprint and increasing the use of recycled materials, we have taken a big step towards environmental care.
- Process digitisation: We have completed the INDIGO project and thus successfully digitised the processes in the foundry and allowed for a better overview of the data on the production and carbon footprint, we have increased operational efficiency and established infrastructure to further develop process digitisation.
- Development of the sales network: in uncertain operating conditions, we successfully acquired more than 120 new customers and projects, thus demonstrating our competitiveness and ability to adapt to market conditions.
- Uninterrupted provision of liquidity. despite the fluctuations in aluminium prices and the tightened financing conditions, we managed to maintain adequate liquidity, maintain a stable capital structure and control the level of receivables and other financial indicators.
- Operational excellence: We continued to introduce new lean manufacturing methods and to increase process efficiency, which was also reflected in the increase in productivity of the production lines.
- Maintaining employee satisfaction: We successfully ensured the necessary workforce, which shows the high reputation of the Impol brand as a recognised employer. Employee fluctuation was lower than 3% despite the very dynamic labour market.
- Reorganisation of Impol Seval processes: In order to optimise business operations, Impol Seval's companies were reorganised, thereby increasing operational efficiency.

Expected trends:

- Restructuring of companies due to the energy crisis and deindustrialisation: high energy prices in Europe, which are higher than in the USA and China, have a strong impact on the competitiveness of European aluminium producers. This leads to a restructuring of the industry, with companies focusing on products with higher added value and looking for alternatives in other markets.
- Emphasis on sustainable production and recycling: The European Union is committed to climate neutrality by 2050, which means that all sectors, including the aluminium industry, will have to reduce greenhouse gas emissions. This encourages companies to develop new, high-strength and corrosion-resistant aluminium alloys that are 100% recyclable. In addition, the use of secondary aluminium in production is increasing, which reduces energy intensity and emissions.
- Geopolitical challenges and competitiveness: European aluminium producers are losing market shares on global markets due to geopolitical changes and strong competition, in particular from China. Chinese producers, often supported by state subsidies, offer products that are price competitive, which puts European companies in a difficult position. This requires new approaches and strategies for maintaining competitiveness, including innovation and diversification of production. Additional problems are caused by the imposition of tariffs and the initiation of trade wars by the USA.
- Aluminium prices on the London Metal Exchange (LME): analysts are forecasting a stock market increase in aluminium prices in 2025. This increase is due to the expected shortage of aluminium supply. Geopolitical tensions, trade policies and fluctuations in the supply of raw materials may affect these forecasts.
- Digital transformation of production processes: The development of digital services and artificial intelligence increases the need for process digitisation and efficient data management, as this will be a competitive advantage for companies in the future and will contribute decisively to accelerating the development of new products.

**Table 9: Overview of results of the Impol Group in EUR million**

| Year/Indicator | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Consolidated net sales revenue | 583.9 | 845.4 | 1,142.4 | 876.9 | 923.2 |
| Consolidated operating expenses and costs | 568.7 | 811.9 | 1,039.8 | 828.7 | 914.1 |
| • of which depreciation | 21.3 | 22.6 | 23.4 | 22.1 | 21.7 |
| Operating profit | 20.7 | 47.0 | 104.3 | 61.0 | 30.4 |
| Financial revenues/expenses difference | -4.3 | -6.2 | -3.4 | -6.1 | -5.2 |
| Profit (or loss) after tax | 14.1 | 35.5 | 87.3 | 45.4 | 20.9 |
| Cash flow from current operations* | 35.7 | 58.6 | 110.5 | 68.2 | 42.4 |
| Capital | 252.2 | 277.6 | 357.5 | 390.0 | 399.0 |
| Assets (active) | 535.9 | 629.7 | 691.5 | 682.9 | 669.4 |
| Share carrying amount in EUR (including the equity of minority owners) | 236.43 | 260.25 | 335.10 | 365.60 | 373.99 |
| Added value per employee in EUR | 46,341 | 64,163 | 94,538 | 78,924 | 66,641 |
| EBITDA** in EUR 000 | 42,000 | 69,627 | 127,738 | 83,033 | 52,056 |
| Changes in EBITDA | 0.834 | 1.658 | 1.835 | 0.650 | 0.627 |
| Net debt*** in EUR 000 | 135,902 | 195,619 | 159,651 | 81,698 | 120,446 |
| Net debt/EBITDA | 3.24 | 2.81 | 1.25 | 0.98 | 2.31 |

NOTES TO CALCULATIONS:

[1] Calculated as net profit after tax plus depreciation plus difference in the change of provisions and of long-term accrued costs and deferred revenues at the end of the current year compared to the end of the previous year

[2] EBITDA = operating profit + depreciation

[3] Net debt = long-term financial liabilities + short-term financial liabilities – cash – short-term financial investments

**Table 10:** Key indicators

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Equity/all sources of operating assets** | 47.1% | 44.1% | 51.7% | 57.1% | 59.6% |
| **Golden rule of balance sheet = long-term assets / long-term investments** | 153.1% | 166.1% | 205.5% | 213.9% | 208.9% |
| **Long-term operating expenses** | 48.6% | 43.0% | 31.8% | 34.8% | 29.6% |
| **Option to settle liabilities with property** | 192.0% | 181.4% | 210.1% | 237.7% | 248.4% |
| **Financial expenses/expenses** | 1.3% | 1.1% | 0.7% | 1.0% | 0.9% |
| **Income/employee ratio in EUR 000** | 243.99 | 343.00 | 474.01 | 375.51 | 394.09 |
| **Margin** | 2.4% | 4.2% | 7.6% | 5.2% | 2.3% |
| **Debt/equity** | 110.0% | 124.0% | 91.1% | 72.6% | 66.4% |

# IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

Due to general price increases, the minimum wage rose. Inflation in Slovenia impacted the raise of minimum wage, which increased from EUR 1,253.90 to EUR 1,277.72, meaning a 1.9% increase. The remuneration system in the Impol Group companies operating in Slovenia was adjusted accordingly.

From 1 January 2025, the gross minimum wage in Croatia is set at EUR 970 per month, representing an increase of 15,48% compared to the previous year when it was EUR 840 gross. The remuneration system of Impol-TLM operating in Croatia has been adapted in line with the amendment. The increase in the minimum gross wage will not have a significant impact on the increase in the total cost base.

On 23 January 2025, the fifth member of the Board of Directors was elected. Dejan Košir was re-elected for a term expiring on 31 January 2027.

# IMPOL IN THE WORLD OF ALUMINIUM

"The Impol Group is the largest producer of aluminium semi-finished products in Slovenia, offering customers a varied sales programme – rolled and extruded aluminium products with a high level of after-treatment, which meet the highest standards according to quality requirements. Our excellence is also confirmed by numerous representatives of prestigious trademarks from the most demanding industries, such as automotive industry, food industry, pharmaceutical industry, aeronautical industry, machine industry, transport industry, construction industry, etc. Our business transactions are directly connected to the model of our corporate responsibility which encompasses the orientation towards circular economy, the production of long-lasting products that can be entirely recycled, the responsible relationship towards nature, the environment, and our employees, as well as "looking forward".

The main strategic advantage of the Impol Group is the diversity of the aluminium processing programme, since we master numerous aluminium treatment processes: casting, rolling, extrusion, drawing, forging, stamping and further processing (product finalisation). At the same time, we also create synergy effects by controlling other areas that support our core activity, i.e. processing of aluminium products. The activities within the Impol Group are organised according to individual companies which are subject to the same corporate rules, and which use marketing rules to conclude business transactions with each other.

On a global scale, processing of primary aluminium amounted to 72.8 million tonnes in 2024; the Impol Group achieved a 0.35% share of processing compared to newly created aluminium. In compliance with its strategic orientations, Impol continues to focus more on the added value in the product, even though the scope of our production continues to constitute an important factor, since fixed costs in a mass production process can only be properly contained with a sufficient quantity of products.

**Figure 3: Production of primary aluminium by locations in 000 tonnes (Source: international-aluminium)**

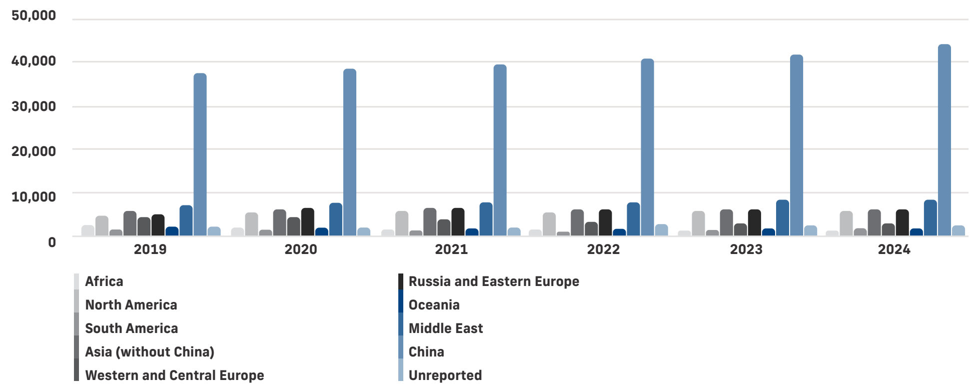
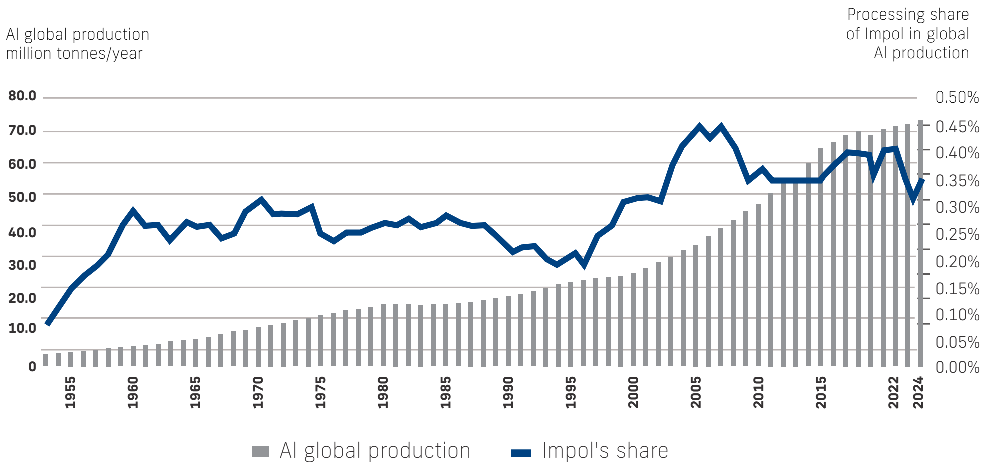



**Table 11: Sales share by continents**

| Continent | In % |
|---|---|
| EU | 88.25% |
| Europe - other countries | 7.37% |
| North America | 3.32% |
| Asia | 0.78% |
| Central America | 0.12% |
| Africa | 0.07% |
| South America | 0.05% |
| Australia | 0.03% |
| | 100.00% |

**Figure 4: The share of Impol in the use of produced primary aluminium (in 2024)**




The aluminium processing industry is characterised by shaping the sales prices of its products in such a way that sales premiums are negotiated with customers given the primary aluminium price on the LME. The turnover in terms of value rises or falls independently from the quantitative volume of sales and also independently from changes in sales margins.

The same also applies to the purchase prices for aluminium raw materials, which are shaped by negotiating a purchase premium with suppliers given the quoted aluminium prices, usually including all delivery costs under the conditions of Incoterms DDP. In the past year, a purchase premium also included a regional annuity or a purchase premium, which is becoming constant and normal by making its amount public in Metal Bulletin. The aluminium price thus significantly impacts the size of direct costs; however, subject to appropriate forward collateral (hedging), its fluctuation should not have a direct impact on the business performance.

The industry is rather stable in terms of basic aluminium and alloy processing technology. The greatest dynamics can be observed in the field of process control, quality and supply chain optimisation processes. Annually we spend EUR 2–3 million on process control improvements. In such a way, we are safeguarding the competitiveness of our products and services in the future as well.

One of the rather important trends in our business processes is digitalisation, making it possible for us to efficiently control processes, implement optimisation methods, and find new business solutions.

The Impol Group follows trends in the industry and adopts strategic decisions with which it may efficiently manage risks and recognise opportunities.

# SALES

The basic policy of the Impol Group is to add value to aluminium, which we are achieving by processing rolled and extruded aluminium products, and we also act as a development and strategic partner to our customers. In addition to the rolling and extrusion programme, we also offer niche products – blanks and slugs. We have improved at developing the area of product finalisation, where we are present on the market as a "tier 1" supplier of manufacturers in the automotive industry.

We offer our customers a wide selection of aluminium products and can adapt our offer to specific needs. We also developed the segment of further processing aluminium products – forging, coating, anodising and other mechanical processing. The entire production is designed and run as individual production carried out on a mass scale so as to meet the price-related expectations of our customers.

Due to efficiently managing our customers' needs, developing our offer and seeking synergy effects, we operate within three divisions – foundry, rolling and extrusion.

The main task of the foundry division is to optimise operating costs, technologically upgrade our range and the quality of finalised products, and to entirely adapt to the needs of end users. Our own foundries enable us greater flexibility. The rolling division is currently dealing mainly with managing the economy of the volume and with stabilising operations due to the increase in capacities. These activities are also joined by product customisation, acquisition of more demanding customers and penetration into industries with high added value, where we have great opportunities for further growth and development. As our capacities increase, the extrusion division invests a lot of effort in increasing the range of products with additional processing – finalisation – and developing complex products that require an in-depth mastering of the technology.

Our competitive advantage:

- managing the entire aluminium production chain,
- diversification of the sales program,
- development supplier.

## PRODUCTS AND SERVICES

**Figure 5: Sales by product type**

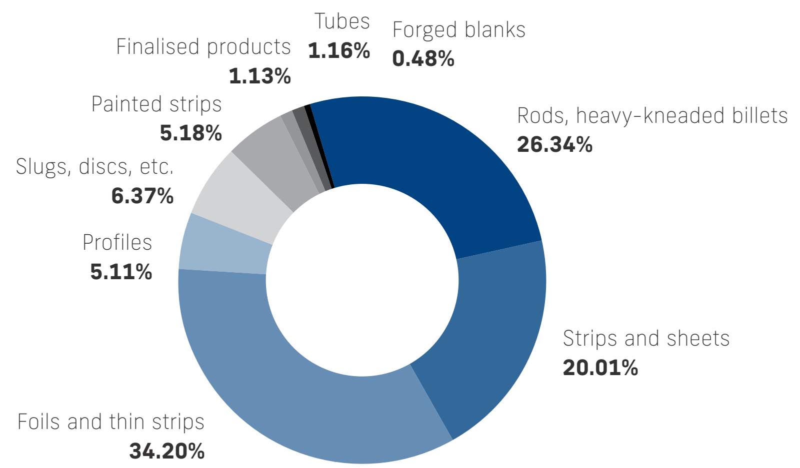



**Figure 6: Sales by branch activity**

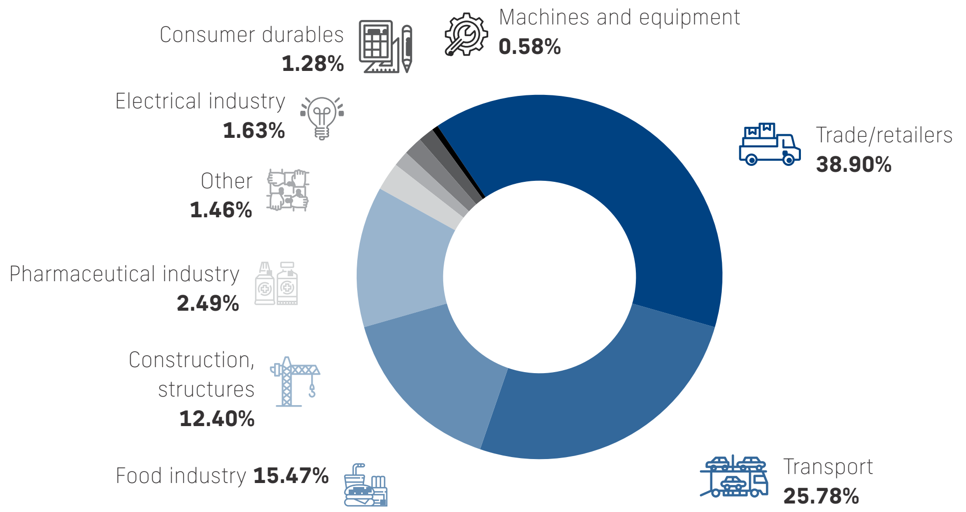


**Figure 7:** **Revenues of the Impol Group by countries**

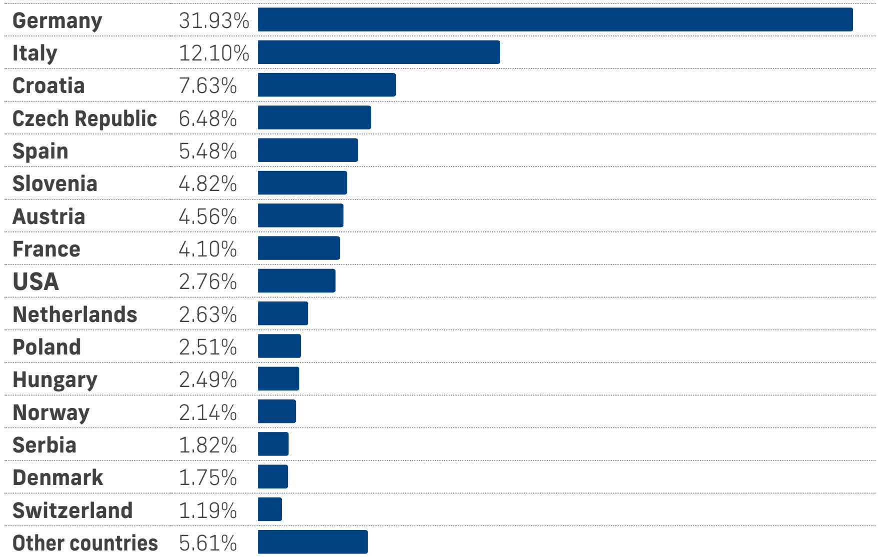
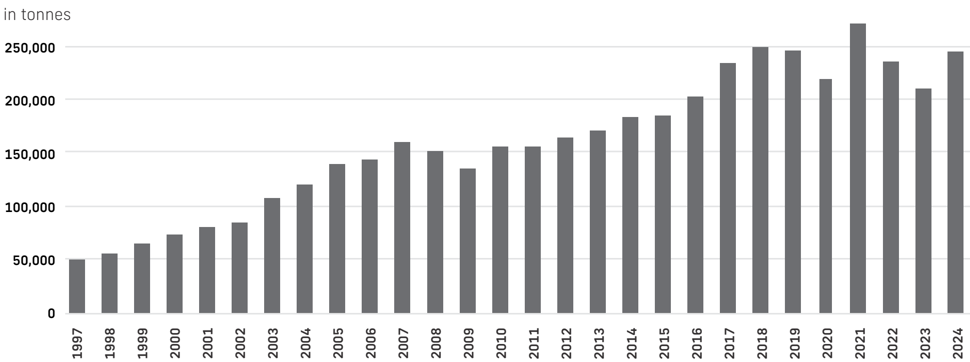



**Figure 8:** **Trend in sold quantities of products**




## Brands

Products of the Impol Group are being marketed under the Impol brand with the exception of products of the blanks niche programme, which are marketed under the Stampal SB brand and products of the slugs niche programme, which are marketed under the Rondal brand. In appearing on the market, emphasis is put on the interconnectedness of the Group, which creates numerous advantages for customers (operating stability, supply reliability, quality management, etc.). Retail products are marketed within the framework of Impol Servis, under the name Alumix.

In order to focus on sustainable business, we developed the new InfiniAl brand. For products under this brand, we guarantee a low carbon footprint, namely below 4 kg of $CO_2$ per 1 kg of aluminium product, and at least a 50% share of recycled aluminium in accordance with the ISO 14021 standard.

The companies Impol Stanovanja, d. o. o., Unidel, d. o. o., and Kadring, d. o. o., also conduct business operations on the local market outside the main activity. All the companies specified above market their services under the brands with the same name as the name of the Company (GRI 2-6).

# PURCHASING

## SUPPLY CHAIN

The procurement function plays a key role in ensuring sustainability, efficiency and competitiveness. It has to manage and overcome various challenges in terms of availability of raw materials, supply chains, fluctuating market prices and environmental policy. Despite these challenges, we ensured that the supply of raw materials, other materials and services was smooth and in line with production needs. We have successfully maintained reliable supply chains, optimised costs and built strategic partnerships with suppliers. Impol's main purchasing activities are raw materials and alloying elements, energy, services and then other materials (packaging, spare parts, consumables, etc.).

Purchases of raw materials include primary aluminium, secondary aluminium and formats. The purchase of individual types of raw material is adapted to the needs of production and supply possibilities on the secondary aluminium market.

In 2024, we purchased the following shares of aluminium for the production of 246,488 tonnes of raw material:

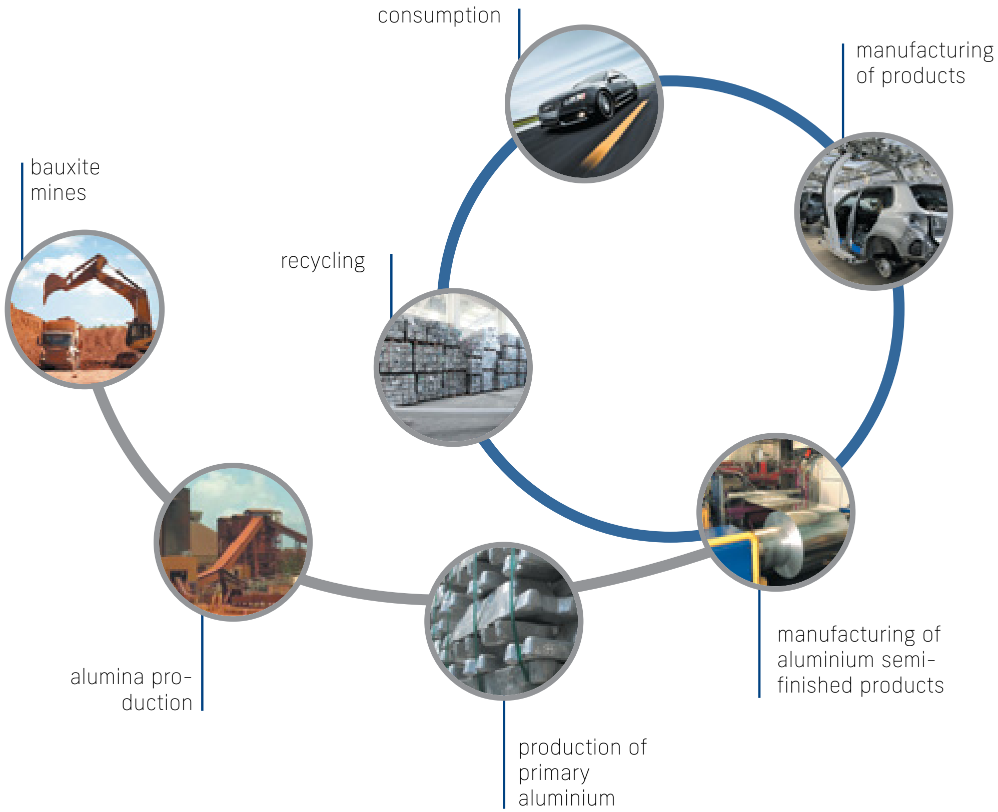
- primary aluminium: 37%,
- formats (rolling slabs, billets): 32%,
- secondary aluminium: 31%.

Impol's sales volume of secondary aluminium in 2024 was 76,200 tonnes. For the procurement of secondary raw materials we introduced a return loop system, which means that waste, which was generated during the processing of our products at our end customers, is collected and used as an input raw material in our foundries. In this way we contribute to the sustainable consumption of energy and resources, since we replace primary aluminium and alloying elements, which are necessary for the production of alloys, with return and secondary aluminium, and at the same time we increase the proportion of secondary and recycled aluminium in our products. We are also steadily increasing the share of 'post-consumer' secondary aluminium sourcing, reaching 25% of the total secondary aluminium sourcing in 2024. The quantity that we can procure and use in our production is of course dependent on the production mix of alloys and the type of product.

When purchasing primary aluminium, we contribute to the sustainable development and wider range of eco-alloys with a larger share of the purchase of low-carbon primary aluminium. We are also pursuing sustainability guidelines in the field of slabs and rods and increasing the procurement of low-carbon products.

We ensure a regular and reliable supply of raw materials, materials and services through efficient procurement planning, strategic purchasing contracts and pricing, continuous development of suppliers and careful management of target stocks. Maintaining strong business relationships with the world's leading suppliers is also key. Our priority is to build strong and collaborative relationships with key suppliers, fostering partnerships based on trust, transparency and mutual benefit. We are aware of the importance of resilience of supply chains and therefore manage any potential supply disruptions effectively by actively managing risks and implementing timely contingency measures (GRI 301-1, GRI 301-2, GRI 301-3).

**Figure 9: Closed loop system**



## Social responsibility in purchasing

In the Impol Group, we are aware that the procurement process has a significant impact on social responsibility and sustainable development, so we consistently implement responsible practices at all stages of procurement. Where possible, we prioritise local suppliers, thereby boosting the local economy, reducing our carbon footprint and contributing to the development of the communities in which we operate. The main purchases are aluminium and alloy elements, which we have to import as they are not available in the local Slovenian environment. Therefore, local suppliers account for less than 5% of purchases.

We systematically check the social responsibility of suppliers, assessing their compliance with legislation, respect for human rights, ethical business practices and concern for safety and health at work. We also pay particular attention to the selection of environmentally friendly sources and seek suppliers who are committed to reducing environmental impacts, using sustainable materials and optimising production processes. With such an approach, we build a responsible and sustainable supply chain that contributes to the long-term performance of the Impol Group and to the preservation of the environment and the welfare of the community. We carry out social responsibility checks mainly on strategic suppliers that have a direct impact on the quality of our products and services (GRI 414-1).

In the Impol Group, we are committed to respecting fundamental human rights throughout the supply chain and we consistently carry out activities to prevent risks related to violations of these rights. We verify that our suppliers respect the right to freedom of association and collective bargaining and encourage open dialogue between employees and their representatives. We also carry out checks on suppliers regarding the risks associated with child labour, working only with suppliers who ensure compliance with legislation and international standards and respect children's right to education and a safe childhood. We also pay particular attention to the prevention of risks associated with forced or compulsory labour and carry out regular checks and inspections to ensure ethical and responsible business practices. If we detect risks or breaches with any supplier, we work together to devise measures for improvement, and if not, we terminate cooperation. Our goal is to establish a responsible and ethical supply chain, based on respect for human rights and legal and ethical standards.

In line with the principles of social responsibility and sustainable development, the Impol Group also pays particular attention to the management of negative environmental impacts in our supply chain. We regularly check the environmental performance of our suppliers and carry out assessment procedures to determine their compliance with environmental regulations and standards. In case of identified negative impacts, we develop improvement plans together with suppliers, monitor their implementation and implement additional control measures if necessary. If a supplier fails to commit to remedying the deficiencies identified, we may also terminate cooperation with it. Our goal is to establish a supply chain based on responsible and sustainable business, which includes actively seeking solutions to reduce environmental risks and impacts (GRI 308-1, GRI 308-2, GRI 407-1, GRI 408-1, GRI 409-1, GRI 414-2).

## Changes in the prices of aluminium

In 2024, aluminium prices on the LME have risen sharply twice.

Initially, the market was flooded with news of positive economic indicators from both the USA and China, stocks were decreasing and China began to face an aluminium shortage due to the drought and the consequent decrease in the production of domestic smelters.

The sharp jump in the LME price occurred in April, and the main reason was the joint action of the US and the UK against Russia, which announced a ban on the supply of Russian material to LME warehouses. Economic activity continued to strengthen, and interest rate cuts were expected in the USA, stimulating overall demand, including for metals and aluminium.

However, in Q2, China managed to increase its production of aluminium, but at the same time a new issue with the supply of aluminium started to appear on the market. Thus, LME prices peaked in mid-May, and news came out about the high demand in China, mainly due to the high production of electric vehicles and solar panels. However, due to the increasing global production and the expected summer slack, the market rebalanced in the middle of the year and in June LME aluminium prices fell significantly according to the forecasts of various analytical services.

In the second half of the year, uncertainty was mounting over the election of a new US president. The renewed increase in prices was strongly contributed by the announced interest rate cut in the USA, and amid the decreasing stocks and the renewed supply crisis of aluminium, which reached its highest level since 2010, the price of aluminium jumped sharply in August.

In addition to the stronger appetite of hedge funds for growth, towards the end of the year the Chinese government announced that after almost 40 years it was ending the tax export rebates for domestic companies, which prompted a quick market reaction and led to a new spike in aluminium prices. The latest action in 2024 - the US election, or the re-election of Trump - has brought anxiety to the market. The announced duties on aluminium (amongst others) promised to at least maintain, if not further increase, stock market prices.

**Figure 10: Spot price trend at the LME in EUR/t**

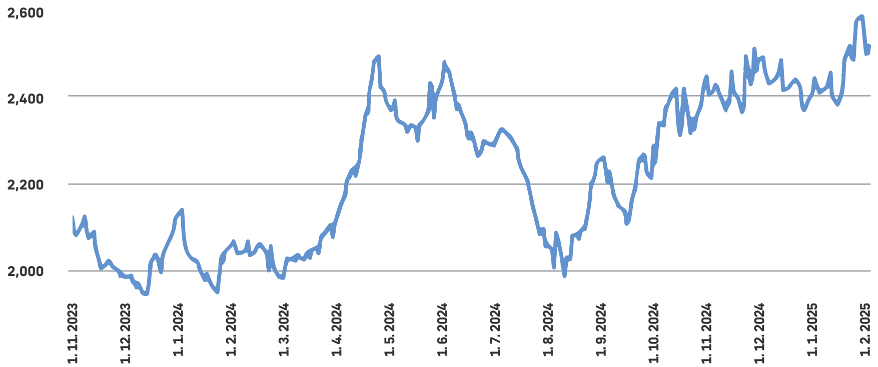
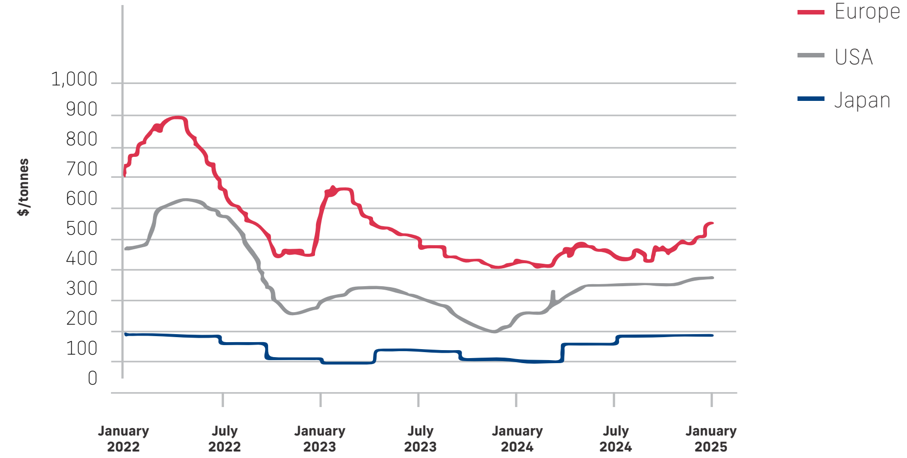
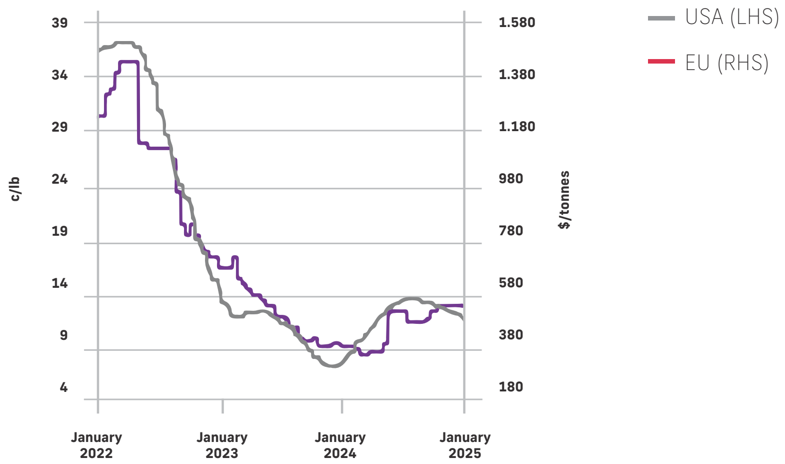



**Figure 11: Trend in ingot premiums**




*Source: Fastmarkets MB

**Figure 12: Trend in billet premiums**




*Source: Fastmarkets MB

## Development in the Impol Group

In 2024, the main focus has been on the development of technologies underpinning products in the automotive and other industries, as the automotive sector is facing a deep crisis.

The extruding division focused on the development of technologies to achieve technical specifications in the production of profiles for the automotive industry and the optimisation of alloys to improve the productivity of pressing more demanding profiles. The development of technologies for the production of high-strength profiles for safety components and profiles for body parts continued. A large part of the development activities was also focused on the impact of tool geometry on the quality of the extruded products.

The rolling division intensively developed technology for the creation of deep traction sheet metal used in automotive industry and continued to improve the properties of sheets and films for various applications.

A significant milestone was also the commercialisation of the ECO-Almag6 alloy, the result of a joint development with the Korean KITECH Institute, which successfully entered the market.

We have implemented a project for the GREMO mission entitled GREMO Lightweight, within which we are developing new products and tools for the design of alloys and aluminium products. We have successfully completed the following projects:

- RRI project GREEN LEAF in the framework of the public call for R&D projects as part of Recovery and resilience plans;
- RRI project GREEN_AL_PRO, which developed a new profile for safety parts in the automotive industry made of EN AW 6060 alloy, made of 70% recycled aluminium (this project was also carried out under the above-mentioned public call);
- INDIGO project: a project for the digital transformation of production processes in the foundry and
- the three-year ARIS project L2-3164: High-strength aluminium alloy for selective laser melting and low-demand (3D printing) applications, which we have actively supported.

We have completed 141 different projects with a total implementation rate of 85.45%, which is slightly lower than in 2023, when the implementation rate was 90.65%. The projects we have implemented in 2024 and were planned to be completed this year in 2025. In 2025, we plan to further develop profiles for the automotive industry with improved mechanical properties, to develop a new foil for corrosion protection of various materials and to optimise the reshaping capability of the foil. Special emphasis will be placed on the development of green alloys under the InfiniAl brand.

**Table 12: Overview of realised projects by work areas in 2024**

| Projects | |
|---|---|
| Number of new technologies | 21 |
| Number of new alloys | 9 |
| Number of improved alloys | 7 |
| Number of new products | 20 |
| Number of improved technologies | 50 |
| Number methods for technology and processes | 14 |
| Number of improved products | 13 |

**Table 13: Overview of the number of tasks and their realisation in 2024**

| Project type | Number of projects | Planned to be concluded in 2024 | Concluded projects | Proportion* |
|---|---|---|---|---|
| Total | 195 | 165 | 141 | 85.45% |
| R&D tasks | 87 | 87 | 69 | 79.31% |
| Project tasks automotive industry | 21 | 9 | 9 | 100% |
| R&D tasks automotive industry new technologies | 0 | 0 | 0 | 0% |
| R&D projects (own financing) | 2 | 2 | 2 | 100% |
| R&D projects (tenders - co-financing) | 4 | 2 | 2 | 100% |
| Technological solutions | 81 | 65 | 59 | 90.77% |

*When calculating the share, we took into account projects that were completed in 2024. Projects that were implemented in 2024 but have a projected completion in 2025 or later were not included in this calculation.

## Investment Activity

In 2024, the Impol Group continued to implement key investment projects aimed at technological modernisation, efficiency gains, capacity expansion and strengthening of the sustainability aspects of the business. Despite the challenging business environment, marked by price pressures and the growth of certain costs, we have continued with investments that are strategically important for the long-term competitiveness of the Group.

In the field of energy, we replaced the compensation device in the main transformer station, thereby reducing disruption in the network and increasing operational reliability.

One of the major infrastructure investments is the completion of the new Stampal SB Hall 2, which represents a significant capacity expansion and opens up new opportunities for growth. We have also started construction of a slab warehouse and new sawmill in the foundry area, with completion expected in 2025. Significant emphasis was also placed on foundry technology, where we upgraded the MES system to monitor production in the foundry.

At Impol Seval, we continued to modernise technological equipment, including furnaces and hot rolling mills, and upgraded the cold rolling mill management system.

At Stampal SB, we have completed the project for the construction of the second production unit, the parallel introduction of the MES production system and the project for lean production and reorganisation of packaging. Impol-FinAl has significantly strengthened the vertical integration of its production processes in 2024, in particular in the area of surface treatment (anodising and painting), where we have reduced the costs of outsourcing and increased autonomy. Special emphasis was placed on the mechanical processing of forgings.

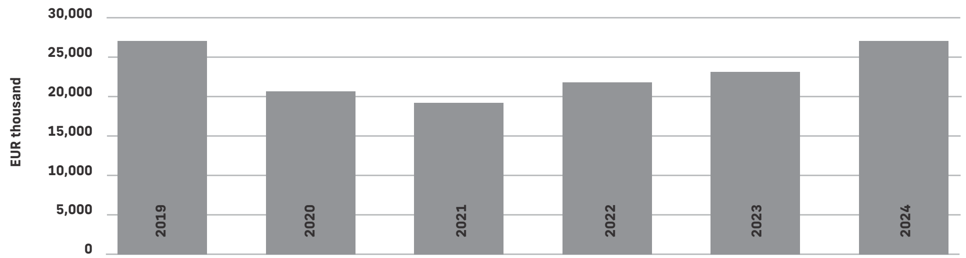
In addition to investing in manufacturing capacity, we have not neglected safety and infrastructure. We continued to upgrade the active fire alarm system, refurbished several fire protection systems and recorded a 100% success rate for all fire interventions.

The total investment in 2024 was aimed at strengthening key technological capacities, digitalisation, environmental performance and long-term stability of the business operations. All the investments have been carefully planned and executed in accordance with the Impol Group's strategic guidelines and under constant supervision of their execution, efficiency and profitability.

**Table 14: Investment volume in EUR million**

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Investment in acquisition of shares / stakes** | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Investment in fixed assets (tangible fixed assets and investment property)** | 22.1 | 20.8 | 22.7 | 24.5 | 27.8 |
| **Investment in short-term assets** | 17.0 | 96.7 | 63.4 | -11.3 | -20.4 |
| **Total** | **39.1** | **117.5** | **86.2** | **13.3** | **7.4** |

**Figure 13: Investment volume in fixed assets**




## Financing and dividend policy

In 2024, the Impol Group maintained a thoughtful and stable structure of funding sources, based on careful management of capital, liquidity management and responsible investment policy. With nearly 56% equity in our funding sources, we continue our commitment to long-term growth, independence and financial resilience.

In a year marked by volatile aluminium prices, financial market tensions and a relatively unpredictable business environment, we paid particular attention to the balance of working capital. We have reduced our exposure to short-term resources, optimised our stocks and receivables, whilst ensuring liquidity reserves for smooth operation.

Borrowing at group level is centralised, mainly through the companies Impol, d. o. o. and Impol Seval, a. d., which have established appropriate relationships with financial institutions at home and abroad. In the medium term, our strategy is to maintain an appropriate net debt-to-EBITDA ratio below 2,5. This provides room for strategic investment and reduces vulnerability in the event of adverse movements in the commodity and energy markets.

An important part of our policy is the targeted reinvestment of profits. In accordance with the strategic guidelines and the confirmed policy of disposing of the balance sheet profit, we have also followed the principle that in 2024 part of the result generated is allocated to the stable payment of dividends and the remainder remains in the Company to finance investments and further development. Such a policy not only reinforces the confidence of shareholders, but also enables long-term development projects to be carried out without excessive indebtedness.

External financing remains a negligible part of the liability structure as we maintain a conservative approach to risk. Where possible, we also include opportunities for grants and other forms of partnerships, in particular for projects with a high innovation or sustainability potential.

In the future, we will continue to manage our capital responsibly and prudently, with stability, adaptability and value creation in mind for all stakeholders. The financing of new development steps, capacity expansions, digital infrastructure upgrades and decarbonisation programmes will continue to be aligned with our core objectives of safety, profitability and long-term sustainability.

# **SUSTAINABLE** DEVELOPMENT

Responsible decisions for a better future.

# NON-FINANCIAL OPERATION STATEMENT

## DESCRIPTION OF THE COMPANY'S BUSINESS MODEL

**Management's statement: Core principles of sustainable development**

We are always planning the business operations of Impol by thinking ahead and placing our focus on the creation of long-term stability and perspective. The latter is also reflected through a socially responsible approach towards the environment, the employees, and other stakeholders of our Company. With the purpose of guaranteeing long-term business operations, we have shaped the core principles of sustainable development, which include the key stakeholders of our business processes.

**Using advanced technologies we manufacture high-quality aluminium and aluminium alloy products.**

We offer our clients services of a high-quality level.

By introducing and implementing constant improvements to processes we wish to achieve the long-term satisfaction and loyalty of our clients.

**We are committed to the establishment of sound working conditions for our employees, the preservation of their health and safety, the establishment of a fair relationship with our co-workers, and to the promotion of motivation and willingness to work.**

We consistently pursue the policies of safety and health at work, and we are constantly improving the working conditions and actively reducing accidents at work.

We care for the well-being of our employees. The salaries they receive are significantly higher than the average in the sector and of the Slovenian average. Each year, employees receive high leave subsidy, and upon achieving the set annual objectives also a bonus at the end of the year and a Christmas bonus.

We systematically develop the careers of our employees, accelerating the passing on of knowledge and awarding them in a stimulative manner.

All our activities are aimed at minimising negative impact on the environment and promoting coexistence with nature.

We intensively increase the utilisation of secondary recycled aluminium.

We reduce non-beneficial impacts on the environment with intensive investments.

By analysing the energy-efficiency of our machines we implement the project of systematically reducing the consumption of energy products.

We produce part of electric energy ourselves using a solar power plant.

We operate in a transparent and fair way in compliance with high moral and ethical standards.

Business operations are organised in accordance with the Impol Code of Business Rules that defines our values, method of work, the Company's expectations vis-à-vis employees and the rules of cooperation between the companies in the Impol Group.

**Since we are integrated in the local environment, we continuously foster care for coexistence with the local inhabitants, accelerate the development of social activities and contribute to a better quality of life.**

We sponsor associations and other organisations, and financially support the organisation of local and also national events.

We actively report on our operation, plans, and strategies, thus informing all the interested stakeholders.

We reduce negative impacts on the environment, investing mainly in noise reduction.

**Strategic marketing position**

The Impol Group has implemented a plan for the strategic organisation of sales in order to maximise marketing opportunities: namely the sales programme of the Company is equally distributed among end customers and vendors, and is also spread between different types of alloys, products, and markets of use (GRI 2-22).

Andrej Kolmanič
(Chief Executive Officer)

Irena Šela
(Executive Director of Finance and IT)

## Areas of sustainability and stakeholders

The Impol Group carried out the process of identifying relevant topics by analysing the environmental, social and economic impacts of its operations and consulting internal and external stakeholders. Data from internal analyses, employee feedback, legislative requirements and expectations of business partners and local communities were taken into account. Based on this, the key topics that are assessed as most important for achieving the sustainability objectives have been identified. Key topics include:

- environment - consumption of energy products, water, waste management, emissions and biodiversity;
- employees - training and development of employees, occupational safety and health, employee satisfaction;
- respecting human rights.

Topics not included did not have a significant impact or significance for key stakeholders. Policies and procedures are in place for each important topic, along with established performance indicators and their targets (GRI 3-2, GRI 3-3).

The table shows a list of the main stakeholders of the Impol Group. our attitude toward them and how we recognise and meet their needs (GRI 2-29).

**Table 15: Stakeholders of the Impol Group**

| Who are they? | What do they expect? | Policy of the Impol Group | How do we satisfy their needs? |
|---|---|---|---|
| **Customers** | Quality products, respecting agreements, punctuality of supplies, development support, ethical business. Recognising statutory requirements and ensuring compliance. | Ensuring high-quality values and prices of products and create long-term growth through partnerships. | Cooperating in the development of products, advisory meetings, visits and receiving clients, target communication, satisfaction surveys. |
| **Employees** | Employment safety, pleasant working environment, safe work, career development, recognitions and rewards. | Employing the best people and motivating them with a targeted development of their commitment. | Developing employee competences, stimulative rewarding system, providing quality information, providing feedback. |
| **Suppliers** | Partnership relations, process efficiency, safe business operations, ethical business. | Finding an optimal ration between price and quality of service and observing the fundamental principles of sustainable development. | Regularly providing feedback, publishing invitations to tender, rigorously observing business agreements. |
| **Investors, banks** | Profitability of business operations, fulfilling agreements, transparency. | Responsibly managing financial resources and justifying the trust of investors. | Holding regular meetings, informing through annual reports, respecting obligations. |
| **Shareholders** | Profitability of business operations, transparency, increasing the value of the company. | Creating conditions for growth and development of the company and for profitability of the investors. | Regular meetings, informing through annual and half-year reports, informing about the stock value. |
| **Government and regulatory bodies** | Respecting legislative provisions, contributing to the economic growth. | Strictly observing the statutory regulations and constructively participating in forming the business environment. | Membership in interest associations, receiving governmental visits. |
| **The Local Community** | Providing support in developing the local community and reducing disturbing factors for the environment. | Minimising negative impacts on the local community and supporting local projects that improve quality of life of the local residents. | Sponsoring and donating to local organisations, projects for reducing the negative impact on the environment. |
| **Media** | Transparent communication, presenting challenges, supporting publications. | Providing timely and relevant information to the public, supporting the development of economic media and supporting quality media with advertising policies. | Press releases, interviews, answering questions, organizing events. |
| **Business associations** | Actively participating in exercising influence on governmental policies for the development of the economy. | Ensuring cooperation in business associations with the intention of optimising a national business environment. | Membership in associations, participating in conferences, seminars, preparation of material. |

In the Impol Group, communication on key issues with key stakeholders is organised in a way that ensures openness, transparency and timely exchange of information. In accordance with the Code of Business Conduct and the Sustainable Development Policy, key stakeholder concerns and issues are regularly gathered and addressed. In the case of significant risks or issues related to sustainable development or other key business areas, this information shall be communicated to the highest management body. With this approach, the Impol Group promotes open communication, enables the early identification of potential risks and ensures that key issues are appropriately addressed and taken into account in business decisions (GRI 2-16).

In the Impol Group, we are aware of the importance of active cooperation with local communities at all three locations – in Slovenia, Serbia and Croatia. We work with local societies, which we support with grants and sponsorships, and we actively collaborate with educational institutions, where we promote the development of young talents and the linking of the economy with education. We regularly organise open days to give local people an insight into our work, technology and achievements and to encourage open dialogue. In addition, we carry out various socially responsible projects aimed at improving the quality of life of local communities, such as projects to promote youth development, support local initiatives and promote sustainable development. In doing so, we contribute to the development and prosperity of the communities in which we operate (GRI 413-1).

# BUSINESS POLICIES

## POLICY OF THE IMPOL GROUP

Using advanced technologies we manufacture high-quality aluminium and aluminium alloy products. We offer comprehensive and quality services to our users. We are committed to prevent pollution and we strive to constantly reduce environmental impacts which are the consequence of our current and past activities. At the same time we are increasing our energy efficiency. We will constantly improve quality management systems, environmental management systems, health and safety at work systems, social responsibility and energy management systems by following the commitments which we have set in various areas of our business operations.

**QUALITY**

- Our operations will be focused on business growth, long-term financial safety and added value per employee.
- We will increase the level of user satisfaction by meeting deadlines and ensuring timely deliveries and by upgrading the information system for an improved information transfer.
- We will invest in advanced technology and develop innovative products with higher added value.

**THE ENVIRONMENT AND ENERGY**

- We will contribute to preserving natural resources of decarbonisation by recycling secondary raw materials and by prudently using all resources, particularly by reducing specific uses of energy products by developing and investing in energy-efficient plants and renewable energy sources.
- We will ensure responsible management of chemicals, look for substitutes for dangerous substances and act in accordance with the REACH directive.
- We will minimise negative impacts on animals, air quality, water, land, forests and other natural resources, reduce the volume of waste, preserve biodiversity, and respect the rights of the local population.
- We will invest in the top available production techniques, introduce safer and health and environmentally friendly processes and reduce the level of noise in our surroundings. We will report on GHG emissions and other environmental aspects.

**HEALTH AND SAFETY AT WORK**

- We will build an organisational culture in which employee safety and health are a priority with the intention of constantly preventing the occurrence of accidents at work and other incidents.
- We will ensure a high degree of fire safety.
- We will constantly raise the awareness among employees, train them for safe work and encourage a healthy lifestyle.
- We will include workers' representatives in the management of the safety and health at work system and regularly consult and actively encourage the involvement of our employees.

**INFORMATION PROTECTION**

- We will constantly invest in the improvement of processes, relevant technology and raise awareness among people in order to increase the level of information protection.
- We will build an organisational culture in which protecting the organisation's professional secrecy, protecting personal information and other rights and liberties of individuals is an important aspect and a strong imperative of our operation.

**RISK MANAGEMENT**

- In all areas of operation we will recognise and manage risks that could jeopardise the company's operations.

**PARTNERSHIP**

- We will listen to the expectations, ideas and initiatives of all interested parties, particularly to users, employees and the public, and will respond to their needs.
- Our activities in the area of managing employees will be directed toward building employee commitment, encouraging teamwork, developing leadership and preventing injuries and damage to health.
- We will identify the relevant statutory requirements and ensure compliance. The Group and individual companies will also identify and adhere to all other commitments that have been made with the involvement of stakeholders at all levels of operation.
- We will comply with all applicable laws and regulations related to the use of private or public security forces.

The specified policy of the Impol Group is binding for all companies and processes operating on its behalf (GRI 2-23).

The Impol Group also has a Sustainable Development Policy in place. All Impol Group employees have been trained to understand the content of both policies. They are also obliged to comply with the guidelines adopted in the two operating policies. The Impol Group verifies the compliance of its operations with the defined policies several times a year in the form of internal and external assessments and internal audits. In the event of non-compliance, procedures shall be initiated to analyse the causes and provide for corrective measures, including additional training or adaptation of internal procedures (GRI 2-24, GRI 2-25).

# ENVIRONMENT

## Policy

Our fundamental environmental principles and commitments regarding the prevention of pollution are set out in:
- the policy, which also lays out the environmental policy;
- the environmental management programme;
- the quality system documents.

We established and certified an Environmental Management System according to the requirements of the ISO 14001:2015 standard. The responsibility for fulfilling the environmental requirements is borne by all employees in the companies of the Impol Group, and the management is ensuring all the necessary resources and thus guarantees for their realisation and the achievement of the environmental goals.

Our lasting commitment to environmental protection is reflected in the efficient implementation of environmental programmes aimed at the mitigation of negative impacts on the environment. Our commitments to protect the environment are reflected mainly in:
- preventing water pollution;
- reducing emissions into the air;
- a limited, controlled and careful use of hazardous substances;
- the use of alternative energy sources;
- contributing to global energy efficiency, which we are achieving by using and processing our own and external sources of secondary aluminium.

## Due diligence

We carry out our due diligence as an integral part of environmental management. We perform monitoring, internal reviews, where the compliance with adopted rules, requirements of the ISO 14001 standard and statutory requirements is being verified. Periodic inspections are also a part of our due diligence with regard to environmental management. Reports on the impacts on the environment, amendments to the legislation and opportunities to integrate the environmental management system into the Group's processes are drawn up on a monthly basis. As part of the management review we verify the environmental policy, assess the results of internal reviews and make relevant decisions for improving the system.

## Environmental management programme and new objectives

Our lasting commitment to environmental protection is reflected in the efficient implementation of environmental programmes aimed at the mitigation of negative impacts on the environment. We try to protect the environment by preventing the pollution of the Bistrica stream, reducing the emissions into the atmosphere as well as by using hazardous substances in a limited, controlled and prudent way, by using alternative energy sources and by contributing to global energy efficiency. All this is possible because we are using and processing our own and external sources of secondary aluminium.

## Main risks and their management

We recognised environmental risks at the company-management level in the Group and at the operating level due to the implementation of activities in the companies within the Group.

At the management level a risk of failure to comply with statutory requirements is recognised. We manage risks by consistently following all the changes and new developments in the area of statutory requirements, by participating in public hearings and thus recognising and introducing new obligations in time.

For the recognised environmental aspects we identified and assessed operational environmental risks. At this level, we implement preventive measures that include regular inspections of warehouses, inspections of the state of packaging units and of the collecting containers, checks of the tightness of the reservoirs, we monitor quantities and carry out internal monitoring of waste water.

Processes include measures to be adopted in case of an emergency. For this purpose we have allocated means of intervention on agreed locations and instructions on how to use these means. Our professional fire brigade is trained and equipped for intervention in case of environmental disasters.

We conduct drills for instances of identified accidents on a yearly basis, verifying the competence of employees and critically assessing the efficiency of the performed intervention. The drill results are also used to improve the intervention procedures.

We manage risks:
- by respecting applicable statutory requirements;
- by training employees for a careful management in accordance with the instructions for environmental management and the rules of procedure;
- with instructions and management of third parties entering plants;
- with monitoring and reviews;
- by quick recording and informing about extraordinary events and efficient interventions;
- by providing systems of quality management according to ISO 9001, to the ISO 14001 environmental standard and to the ISO 45001.

We pass on the requirements regarding the introduction of the environmental management system to suppliers and all who work for the organisation.

## KEY INDICATORS OF SUCCESS

### Emissions of substances into the air and water, and consumption of process water

We carry out regular measurements of emission into the air and water on all locations. At the location Slovenska Bistrica we also carry out permanent measurements of chlorides and organic substances emitted from the foundry. Reports indicate that there are no exceeding values.

Waste water is generated when changing water in the recirculation cooling systems. Upon changing water, regular monitoring is carried out, which does not indicate that the prescribed limit values are exceeded. Water circulates in the recirculation cooling systems, only losses are replaced with fresh water. By putting in place recirculation cooling systems we reduced the specific consumption of process water by 50% in the last ten years.

### $CO_2$ emissions

Impol, d. o. o, in Slovenska Bistrica, is committed to trade with $CO_2$ emissions. Emissions are generated by the combustion of natural gas and fuel oil on technological machines and in the boiling room. The $CO_2$ emissions are recorded by years in the table.

Due to the fact that TGP emissions increase with the increase of production capacities, we select technological equipment with a low specific consumption of energy products and technical solutions which are specified in the implementing decision of the commission (EU) 2016/1032 as the best available techniques (GRI 305-1, 305-2, 305-4, 305-5, 305-7).

The consumption of energy products is shown in the table Indicators of a rational use of energy, water and industrial gasses (GRI 302-1).

**Table 16: $CO_2$ emissions and consumption of energy products in Impol, d. o. o. | reporting on GHG emissions (note: since 2021 on, data for emissions are expressed in $Nm^3$)**

| YEAR | Gas consumption ($Sm^3/Nm^3$) | Fuel oil consumption in tonnes | $CO_2$ emissions/t | Production in t | Specifically in $CO_2$/t |
|---|---|---|---|---|---|
| **2007** | 13,753,685 | 184.12 | 26,320 | 117,067.554 | 0.224827453 |
| **2008** | 13,074,976 | 301.93 | 25,462 | 107,548.950 | 0.236748011 |
| **2009** | 11,958,399 | 277.28 | 23,408 | 94,762.752 | 0.247016887 |
| **2010** | 13,223,117 | 202.76 | 25,556 | 111,452.649 | 0.229299171 |
| **2011** | 13,831,022 | 189.8 | 26,660 | 116,064.727 | 0.229699416 |
| **2012** | 13,583,614 | 186.443 | 26,184 | 117,328.898 | 0.223167527 |
| **2013** | 14,677,504 | 180.19 | 28,234 | 121,368.3676 | 0.232630632 |
| **2014** | 15,937,999 | 154.26 | 30,528 | 129,615.755 | 0.235526923 |
| **2015** | 16,724,874 | 127.8 | 31,932 | 130,767.708 | 0.244188726 |
| **2016** | 16,955,249 | 48.9 | 32,115 | 135,936.4785 | 0.236250051 |
| **2017** | 17,905,082 | 0 | 33,744 | 135,377.297 | 0.249258929 |
| **2018** | 17,687,100 | 0 | 33,328 | 142,114.919 | 0.234514435 |
| **2019** | 17,541,281 | 0 | 33,057 | 140,129.726 | 0.235902838 |
| **2020** | 16,870,092 | 0 | 31,789 | 130,066.873 | 0.244405045 |
| **2021** | 17,684,177 | 0 | 35,172 | 158,020.613 | 0.22257855 |
| **2022** | 16,944,079 | 0 | 34,230 | 155,807.146 | 0.205394179 |
| **2023** | 16,538,888 | 0 | 33,494 | 141,894.107 | 0.236049267 |
| **2024** | **16,323,886** | **0** | **33,176** | **159,397.509** | **0.208133742** |

Since 2020, Impol-TLM d. o .o. has also been trading in greenhouse gas emission. Emissions from the combustion of natural gas are shown in the table below. The $CO_2$ calculation is for scope 1 emissions (ETS).

**Table 17: Emissions trading at Impol-TLM, d. o. o.**

| YEAR | Gas consumption in Nm$^3$ | Diesel consumption in t (ETS) | $CO_2$ emissions | Production in t | Specifically in $CO_2$/t | Power consumption in kWh | Power consumption in kWh |
|---|---|---|---|---|---|---|---|
| **2020** | 7,815,137 | 0.130 | 14,726 | 112,153 | 0.121 | 63,578,877 | 190,022 |
| **2021** | 8,650,384 | 0.133 | 16,810.7 | 119,579 | 0.141 | 67,611,464 | 210,040 |
| **2022** | 7,495,301 | 0.133 | 14,562 | 102,127 | 0.143 | 62,710,233 | 200,192 |
| **2023** | 7,716,165 | 0.133 | 15,151 | 95,235.24 | 0.159 | 58,547,358 | 188,231 |
| **2024** | **7,994,451** | **0.133** | **15,832** | **115,687** | **0.137** | **58,540,442** | **188,806** |

The greenhouse gas emissions trading system has not yet been established in Serbia; however, we have calculated emissions caused due to the consumption of energy products, the values of which are shown in the table below. The $CO_2$ calculation is for scope 1 emissions.

**Table 18: Emissions trading in Serbia**

| YEAR | Gas consumption in Nm$^3$ | Diesel consumption in t | $CO_2$ emissions | Production in t | Specifically in $CO_2$/t | Power consumption in kWh |
|---|---|---|---|---|---|---|
| **2020** | 15,617,246 | 160.19 | 29,428 | 44,275.113 | 0.665 | 38,231,375 |
| **2021** | 19,184,163 | 190.42 | 40,931* | 62,525.22 | 0.654 | 45,159,955 |
| **2022** | 14,408,100 | 144.30 | 26,684.2** | 42,696.17 | 0.625 | 37,833,659 |
| **2023** | 14,206,792 | 135.37 | 26,764** | 40,763.51 | 0.657 | 37,725,839 |
| **2024** | **16,085,567** | **120.4** | **30,070**** | **52,632** | **0.571** | **42,307,344** |

*The EPA calculator was used for the calculation: https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator
**Calculated taking into account the $CO_2$ emission factor per unit of energy used (1852.03 kg$CO_2$/1000 Nm$^3$) from the Rules on final energy conversion factors in primary and carbon dioxide emission factors ("Official Gazette of the RS" no. 111/2021 i 6/2023)

**Table 19: Consumption of energy products at Stampal RB and $CO_2$ emissions from the use of natural gas and diesel. The $CO_2$ calculation is for scope 1 emissions.**

| YEAR | Gas consumption in Nm$^3$ | Diesel consumption in l | $CO_2$ emissions/t | Production in t | Specifically in $CO_2$/t |
|---|---|---|---|---|---|
| **2022** | 589,717 | 0 | 1,191 | 1,373 | 0.867 |
| **2023** | 580,897 | 805 | 1,179 | 1,366.302 | 0.863 |
| **2024** | **452,089** | **1,525** | **923** | **1,176.868** | **0.784** |

**Table 20: Consumption of energy products at Rondal and $CO_2$ emissions from the use of natural gas and diesel. The $CO_2$ calculation is for scope 1 emissions.**

| YEAR | Gas consumption in Nm$^3$ | Diesel consumption in l | Emissions of $CO_2$/t | Production in t | Specifically in $CO_2$/t |
|---|---|---|---|---|---|
| **2022** | 1,407,070 | 11,257 | 2,873 | 11,232 | 0.256 |
| **2023** | 1,340,228 | 10,799 | 2,743 | 11,713.249 | 0.234 |
| **2024** | **1,489,918** | **12,856** | **3,062** | **14,235.566** | **0.215** |

**Table 21: Total consumption of energy products in the Impol Group in Slovenska Bistrica (Impol, d. o. o., Stampal SB, Rondal and supporting companies)**

| YEAR | Gas consumption in Nm$^3$ | Diesel consumption in l | Consumption of LPG/t | Power consumption in kWh | Production in t |
|---|---|---|---|---|---|
| **2022** | 18,960,769 | 334,124 | 20.14 | 120,111,708 | 168,412.4 |
| **2023** | 18,479,938 | 340,906 | 20.15 | 113,276,385 | 154,973.694 |
| **2024** | **18,287,626** | **368,092** | **9.26** | **119,561,824** | **167,111.772** |

**Table 22:** $CO_2$ emissions (scope 1 and scope 2) by country

| | | Impol in Slovenska Bistrica | | Impol-TLM | | Impol Seval | |
|---|---|---|---|---|---|---|---|
| **YEAR** | $CO_2$ emis-sions | Scope 1 | Scope 2 | Scope 1 | Scope 2 | Scope 1 | Scope 2 |
| **2022** | t/$CO_2$ | 39,254 | 42,399* | 14,562 | 8,278 | 26,684 | 41,579 |
| | t $CO_{2/t}$ | 0.233 | 0.252 | 0.1426 | 0.0811 | 0.6250 | 0.9738 |
| **2023** | t/$CO_2$ | 38,393 | 39,194* | 15,151 | 7,670 | 26,764 | 41,461 |
| | t $CO_{2/t}$ | 0.248 | 0.253 | 0.159 | 0.081 | 0.657 | 1.017 |
| **2024** | t/$CO_2$ | 38,176 | 37,303 | 16,336 | 7,786 | 30,070 | 46,496 |
| | **t $CO_{2/t}$** | **0.228** | **0.223** | **0.141** | **0.067** | **0.571** | **0.883** |

Scope 1: includes emissions from the use of natural gas, diesel and LPG (generation of $CO_2$ emissions directly at the location)

Scope 2: includes emissions from the use of electric energy (location method of calcu-lating)

Reporting on GHG emissions: $CO_2$ emissions, generated due to the use of natural gas and fall into the ETS system, are reported

Impol in Slovenska Bistrica → includes the companies Impol, d. o. o., Stampal SB and Rondal and supporting companies.

Note:
*The average specific emission factor for electricity in Slovenia is used, which is published every year on the website of the Jožef Štefan Institute (https://ceu.ijs.si/izpusti-co2-tgp-na-enoto-elektricne-energije/)
For years 2021 and 2022: 0.353 kg $CO_2$/kWh (average 2016-2021)
For the year 2023: 0.346 kg $CO_2$/kWh (average 2016-2022)
For the year 2024: 0.312 kg $CO_2$/kWh (average 2016-2023)

**Figure 14:** Emissions in t $CO_2$ (scope 1 and scope 2) in 2022, 2023 and 2024

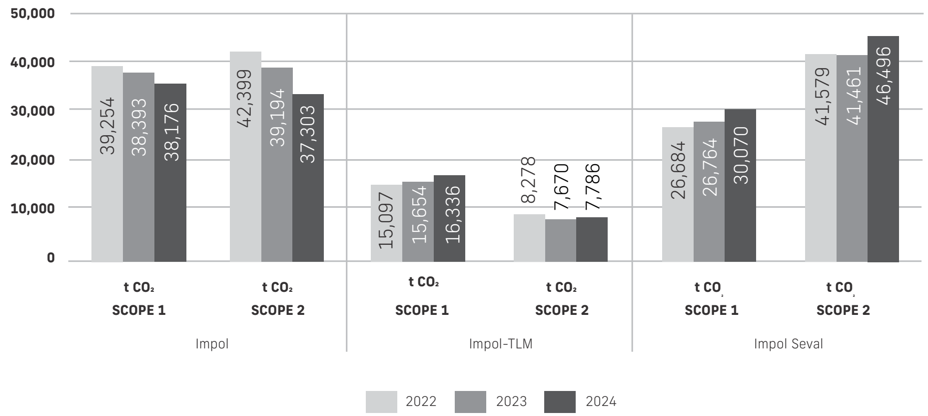



**Figure 15:** Specific emissions in t $CO_2$/t, separate by location (scope 1 and scope 2) in 2022, 2023 and 2024

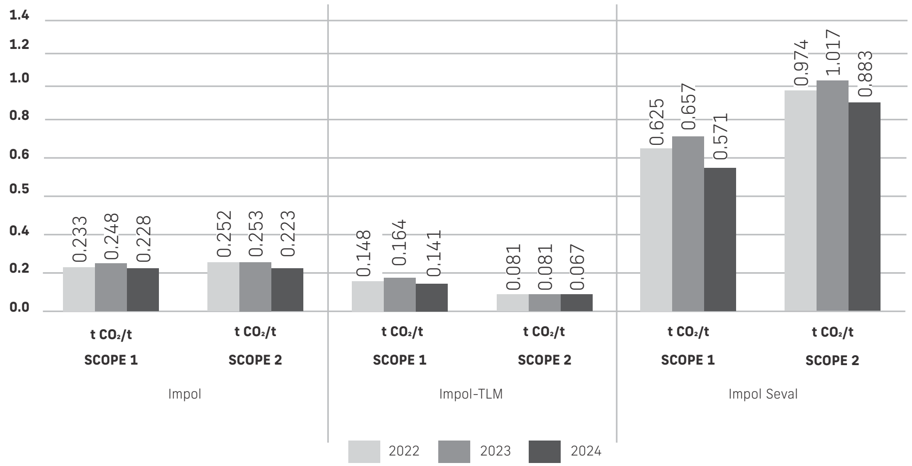


**Table 23:** Emissions to air 2024

| | | | | Company |
|---|---|---|---|---|
| | Total Slovenia | Impol Seval | Impol-TLM | Total in kg/year |
| **Total dust** | 1,409.47 | 1,226 | 1,819.40 | 4,454.87 |
| **Nitrogen oxides (NOx and $NO_2$), expressed as $NO_2$** | 44,437.07 | 56,912 | 6,462.40 | 107,811.47 |
| **Fluoride and its compounds, expressed as HF** | 0.00 | 122 | NM | 122.00 |
| **Manganese and its compounds, expressed as Mn** | 0.00 | NM | NM | 0.00 |
| **Lead and its compounds, expressed as Pb** | 0.00 | NM | NM | 0.00 |
| **Total powdered inorganic substances II** | 0.00 | NM | NM | 0.00 |
| **Total powdered inorganic substances II and III** | 0.00 | NM | NM | 0.00 |
| **Total powdered inorganic substances III** | 0.00 | NM | NM | 0.00 |
| **Chlorine inorganic compounds, if not specified in the hazard group I, expressed as HCI** | 2,896.20 | NM | NM | 2,896.20 |
| **Organic compounds, expressed as total organic carbon (TOC)** | 51,641.53 | 5,704 | 96,824.00 | 154,169.53 |
| **Polychlorinated dibenzodioxins (PCDD) and polychlorinated dibenzofurans (PCDF)** | 2,72E-05 | NM | NM | 2,72E-05 |
| **Ammonia $NH_3$** | 77.93 | NM | NM | 77.93 |

NM - no measurement

**Table 24:** Volume and type of waste water in Slovenia (GRI 303-1)

| **2024** | Total industrial | Industrial into the Bistrica watercourse | Industrial to treatment plant | Total urban | Urban to municipal treatment plant | Urban into the Bistrica watercourse |
|---|---|---|---|---|---|---|
| **Location Slovenska Bistrica** | 192,643 $m^3$ | 5,503 $m^3$ | 29,680 $m^3$ | 51,943 $m^3$ | 30,480 $m^3$ | 0 |

**Table 25:** Volume and type of waste water in Serbia (GRI 303-1)

| **2024** | Total industrial | Industrial into the Đetinja watercourse | Industrial to treatment plant | Total urban | Urban to municipal treatment plant | Urban into the Đetinja watercourse |
|---|---|---|---|---|---|---|
| **Location Serbia** | 15,542 $m^3$ | 0 | 15,542 $m^3$ | 5,372 $m^3$ | 0 | 5,372 $m^3$ |

**Table 26:** Volume and type of waste water in Croatia (GRI 303-1)

| **2024** | Total industrial | Industrial into the sea | Industrial to treatment plant | Total urban | Urban to municipal treatment plant | Urban into the sea from municipal treatment plant |
|---|---|---|---|---|---|---|
| **Location Croatia** | 987,956 $m^3$ | 987,956 $m^3$ | 0 | 86,687 $m^3$ | 86,687 $m^3$ | 86,687 $m^3$ |

## Indicators of a rational use of energy, water and industrial gasses

**Table 27:** Indicators of a rational use of energy, water and industrial gasses (GRI 302-1)

| | **Cumulatively 1-12 2024** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Energy product | | Plan | Production | Consumption | | | Deviation |
| | | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **Total Impol** | **El. energy** | kWh | 750.00 | 167,588.027 | 119,301,062 | 711.87 | -38.13 | -5.08 |
| | **Natural gas** | $Nm^3$ | 120.00 | | 18,265,893 | 108.99 | -11.01 | -9.17 |
| | **Ind. water** | $m^3$ | 1.20 | | 187,593 | 1.12 | -0.08 | -6.72 |
| | **Drinking water** | $m^3$/person | 1.30 | 14,304 | 24,854 | 1.74 | 0.44 | 33.66 |
| | **Nitrogen** | kg | 45.00 | | 6,023,200 | 35.94 | -9.06 | -20.13 |
| | **Argon** | kg | 4.90 | | 529,633 | 3.16 | -1.74 | -35.50 |

| | **Cumulatively 1-12 2023** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Energy product | | Plan | Production | Consumption | | | Deviation |
| | | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **Total Impol** | **El. energy** | kWh | 750.00 | 154,973.694 | 113,029,113 | 728.11 | -21.89 | -2.92 |
| | **Natural gas** | $Nm^3$ | 120.00 | | 18,460,013 | 118.92 | -1.08 | -0.90 |
| | **Ind. water** | $m^3$ | 1.20 | | 200,492 | 1.29 | 0.09 | 7.63 |
| | **Drinking water** | $m^3$/person | 1.30 | 14,093 | 37,584 | 2.67 | 1.37 | 105.14 |
| | **Nitrogen** | kg | 45.00 | | 5,698,145 | 36.71 | -8.29 | -18.43 |
| | **Argon** | kg | 4.90 | | 527,959 | 3.40 | -1.50 | -30.59 |

| | **Comparison 24/23** | | | |
|---|---|---|---|---|
| | | | Production | Consumption |
| | Energy product | unit | persons | per unit |
| **Total Impol** | **El. energy** | kWh | 1.08 | 0.98 |
| | **Natural gas** | $Nm^3$ | | 0.92 |
| | **Ind. water** | $m^3$ | | 0.87 |
| | **Drinking water** | $m^3$/person | 1.05 | 1.05 |
| | **Nitrogen** | kg | | 0.98 |
| | **Argon** | kg | | 0.93 |

**Table 28:** Indicators of a rational use of energy, water and industrial gasses in Croatia

Impol-TLM

| Cumulatively 1-12 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Energy product | | Plan | Production | Consumption | | | Deviation |
| | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **El. energy** | kWh | 650.00 | 115,678.000 | 58,540,442 | 506.06 | -143.94 | -22.14 |
| **Natural gas** | $Nm^3$ | 70.00 | | 7,994,451 | 69.11 | -0.89 | -1.27 |
| **Ind. water** | $m^3$ | 10.00 | | 987,956 | 8.54 | -1.46 | -14.59 |
| **Drinking water-demi water** | $m^3$ | 0.30 | | 23,801 | 0.21 | -0.09 | -31.42 |
| **Drinking water** | $m^3$/person | 2.50 | 4,899 | 62,886 | 12.84 | 10.34 | 413.46 |
| **Nitrogen** | kg | 40.00 | | 4,240,856 | 36.66 | -3.34 | -8.35 |
| **Argon** | kg | 4.00 | 33,358 | 156,745 | 4.7 | 0.70 | 17.47 |

Impol-TLM

| Cumulatively 1-12 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Energy product | | Plan | Production | Consumption | | | Deviation |
| | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **El. energy** | kWh | 650.00 | 95,294.000 | 58,547,358 | 614.39 | -35.61 | -5.48 |
| **Natural gas** | $Nm^3$ | 70.00 | | 7,716,165 | 80.97 | 10.97 | 15.67 |
| **Ind. water** | $m^3$ | 10.00 | | 1,016,819 | 10.67 | 0.67 | 6.70 |
| **Drinking water - demi water** | $m^3$ | 0.30 | | 21,595 | 0.23 | -0.07 | -24.46 |
| **Drinking water** | $m^3$/person | 2.50 | 4,762 | 58,181 | 12.22 | 9.72 | 388.71 |
| **Nitrogen** | kg | 40.00 | | 4,553,708 | 47.79 | 7.79 | 19.46 |
| **Argon** | kg | 4.00 | 30,242 | 189,420 | 6.26 | 2.26 | 56.59 |

Impol-TLM

| Comparison 24/23 | | | |
|---|---|---|---|
| | | Production | Consumption |
| Energy product | unit | persons | per unit |
| **El. energy** | kWh | 1.21 | 0.82 |
| **Natural gas** | $Nm^3$ | | 0.85 |
| **Ind. water** | $m^3$ | | 0.80 |
| **Drinking water - demi water** | $m^3$ | | 0.91 |
| **Drinking water** | $m^3$/person | 1.03 | 1.05 |
| **Nitrogen** | kg | | 0.77 |
| **Argon** | kg | | 0.75 |

**Table 29:** Indicators of a rational use of energy, water and industrial gasses in Serbia

Impol Seval, a. d.

| Cumulatively 1-12 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Energy product | | Plan | Production | Consumption | | | Deviation |
| | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **El. energy** | kWh | 712.00 | 52,632.128 | 42,307,344 | 803.83 | 91.83 | 12.90 |
| **Natural gas** | $Sm^3$ | 322.00 | | 17,742,396 | 337.10 | 15.10 | 4.69 |
| **Ind. water** | $m^3$ | 3.00 | | 149,905 | 2.85 | -0.15 | -5.06 |
| **Drinking water** | $m^3$/person | | 568 | 5,372 | 9.46 | 9.46 | |
| **Nitrogen** | kg | | | 225,360 | | 0.00 | |
| **Argon** | kg | | | 255,380 | | 0.00 | |

Impol Seval, a. d.

| Cumulatively 1-12 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Energy product | | Plan | Production | Consumption | | | Deviation |
| | unit | unit/t | tonnes-persons | unit | unit/t | unit/t | % |
| **El. energy** | kWh | 930.00 | 40,758.772 | 37,725,839 | 925.59 | -4.41 | -0.47 |
| **Natural gas** | $Sm^3$ | 355.00 | | 15,140,184 | 371.46 | 16.46 | 4.64 |
| **Ind. water** | $m^3$ | 3.00 | | 136,387 | 3.35 | 0.35 | 11.54 |
| **Drinking water** | $m^3$/person | | 557 | 4,317 | 7.75 | 7.75 | |
| **Nitrogen** | kg | | | 488,980 | | 0.00 | |
| **Argon** | kg | | | 209,820 | | 0.00 | |

Impol Seval, a. d.

| Comparison 24/23 | | | |
|---|---|---|---|
| | | Production | Consumption |
| Energy product | unit | persons | per unit |
| **El. energy** | kWh | 0.77 | 1.15 |
| **Natural gas** | $Sm^3$ | | 1.10 |
| **Ind. water** | $m^3$ | | 1.17 |
| **Drinking water** | $m^3$/person | 0.98 | 0.82 |
| **Nitrogen** | kg | | |
| **Argon** | kg | | |

When purchasing new technologies we follow the BAT (best available technique) guidelines, thus ensuring that the new equipment is energy efficient and that it enables the reduction of consumption per unit of product (GRI 302-3).

The source of the supply of industrial and drinking water are public utility companies. Water is not recycled, however, industrial water is re-used several times for purposes of cooling for which we have bypass cooling systems in place (GRI 303-2).

## Hazardous waste

All companies of the Impol Group have in place a waste management system. Waste is collected separately, appropriately stored and handed over to authorised producers or disposal services. When selecting the final waste management system we give precedence to their processing. We draw up annual reports, in accordance with the applicable legislation, about the volume of waste generated within companies.

The total volume of hazardous waste generated in the Impol Group in 2024 amounted to 2,581 tonnes and is lower by 38% compared to 2023. The specific quantity of hazardous waste amounts to 7.69 kg/t. The specific quantities are lower by 47% than in 2023.

We constantly raise awareness among employees regarding the significance of separating waste and ensuring their usefulness, which at the same time contributes to the reduction of the use of natural resources (GRI 306-1, GRI 306-2).

**Table 30: Hazardous waste in kg for 2024 (GRI 306-3)**

| Number | Name | Slovenia | Serbia | Croatia | Total |
|---|---|---|---|---|---|
| **06 01 06*** | Other acids | 860 | 0 | 0 | 860 |
| **06 02 05*** | Other bases (lye) | 790,660 | 0 | 0 | 790,660 |
| **08 01 11*** | Mixture or waste paints | 0 | 8,500 | 0 | 8,500 |
| **08 03 17*** | Waste from removing paint or lacquer sludge containing organic solvents or other hazardous substances | 0 | 20,740 | 0 | 20,740 |
| **10 10 09*** | Flue-gas dust containing hazardous substances | 94,400 | 0 | 0 | 94,400 |
| **11 01 07*** | Bases (lye) for leaching | 9,220 | 0 | 0 | 9,220 |
| **11 01 09*** | Sludges and filter cakes not included in 10 01 10 | 180,380 | 0 | 0 | 180,380 |
| **11 01 16*** | Saturated or spent ion exchange resins | 3,300 | 0 | 0 | 3,300 |
| **11 01 98*** | Other waste containing hazardous substances | 4,680 | 0 | 0 | 4,680 |
| **12 01 09*** | Machining emulsions and solutions free of halogens | 217,070 | 344,000 | 353,060 | 914,130 |
| **12 01 12*** | Spent waxes and fats | 160 | 0 | 0 | 160 |
| **12 01 14*** | Machining sludges containing hazardous substances | 0 | 500 | 0 | 500 |
| **12 01 18*** | Metal sludge | 1,980 | 0 | 0 | 1,980 |
| **13 01 10*** | Waste non-chlorinated hydraulic oils | 0 | 8,840 | 0 | 8,840 |
| **13 02 05*** | Mineral-based non-chlorinated engine, gear and lubricating oils | 187,200 | 0 | 6,460 | 193,660 |
| **13 03 07*** | Non-chlorinated insulating oils and oils for heat transfer based on mineral oils | 0 | 0 | 64,510 | 64,510 |
| **13 05 02*** | Sludge from oil/water separators | 0 | 0 | 89,000 | 89,000 |
| **13 05 07*** | Oily water from oil/water separators | 11,880 | 0 | 0 | 11,880 |
| **13 07 03*** | Other fuels, also mixtures | 0 | 16,320 | 0 | 16,320 |
| **15 01 10*** | Packaging containing residues of or contaminated by hazardous substances | 640 | 22,910 | 13,680 | 37,230 |
| **15 01 11*** | Metal packaging containing hazardous hard porous matrix (e.g. asbestos), including empty pressure tanks | 1,000 | 0 | 0 | 1,000 |
| **15 02 02*** | Absorbents and filter materials, wiping cloths and protective clothing | 24,900 | 2,220 | 1,400 | 28,520 |
| **16 01 04** | End-of-life vessels | 0 | 0 | 45,580 | 45,580 |
| **16 01 07*** | Oil filters | 2,120 | 50 | 260 | 2,430 |
| **16 02 09*** | Transformers and capacitors containing PCB | 0 | 0 | 26,300 | 26,300 |
| **16 03 05*** | Organic waste containing hazardous substances | 2,960 | 0 | 0 | 2,960 |
| **16 05 06*** | Laboratory chemicals, consisting of or containing hazardous substances, including mixtures of laboratory chemicals | 600 | 0 | 0 | 600 |
| **16 06 01*** | Waste batteries and accumulators | 4554 | 1,080 | | 5,634 |
| **16 07 09*** | Waste containing other hazardous substances | 0 | 0 | 4,300 | 4,300 |
| **16 10 01*** | Waste water solutions containing hazardous substances | 6,560 | 0 | 0 | 6,560 |
| **20 01 21*** | Fluorescent tubes and other mercury-containing waste | 500 | 180 | 0 | 680 |
| **20 01 23*** | Discarded equipment containing chlorofluorocarbons | 0 | 0 | 240 | 240 |
| **20 01 33*** | Accumulators included in 16 06 01, 16 06 02 or 16 06 03 and unsorted batteries and accumulators containing these batteries | 140 | 0 | 0 | 140 |
| **20 01 35*** | Discarded electrical and electronic equipment other than those mentioned in 20 01 21 and 20 01 23 containing hazardous components | 900 | 3,480 | 620 | 5,000 |
| | Total (kg) | 1,546,664 | 428,820 | 605,410 | 2,580,894 |

## RENEWABLE ENERGY SOURCES

In 2024, the solar power plant generated 1,036,655 kWh of electric energy. Since it was put into service in 2011, the power plant generated 15,138 MWh of electric energy. In case that the mentioned energy would be obtained from natural gas, we would need around 2,314,686 $m^3$ of natural gas and would generated 5,046 tonnes of carbon emissions. If lignite was used to produce electric energy, we would consume 6,077 tonnes of it, thus generating 11,595 tonnes of emissions. By using solar energy we reduce the consumption of natural resources and consequently the emission of greenhouse gasses.

### Biodiversity

The Impol Group has production facilities on three locations: Slovenska Bistrica (Slovenia), Šibenik (Croatia) and Sevojno (Serbia). These facilities are not located in conservation areas, but in industrial zones with a tradition spanning several decades.

In Slovenska Bistrica the nearest protected area is Natura 2000, namely the "Bistriški jarek", which is a special conservation area located approximately 700 metres away. The border of the "Bistriški jarek" conservation area also overlaps with the border of the ecologically important Pohorje area. The nearest natural reserve is located 1.4 km from the zone, namely in the settlement of Visole, which is the site of a serpentine flora habitat. There are special conservation areas also in Serbia in Croatia, located more than 500 km from the industrial zone (GRI 304-1, GRI 304-3).

During every production expansion we verify that the expansion does not negatively impact on by any nature protection area located in the vicinity of the industrial zone. For this reason we do not generate or increase the impact on biodiversity and natural values (GRI 304-2).

### Fire protection

Fire protection activities and measures in Impol Group companies are aimed at the protection of the employees, assets, animals and the environment against fire and explosions.

Special attention is paid to the implementation of preventive activities mostly intended to reduce the possibility of fire and to ensure safe evacuation of people and assets in the event of a fire outburst and to prevent the fire from spreading. Fire protection measures are observed in the designing of new facilities, as well as during reconstruction works, the use of facilities and the implementation of technological processes.

In order to guarantee suitable fire safety, fire prevention programmes are of key importance in all areas of operation of the Company. Awareness and safety-oriented culture are also of crucial importance; furthermore, they must always be held at the forefront in the minds of responsible workers, employees, and other users of premises.
In 2024, 7 fires were recorded in companies of the Impol Group at the location Slovenska Bistrica. Four fires occurred at Impol FT, d. o. o. (all four in the RRT production process), two fires at Impol LLT, d. o. o., one fire occurred at Impol PCP, d. o. o. (in the pipe plant production process). Fire interventions were carried out without injuries to fire fighters and employees.

22 interventions were made by fire fighters in 2024 with regard to the protection of the environment. Most of the interventions (14 cases) were due to mitigating the consequences resulting from faults to hydraulics systems on forklifts and operating devices; in three cases due to fuel leakage from the tank of the truck or forklift, in one case due to a failure of the hydraulic system on the trailer of the truck and in four cases due to other faults. Various absorption agents and decontamination or degreasing materials and agents were used to remove the consequences of the leakage of environmentally hazardous fluids. The listed cases of environmental accidents occurred at locations where there were not consequences for the environment (GRI 306-3).

In 2024, eleven evacuation exercises from facilities that were carried out in all production processes were carried out in the field of training of employees for fire protection. A practical fire drill was also organised and carried out in October at the Stampal production plant, involving firefighters from GE Impol and employees of Stampal SB, d. o. o.

## SOCIAL AND HR MATTERS AND THE RESPECT OF HUMAN RIGHTS

### Policy

Our almost 200-year long tradition is based on a fair attitude towards employees that gave rise to the growth and development of the Impol Group. We are focused on meeting the needs of all groups of employees. Employee well-being is also reflected in a number of indicators that we monitor.

In the Impol Group our social responsibility is primarily substantiated through a fair attitude toward employees, whereby we observe the following principles:

- fair payment for a well-performed job;
- creating opportunities for career development;
- promoting inter-generational cooperation;
- developing own human resources;
- ensuring equal promotion opportunities for all employees;
- promoting innovation;
- actively promoting a healthy lifestyle and preventing accidents;
- finding appropriate solutions for employees with disability;
- respecting employee loyalty.

We are traditionally strongly connected to our local community, which also represents our most important pool of loyal, hard-working and dedicated employees. We establish an even stronger relationship with the local community by organising numerous activities, among which:

- promoting and supporting the "metallurgy technician" programme at the Slovenska Bistrica Secondary School;
- actively cooperating with local educational institutions;
- promoting associations and interest groups which actively contributed to enhancing the quality of life of local residents;
- transparent communication.

## Due diligence

We carry out due diligence on systems of employee development and the respect of human rights with the following activities:

- Promotion of social dialogue: we have established a consultative body for social responsibility, within the framework of which we organise regular meetings with employee representatives from all companies of the Impol Group in Slovenska Bistrica. We have also established workers' councils that actively work in larger companies in the Impol group. We work with a representative union and maintain a constructive social dialogue. We established a Representative Body of Employees of the Impol Group (RBEIG) that connects all employees in the Group on all locations and convenes with the intention of putting in place a framework for promoting social dialogue, exchanging information and electing a worker's director.
- Ensuring compliance with the legislation: we regularly carry out internal reviews of standards and documentation with which we verify the compliance of our operations with the legislation. Furthermore, we regularly train employees and participate in the organisation of expert conferences.
- Monthly reporting: we monitor key indicators in the area of managing employees on a monthly basis and recommend amendments to the legislation.
- Acquisition of the SA 8000 standard: in 2023, we were certified according to the SA 8000 standard, which further encourages us to develop socially responsible business.

## Main risks and their management

Risks related to human resources were recognised at the company management level in the Impol Group and are shared in several areas.

**Table 31: Risks related to human resources**

| Risk area | Possible causes | Management methods |
|---|---|---|
| **Competences** | • Adequate competence of the employees.<br>• Key staff fluctuation. | • Introduced mentoring system for new employees and employees switching job posts.<br>• Regular measurement of the commitment and satisfaction of employees.<br>• Creating and updating competence matrixes. |
| **Lawsuits, court hearings** | • Potential hazards at the workplace, resulting in injuries.<br>• Mobbing in the workplace.<br>• Unequal treatment of employees. | • Active promotion of health a lifestyle at the workplace.<br>• Regular employee training.<br>• Working information office for preventing mobbing.<br>• Training managers for safety and health at work management.<br>• Regular checks of working equipment.<br>• Observing equality principles which are specified in the Code of Business Conduct of the Impol Group. |
| **Productivity** | • Unused employee potential.<br>• Inadequate management. | • Implementing development discussions with key employees.<br>• Regular training of managers for the development of management competences.<br>• Monitoring the work of managers using defined indicators.<br>• Regular assessment of the employees and stimulative salary policy. |

## Key indicators of success

**Table 32: Employees by Group companies as of 31/12/2024 (GRI 2-7)**

| Country | Company | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|
| Slovenia | Impol 2000, d. d. | 110 | 109 | 110 | 117 | 131 | 127 | 128 |
| | Impol, d. o. o. | 37 | 41 | 37 | 36 | 17 | 17 | 24 |
| | Impol FT, d. o. o. | 271 | 267 | 262 | 270 | 238 | 221 | 249 |
| | Impol PCP, d. o. o. | 441 | 425 | 439 | 462 | 460 | 436 | 428 |
| | Impol LLT, d. o. o. | 149 | 151 | 148 | 153 | 151 | 153 | 147 |
| | Impol R in R, d. o. o. | 41 | 43 | 43 | 41 | 42 | 41 | 40 |
| | Impol Infrastruktura, d. o. o. | 22 | 23 | 21 | 21 | 21 | 20 | 20 |
| | Stampal SB, d. o. o. | 60 | 64 | 70 | 79 | 90 | 93 | 91 |
| | Rondal, d. o. o. | 67 | 63 | 66 | 67 | 74 | 71 | 74 |
| | Impol Stanovanja, d. o. o. | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| | Unidel, d. o. o. | 37 | 38 | 35 | 32 | 35 | 35 | 36 |
| | Kadring, d. o. o. | 18 | 20 | 19 | 19 | 19 | 21 | 21 |
| | Impol Servis, d. o. o. | 7 | 8 | 10 | 9 | 9 | 9 | 8 |
| | Impol-FinAl, d. o. o. | 13 | 38 | 55 | 97 | 108 | 131 | 104 |
| | Alcad, d. o. o. | / | 24 | 41 | 41 | 42 | 44 | 46 |
| | **Total Slovenian companies** | **1,275** | **1,316** | **1,356** | **1,446** | **1,439** | **1,421** | **1,418** |
| Serbia | Impol Seval, a. d. | 533 | 532 | 532 | 524 | 470 | 463 | 568 |
| | Impol Seval PKC, d. o. o. | 12 | 11 | 11 | 12 | 11 | 11 | / |
| | Impol Seval Tehnika, d. o. o. | 77 | 75 | 75 | 76 | 62 | 63 | / |
| | Impol Seval Final, d. o. o. | 24 | 25 | 25 | 26 | 23 | 20 | / |
| | Impol Seval President, d. o. o. | 10 | 8 | / | / | / | / | / |
| | **Total Serbian companies** | **656** | **651** | **640** | **638** | **566** | **557** | **568** |
| Croatia | Impol-TLM, d. o. o. | 414 | 423 | 430 | 424 | 414 | 395 | 417 |
| USA | Impol Aluminium Corporation | 1 | 1 | 1 | 1 | 1 | 0 | 0 |
| Hungary | Impol Hungary Kft. | 2 | 2 | 2 | 3 | 2 | 2 | 2 |
| Impol Group | **Total number of employees** | **2,348** | **2,393** | **2,429** | **2,512** | **2,422** | **2,375** | **2,405** |

In Impol-TLM we also employed agency workers in 2024, an average of five workers per month. All payments to the agency workers were in line with the company's pay policy and legal provisions (GRI 2-8).

**Table 33: Staff turnover at the Impol Group**

| | Arrivals | | Departures | | % of total turnover | | % of turnover due to consensual terminations of the employment relationship | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 |
| **Slovenia** | 102 | 106 | 120 | 109 | 8.50% | 7.58% | 2.76% | 2.57% |
| **Serbia** | 8 | 42 | 17 | 31 | 3.05% | 5.50% | 0.72% | 1.06% |
| **Croatia** | 28 | 73 | 47 | 51 | 11.84% | 12.52% | 4.79% | 7.37% |
| **Impol Group** | 138 | 221 | 184 | 191 | 7.78% | 7.93% | 2.62% | 3.03% |

**Table 34: Employee gender structure at the Impol Group**

| | Slovenia | Serbia | Croatia | Hungary | Impol Group |
|---|---|---|---|---|---|
| **Men** | 1,134 | 461 | 357 | 1 | 1,953 |
| **% men** | 79.97% | 81.16% | 85.61% | 50.00% | 81.17% |
| **Women** | 284 | 107 | 60 | 1 | 452 |
| **% women** | 20.03% | 18.84% | 14.39% | 50.00% | 18.83% |

**Table 35: Education and qualification structure**

| | Doctoral Degree | Master's Degree | Bachelor's Degree | Higher education | College | Secondary School Degree | Qualified | Semi-qualified | Non-qualified |
|---|---|---|---|---|---|---|---|---|---|
| **Slovenia** | 0.71% | 0.49% | 11.35% | 8.74% | 7.90% | 34.98% | 26.94% | 5.50% | 3.39% |
| **Serbia** | 0.00% | 0.00% | 14.08% | 1.23% | 0.00% | 29.58% | 50.35% | 0.35% | 4.40% |
| **Croatia** | 0.00% | 0.00% | 0.00% | 14.15% | 5.04% | 70.98% | 1.68% | 0.00% | 8.15% |
| **Total** | **0.42%** | **0.29%** | **10.03%** | **7.91%** | **5.53%** | **39.95%** | **28.09%** | **3.33%** | **4.45%** |

**Table 36:** Type of employment, contracts

| | Employment contract for an indefinite period of time | Employment contract for a definite period of time | Individual contract |
|---|---|---|---|
| **Slovenia** | 1336 | 82 | 65 |
| **Serbia** | 533 | 35 | 18 |
| **Croatia** | 372 | 45 | 5 |
| **Hungary** | 2 | / | / |
| **USA** | / | / | / |
| **Impol Group** | 2243 | 162 | 88 |

**Table 37:** % of employees under special protection and the disabled

| | % of the employees under special protection (age) | % of the disabled |
|---|---|---|
| **Slovenia** | 12.91% | 4.30% |
| **Serbia** | 26.94% | 3.52% |
| **Croatia** | 29.50% | 1.44% |

**Table 38:** % of sick leaves

| | % of total sick leaves | % of sick leaves burdening the company |
|---|---|---|
| **Slovenia** | 6.41% | 3.60% |
| **Serbia** | 7.14% | 5.21% |
| **Croatia** | 7.20% | 4.94% |

In the Impol Group, the number of employees increased by 1.3% compared to the previous year (the number of employees on 31/12/2024 was 2,405). Compared to the previous year, the number of employees in Slovenska Bistrica decreased by 0.3% (the number of employees on 31/12/2024 was 1,418), in Serbia the number of employees increased by 1.97% (the number of employees on 31/12/2024 amounted to 568), and in Croatia the number of employees increased by 5.6% (the number of employees on 31/12/2024 was 417).

Employees use child-care leave and parental leave in accordance with the provisions of the local labour code. After having used this type of leave, we did not record any employee departures from the Company in 2024. Part-time employees are treated exactly the same as full-time employees. In accordance with applicable legislation, employees who perform a four-hour or shorter worker have the right to a 15-minute lunch break, and other employees may have a 30-minute lunch break.

Regionally speaking, the Impol Group in Slovenska Bistrica employs the great majority of people from the Podravje region with the rest of employees coming from other Slovenia regions. This type of employment policy is also implemented in Serbia and Croatia. Representatives of the management (Company Managers, Directors and Members of the Board of Directors) on all three locations come from the local environment. The exception is Impol-TLM as the company director is a Slovenian national (GRI 202-2).

**Table 39:** Training and education of the employees

| | Slovenia | Serbia | Croatia |
|---|---|---|---|
| **Number of hours of training per employee** | 16.85 | 25.25 | 2.74 |
| **Number of beneficiaries of grants** | 48 | 1 | 1 |

## Education and training

In 2024, in Slovenia, we conducted an average of 16.85 hours of training per employee, in Serbia 25.25 hours, while in Croatia we reached an average of 2.74 hours per employee. In addition, we have been actively investing in the development of future staff through the award of scholarships. In Slovenia, we supported 48 scholarships, and in Serbia and Croatia one. By investing in the knowledge and skills of our employees, we build the foundations for innovation, productivity and sustainable development, which are key to achieving our strategic objectives and competitive advantage.

At the Impol Group, we systematically take care of the development of employee competences, as we believe that skilled and motivated employees are key to our long-term success. To this end, we have developed competency models for each job, giving us a clear overview of the knowledge, skills and abilities required. Based on these models, we carry out GAP analyses to identify differences between actual and required competences and to prepare individual training plans for all employees.

Particular attention is paid to the mentoring of the newly employed, which includes the structured process of introducing and testing knowledge after the introduction period. We also conduct regular annual interviews, with 718 employees participating in 2024. On this basis, we have prepared career plans for 31 employees to support their long-term professional development within the Impol Group. In 2024, we have also started the implementation of a 'potential academy' aimed at developing the competences of high-potential employees, which represents an additional step towards systematic succession planning and the long-term growth of the Group.

In addition, all employees receive regular monthly feedback on their work performance, based on criteria such as productivity, quality, innovation and economy. Evaluations are recorded in the modern HRM 4.0 information system, which provides a comprehensive view of the performance of individuals and groups and allows planning of further development activities. All employees attend periodic internal training during which they become familiar with the protection of human rights, rights of employees and prevention of mobbing at the workplace (GRI 404-1, GRI 404-2, GRI 404-3).

## Health and safety at work

In the Impol Group, ensuring safety and health at work is one of our key priorities. We have established a comprehensive OSH management system based on the international standard ISO 45001, for which we are certified in Slovenia and Croatia, and we are preparing for the certification process in Serbia. This system shall include continuous risk identification and assessment, the implementation of preventive and corrective measures and regular training of employees for safe work. We also pay particular attention to ensuring ergonomic working conditions, reducing the risk of injury and promoting a safety culture. Regular internal and external audits and employee involvement in improvement processes ensure that the system remains efficient and adapted to the dynamic needs of the production environment. We are committed to create a safe and healthy working environment that promotes the well-being and productivity of all employees (GRI 403-1, GRI 403-2).

**Table 40: Accidents and incidents at work**

| | Number of accidents at work 2022 | Number of incidents 2022 | Number of accidents at work 2023 | Number of incidents 2023 | Number of accidents at work 2024 | Number of incidents 2024 |
|---|---|---|---|---|---|---|
| **Slovenia** | 28 | 494 | 34 | 573 | 28 | 623 |
| **Serbia** | 21 | 104 | 19 | 232 | 30 | 126 |
| **Croatia** | 7 | 203 | 11 | 42 | 4 | 57 |
| **Total** | **56** | **801** | **64** | **847** | **62** | **803** |

In 2024, we recorded a total of 62 accidents at work, which represents a 3% reduction of accidents compared to 2023. Out of 62 accidents 4 were serious (GRI 403-2).

In 2024, Impol Slovenska Bistrica has made significant progress in the field of occupational safety and health. The number of accidents at work decreased by 18% compared to 2023, with a total of 28 accidents recorded. This achievement confirms our commitment to creating a safer working environment and continuously improving working conditions for all employees.

Our "Accident Frequency Ratio" (AFR), which represents the number of accidents at 200,000 working hours, decreased from 23.9 to 2023 to 19.7 in 2024. By comparison, the average of the Slovenian economy for manufacturing (SKD C) in 2023 was 22.7. While we were slightly above the industry average in 2023, we made significant progress in 2024 through systematic action, placing us among the more successful companies in the industry. Official data for 2024 at the level of manufacturing (SKD C) have not yet been made public. No occupational diseases were found.

Positive changes can also be seen in the awareness of employees about the importance of safety at work. The number of reported “near miss” incidents, which are crucial to preventing accidents, increased by 9%. In 2024, a total of 622 incidents were reported, reflecting increased employee engagement and a strengthened culture of proactive reporting. Particular attention is paid to training employees for safe work. Every contractor who works for us must undergo initial practical and theoretical training for safe work, regardless of the type of employment or collaboration. We also regularly carry out workplace qualification checks for all employees who occupy jobs with increased risk.

In 2024, we have improved the procedures for checking employees' competence for safe work, introduced the 5 minutes for safety, produced ergonomic job assessments and carried out two weeks of workplace health promotion. We have continued to hold regular monthly meetings of the OSH committee, which also includes employee representatives.

In the future, we will continue to systematically improve safety measures as a responsible employer, putting safety and health at work first. Emphasis will be placed on preventive measures to prevent workplace injuries and on continuous awareness-raising and training of workers for safe work (GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10).

## Employee satisfaction

Periodically, we measure the mood and employee satisfaction. The measurement of the mood and commitment of employees in 2024 has shown an increase in indicators among employees. The share of engagement dropped to 33% in 2023, whereas it increased to 46% in 2024.

## RESPECTING HUMAN RIGHTS

We consistently observe all the statutory provisions of the Republic of Slovenia in the area of respecting human rights. Several different mechanisms have been established in order to ensure the welfare of our employees:
- mobbing at the workplace prevention office;
- mobbing officers in every company;
- workers’ councils are established;
- established council for safety and health at work;
- a SA 8000 consultative body was established with periodic meetings;
- operating RBEIG body, the purpose of which is to coordinate demands with regard to the care for employees and working conditions.

With the help of these bodies, we carry out a regular transmission of information to employees according to the following frequency:

- council for safety and health at the work: monthly meetings;
- consultative body SA 8000: bi-monthly meetings;
- workers' council: upon the call of the president of the workers' council or an agreement for a call by the company's director in the event of organisational changes;
- PTDSI – scheduled meetings twice a year.

In the Impol Group, we outsource security services, paying particular attention to respect for social responsibility. We carry out regular due diligence checks with selected contractors in order to verify their compliance with legislation, respect for human rights and ethical and safety standards. In this way, we ensure that security services are carried out in accordance with our values and principles of responsible business (GRI 410-1).

We respect the right of employees to freedom of association and collective bargaining and encourage open and constructive communication with all employees and their representatives. We actively cooperate with trade unions and promote dialogue that contributes to fair and balanced bargaining on working conditions, wages and other employee rights. We have concluded a corporate collective agreement with all the companies that have a representative union. Our goal is to create a stable working environment based on trust, cooperation and finding the best solutions together for all parties involved (GRI 2-30, GRI 402-1, GRI 407-1).

## Child labour

The International Labour Organisation defines child labour as “work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development”. This type of work also includes work that adversely affects children’s education. With our standards we commit not to collaborate with suppliers that employ children under 18. The exception is summertime work and internships of high-school students with which they may obtain working experience and additional income.

Our policy is designed with the well-being of children and the protection of their interests in mind. Although the phenomenon of child labour is a rare occurrence nowadays, the Impol Group developed approaches to deal with possible cases of child labour. No instances of child labour were detected in our supply chain, which is also the result of an efficient assessment of our suppliers. Our requirements with regard to child labour as well as youth work are presented in our employment conditions which are provided to all suppliers and which are binding in all controlling companies abroad (GRI 408-1).

## Forced labour

According to the International Labour Organisation, forced labour is “labour” performed involuntarily and under the threat of punishment. It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities”. In accordance with our employment standards we commit not to collaborate with partners that use forced labour in any form (prison labour, prohibited labour, etc.). No employee should be forced to work on the basis of intimidation, force and any political coercion, penalty or due to different political views. The Impol Group has issued an official statement on the prevention of modern slavery, which is published on the website www.impol.si.

The Impol Group strongly condemns and prohibits any form of forced labour in the Group itself as well as in the supply chain, which includes suppliers and clients (GRI 409-1).

## Supply chains and conflict materials

Within the Impol Group, we use tin and other metals in our production process. Our tin supplier is verified through the CMRT (Conflict Minerals Reporting Template) form, where confirmed tin manufacturers are also listed. All of the tin used within the Impol Group originates from confirmed manufacturers from Indonesia and Malaysia.

# ANTI-CORRUPTION EFFORTS

## Policy

In carrying out our work, we observe high business ethics standards; pursuant to the Impol Group Code of Business Conduct, we are building a culture that encourages legal, ethical, and transparent behaviour and decision-making by all employees.

## Due diligence

We put in place a system of internal audit, which verifies the compliance of business operations with the Slovenian legislation and includes the prohibition of corruption. At the same time, all employees are bound to respect the Impol Group Code of Business Conduct. We also put in place a transparent supply system, involving a greater number of decision-makers who also carry out control over business ethics themselves.

## Main risks and their management

The main risks in this area are the loss of reputation in the public, loss of financial assets due to corruptive business conduct and loss of trust of business partners. We prevent this by using an advanced information supply system containing control elements, with regular college meetings with detailed reports, with transparent communication and with a consistent observance of the principles listed in the Code of Business Conduct of the Impol Group. We also set in place a zero tolerance policy toward criminal acts.

## Reporting inappropriate practice

The Impol Group has a comprehensive whistleblowing mechanism in place that ensures the secure and confidential handling of reports and protects whistleblowers from retaliation. The report may be filed by employees, shareholders, members of the management and supervisory bodies and persons working under the direction of external contractors, subcontractors and suppliers. The Impol Group undertakes not to try to identify the whistleblower's identity. Whistleblowers who report in good faith on the basis of a reasonable suspicion that the information is true shall be protected from retaliation, including threats and attempted retaliation. This protection also applies to intermediaries, related persons and anonymous reporting persons whose identity is subsequently disclosed. Reports may be submitted orally (in person, by telephone or by e-mail) or in writing (by e-mail, by post to the address Impol 2000, d. d., Notranja revizija, Partizanska 38, 2310 Slovenska Bistrica or via the website http://povejnaprej.impol.si). All reports will be recorded and the authorising officer will, within seven days, verify that the conditions for treatment have been fulfilled and will send a certificate or an explanation of the refusal to the whistleblower. Through this mechanism, Impol strengthens a culture of responsibility and business ethics (GRI-26).

## Key indicators of success

The key indicators of success are the compliance of business operations with the legislation, which is also evident by the fact that there are no pending court cases against employees of the Impol Group in connection with corruptive behaviour. Donations to political parties or any other form of bribery are strictly prohibited. We regularly monitor and report the indicator of reports of inappropriate practices. In 2024, there were no reports of inappropriate practices or detected cases of discrimination (GRI 415-1, GRI 406-1, GRI 205-2).

There were no pending court cases in 2024 with regard to uncompetitive behaviour or actions initiating monopoly. No major penalties or fines were paid due to failure to comply with laws and regulations in areas where Impol operates. There were also no justified reports of improper practices (GRI-206-1).

## Memberships in Communities/Associations

The Impol Group believes that connecting and cooperating is the key to success. This is why we support interest associations and organisations through memberships and at the same time we participate in projects that support organisations to connect with each other and the mutual transfer of knowledge.

We are members of the Chamber of Commerce and Industry of Slovenia, the Chamber of Commerce of the Štajerska region, the ASC association and the SRIP MatPro Strategic development partnership. We are also members of the European Aluminium Foil Association (EAFA) and the Aluminium Stewardship Initiative (ASI). We co-founded the Slovenian Centre of Excellence for Space Sciences (GRI 2-28).

# GRI REPORTING

**Table 41:** **Index according to the GRI GS (Global Standards) reporting standard – basic option (Core)**

| GENERAL STANDARD DISCLOSURES | | | |
|---|---|---|---|
| **GRI – standard** | Disclosure | Page | Notes / restrictions |
| **GRI 101: Basis** | | | |
| **GRI 102: General disclosures** | | | |
| **Organisation presentation** | | | |
| 102-1 | Organisation name | 13 | |
| 102-2 | Primary brands | 33 | |
| 102-3 | Organisation HQ | 13 | |
| 102-4 | Local activities | 13 | |
| 102-5 | Ownership and legal form | 13; 16 | |
| 102-6 | Markets (geographical and sectoral division and division by types of clients) | 30, 32 | |
| 102-7 | Organisation size (number of employees, number of activities, sales revenues, obligations/equity, number of products/services) | 53, 73-92 | |
| 102-8 | Employees by type of employment, type of contract, region, gender | 53, 54 | |
| 102-9 | Description of the organisation's supply chain | 34 | |
| 102-10 | Significant changes in the reporting period relating to the organisation's size, composition, ownership and supply chain | | There were no significant changes. |
| 102-11 | Clarification whether and how the organisation applies principle of prudence | 40 | |
| 102-12 | External documents, principles and other economic, environmental and social initiatives signed and supported by the organisation | 56 | |
| 102-13 | Membership in organisations | 57 | |
| **Strategy and analysis** | | | |
| 102-14 | Statement of the highest decision-maker in the organisation with regard to the importance of sustainable development for the organisation and the strategy of addressing the organisation's sustainable development | 40 | |
| **Ethics and integrity** | | | |
| 102-16 | Description of values, principles, standards and principles of conduct, such as codes of conduct and codes of ethics | | Described in the Company's policy and Code of Business Conduct of the Impol Group (accessible via http://www.impol.si) |
| **Management** | | | |
| 102-18 | Management composition of the organisation, including commissions of the highest management authority | 10-12 | Management and governance system |
| **Involving stakeholders** | | | |
| 102-40 | List of groups of stakeholders with which the organisation cooperates | 41 | |

| | | | |
|---|---|---|---|
| 102-41 | Share of all employees by collective agreement | 54 | |
| 102-42 | Starting points for recognising and selecting stakeholders with which the organisation cooperates or to be involved | 41 | Purchasing audit processes |
| 102-43 | Approaches for involving stakeholders, including the frequency of cooperation by groups of stakeholders | 41 | Purchasing audit processes |
| 102-44 | Key topics and questions raised during the cooperation with stakeholders and how the organisation responded to them, including its reporting | 41 | |
| **Report information** | | | |
| 102-45 | Units included in consolidated financial statements | 10 | Companies in the Impol Group + consolidated report |
| 102-46 | Process of defining the report and delimiting topics | | The topics are defined on the basis of the sustainability analysis in accordance with the GRI guidelines. |
| 102-47 | List of essential topics | 58 | |
| 102-48 | Effects of the change of information from previous reports and reasons for them | 26 | |
| 102-49 | Significant changes compared to previous reporting periods in relation to limiting the volume and aspects | | There were no significant changes. |
| 102-50 | Reporting period (calendar, fiscal year) | 58 | |
| 102-51 | Date of the last previous report | 58 | |
| 102-52 | Reporting cycle (annual, two-year) | 58 | |
| 102-53 | Contact information for questions relating to the report | 58 | |
| 102-54 | Reference regarding the report in accordance with the GRI standards | 58 | |
| 102-55 | Index by GRI guidelines | 58 | |
| 102-56 | External reporting verification by GRI guidelines | | An external verification has not yet been carried out. |
| **SPECIFIC STANDARD DISCLOSURES** | | | |
| 103-1 | Explanation of an essential topic and its limits | | Described in the Management's statement |
| 103-2 | Management approaches and their constituents | | Described in the section "Strategic orientations" |
| 103-3 | Evaluation of management approaches | | Described in the section "Strategic orientations" |
| **ECONOMIC IMPACTS** | | | |
| **GRI 201: Economic performance** | | | |
| 201-1 | Directly generated and distributed economic value | 73-75 | |
| 201-3 | Liabilities from the pension plan | 75 | |
| 201-4 | Significant received state aid | 120 | |
| **GRI 202: Presence on the market** | | | |
| 202-2 | Share of local staff in higher management | 54 | |
| **GRI 204: Purchasing practice** | | | |
| 204-1 | Share of assets for purchasing, used for local suppliers at important production locations | 35 | |

| | | | |
|---|---|---|---|
| **GRI 206: Competition protection** | | | |
| 206-1 | Number of legal procedures in the area of competition protection, monopoly prevention and monopoly practices and results of concluded procedures in the reporting year | | There were no pending legal procedure from the specified area in the reporting period. |
| **ENVIRONMENTAL IMPACTS** | | | |
| **GRI 301: Materials** | | | |
| 301-1 | Used material by weight and volume | 34 | We control the information about weight. |
| 301-2 | Processing return and circular material | 34 | |
| **GRI 302: Energy** | | | |
| 302-3 | Energy intensity (energy consumption per unit/tonne of product) | 49 | |
| 302-4 | Energy consumption reduction | 47-48 | |
| **GRI 303: Water** | | | |
| 303-1 | Water consumption by sources | 47 | |
| 303-2 | Management of impacts related to waste water discharge | 49 | |
| 303-3 | Share and total volume of recycle and re-used water | | |
| **GRI 304: Biodiversity** | | 51 | |
| **GRI 305: Emission to air** | | | |
| 305-1 | Volume of direct greenhouse gas emissions (Scope 1) | 44 | |
| 305-2 | Volume of indirect greenhouse gas emissions (Scope 2) | 44 | A system for managing this information is being established. |
| 305-4 | Intensity of greenhouse emissions (volume of emissions per product unit) | 44 | |
| 305-5 | Reduction of greenhouse gas emissions | 44 | |
| 305-7 | $NO_x$, $SO_x$ and other significant emission to air by type and weight | 44 | |
| **GRI 306: Waste water and waste** | | | |
| 306-1 | The entire quantity of waste water by quality and emission destination | 49 | |
| 306-2 | Total weight of waste by type and manner of disposal | 49 | |
| **GRI 307: Compliance** | | | |
| 307-1 | Amount of fines due to non-compliance with the environmental legislation | | In 2024 there were no non-compliances. |
| **GRI 308: Environmental verification of suppliers** | | | |
| 308-1 | New suppliers assessed against the environmental criteria | 35 | |
| 308-2 | Significant existing and potential negative environmental effects in the supply chain and adopted measures | 35 | |
| **SOCIAL IMPACTS** | | | |
| **GRI 401: Hiring employees** | | | |
| 401-1 | Number and rate of newly employed persons and employee fluctuation | 53 | |

| | | | |
|---|---|---|---|
| 401-3 | Return to work and rate of employee retention after having used paternal leave, by gender | 54 | |
| **GRI 403: Health and safety at work** | | | |
| 403-2 | Rate of injuries at work, absenteeism, number of fatalities at work | 55 | |
| 403-3 | Employees with a high level of risk for occupational diseases and injuries | 55 | |
| 403-4 | Workers' participation, health and safety communication and the right to refuse hazardous work | 55 | |
| 403-5 | Education and training of workers on safety and health at work | 55 | |
| 403-6 | Employee health promotion programmes | 55 | |
| 403-7 | Prevention and reduction of risks to the health and safety of workers | 55 | |
| 403-8 | Coverage of employees by the OSH management system | 55 | |
| 403-9 | Injuries and accident at work | 55 | |
| 403-10 | Occupational diseases | 55 | |
| **GRI 404: Training** | | | |
| 404-1 | Average number of hours of training per year per employee by gender and employee category | 54 | |
| **GRI 406: Non-discrimination** | | | |
| 406-1 | Number of discrimination cases and measures for their elimination | | No cases of discrimination were recorded. |
| **GRI 407: Freedom of association and collective agreements** | | | |
| 407-1 | Operations and suppliers that may jeopardise freedom of association and collective bargaining | 56 | No cases of discrimination were recorded. |
| **GRI 408: Child labour** | | | |
| 408-1 | Activities and suppliers where there is a possibility of recognised risk of violations being committed in the area of child labour | 56 | |
| **GRI 409: Forced or mandatory work** | | | |
| 409-1 | Activities and suppliers where there is a possibility of recognised risk of violations being committed in the area of forced labour | 56 | |
| **GRI 410: Security personnel** | | | |
| 410-1 | Security personnel, trained with regard to human rights | 56 | |
| **GRI 412: Human rights** | | | |
| 412-2 | Number of hours of training employees about human rights policies and procedures in relation to their aspects, which are significant for the Company's business activity, and share of employees included in such training | 55 | |
| **GRI 413: Local communities** | | | |
| 413-1 | Share of activities in which the local community was involved or for which certain impacts were verified and development programmes were prepared | 42 | |
| **GRI 414: Verification of suppliers regarding working practices** | | | |
| 414-2 | Significant existing and potential negative impacts in relation to working practices in the supply chain and adopted measures | 35 | |

## GRI REPORTING

The Impol Group reports in accordance with the Global Reporting Initiative standards. Reporting ensures a high level of transparency toward stakeholders of the Company, enables the comparison of sustainable reporting with other companies and competitors. The reporting content and the GRI content table are based on topics which are important to the Impol Group. The procedures of managing key topics are presented in individual sections. Reporting refers to the Impol Group and all its affiliated companies.

An audit was carried out by independent auditors, for purposes of the financial report as well as the non-financial operation statement. (GRI 2-5)

The entire report refers to the period that started on 1/1/2024 until 31/12/2024 (GRI 2-3).

The Impol Group shall ensure the transparent handling of corrections to the information in the Sustainability Report. In the event that we find incorrect, incomplete or misleading information after the publication of the report, we will clearly identify the corrections and indicate which information has been corrected, the reason for the correction and the date of the correction. Corrections will be published in a way that ensures easy access to the Impol Group website www.impol.si by updating the existing document, with changes clearly marked. In this way, we aim to ensure the credibility of the report, maintain stakeholder trust and compliance with recognised international sustainability reporting standards (GRI 2-4).

In case of eventual questions regarding the report content concerning the Impol Group, contact Irena Šela (irena.sela@impol.si) (GRI 2-3).

# RISK MANAGEMENT

A space for safe growth and new opportunities.

05

# RISK MANAGEMENT

The Impol Group operates in a challenging and highly competitive global environment, where more than 95% of our revenues are generated by exports. Due to our geographical dispersion and our operation in different legal and economic systems, we are exposed to a wide range of risks – ranging from financial, political, economic and regulatory to business and operational risks.

In the Impol Group, we consider risk management as a key element of management and strategic decision-making. Our starting point is that risk assessment is an integral part of all business processes – from operational activities to strategic investment decisions. The principles and basic guidelines for conduct are set out in the Impol Group Code of Business Conduct, which emphasises responsibility, integrity and transparency.

## THREE-TIER RISK MANAGEMENT SYSTEM

We have established a structured and multi-level risk management system.

1. Operational level

Each operating area is responsible for the regular identification and management of risks in its business line. This includes establishing appropriate internal controls, exercising control and ensuring compliance with objectives and regulations.

2. Risk management committee (RMC)

The committee meets weekly and acts as a key coordinating body. Its tasks include:
- identifying key risks and preparing proposals for action to be addressed by the Board of Directors;
- the early integration of risk assessment into the decision-making process for major projects and events;
- monitoring the implementation of the measures and evaluating their effectiveness over time.

3. Internal audit

As an independent function, internal audit ensures regular verification of the adequacy and effectiveness of the internal control environment, including risk management mechanisms. It operates in accordance with applicable legislation and international audit standards.

## RISK CATEGORISATION

The risks we face are classified into three key groups:
- business risks include risks related to markets, prices, regulation, competition and industry conditions;
- financial risks relate to fluctuations in currencies, interest rates, liquidity, creditworthiness of customers and financial stability;
- operational risks shall include risks related to production capacity, quality, logistics, information systems, personnel and security.

A more detailed breakdown of the risks and associated control measures is presented below.

**Table 42: Types of risks and their management through the application of special measures (business risks)**

| Risk area | Risk description | Measures | Risk assessment |
|---|---|---|---|
| **International regulations and legislation** | Risk of changes in legislation in the countries where the Group is present (taxes, customs, environment, ESG). Changes in the international economic framework (CBAM, EU ETS, CSD). | Regular monitoring of legislative changes through legal experts and external sources. Use of digital tools for legal monitoring (compliance engines). Inclusion of ESG regulation in strategic plans. Internal training of employees in key areas. | Moderate |
| **Market and prices** | Sales:<br>Market prices do not follow the changes in purchase prices or they only adjust to the them with a lag long for several months.<br>Customer service – delays resulting from production stoppages, inadequately organised logistics cause excessive costs and delays.<br>Purchasing:<br>Raw materials – primary, secondary aluminium, billets, rolling slabs, alloying elements – unexpected events in the areas of prices and purchase premiums, exchange rate risk (negative exchange rate differences), unreliable supply sources and associated negative effects on production, causing liquidity exposure due to the need for larger stocks at one time or price increases.<br>Energy products – unexpected increase in prices, shortage of readily available sources. | Conclusion of contracts by determining sales premiums so that the changes in purchase premiums are translated in the sales premiums.<br>With internal organisational measures, Impol is continuously training its employees for quality and full compliance with all the obligations.<br>Monitoring of the market, competition, customer satisfaction.<br>To avoid risks, contracts are concluded for longer, at least one year delivery periods.<br>Maintaining adequate stock levels, diversifying supply routes.<br>Energy contracts with at least two years' advance insurance. | Moderate |

| Risk area | Risk description | Measures | Risk assessment |
|---|---|---|---|
| **Invest-ments** | The risks that occur, are:<br>Risks associated with investment planning in fixed assets in terms of its value, performance, schedules, and on the other hand, investments in the provision of permanent working capital caused by the investment in fixed assets.<br>Increase in fixed costs and the resulting need to increase the volume of sales and the threat of an increase in losses.<br>Being late in mastering the technical-technological aspects of new investments and new markets, neglecting the costs resulting from the above.<br>Cash flow being too weak to ensure the return of invested assets.<br>Neglect investments into durable short-term assets and their subsequent financing with short-term sources of financing despite the investment definitely being a long-term one. | The risks associated with the investments in short-term assets are reduced by the establishment of adequate investment elaborates, economic assessment during the investment approval phase, establishment of a contractor selection system, our own control during the investment implementation phase, adequate monitoring in the accounting and real-time analysis of the investment realisation, and by the direct decision-making of the Board of Directors for each individual investment in fixed assets.<br>We achieve the reduction of investment risks to current assets by setting objectives in advance in the area of forming inventories and dates of recovering receivables from customers as well as by introducing a relevant policy of obtaining and directing external financial sources. These types of investments are thus financed by long-term assets, and we strive to finance a considerable portion of short-term assets with long-term sources of funding. | Moderate |
| **Human resources** | Risks present in this area:<br>Lack of mobility and the associated costs that are higher than it would be justified.<br>Inadequate assurance of knowledge retention.<br>Risk associated with the acquisition of key personnel.<br>Civil claims for damages.<br>Lack of labour force on the market. | The education and training of our employees is planned and regularly monitored.<br>Responsibility at workplaces is strengthened by introducing a system of governance standards.<br>Scholarship policy and the development of key personnel with a directional career policy.<br>In order to ensure a more efficient management, accepting responsibility and improving relationships we organise workshops on all levels of management.<br>We carry out employee profiling on key job positions with the intention to prepare career plans and ensure prompt successor training before they take those key positions.<br>Measuring the organisational climate. | Moderate |

| Risk area | Risk description | Measures | Risk assessment |
|---|---|---|---|
| **Research and develop-ment** | Risk of inefficiency of development processes and provision of new products. | Planning development projects and research. Cooperation in consortiums. Special emphasis is placed on product development with the aim of becoming a development supplier to customers. Introduction of a system of applied and technological development, participation in development consortia.<br><br>Development of sustainable alloys (InfiniAl), use of LCA and ESG criteria. | Moderate |
| **Environ-mental protection** | Risks of release of hazardous substances, deviation from legal requirements, loss of reputation due to excessive burden on the environment – noise. | This area is being managed with constant control over emissions and by turning on devices which prevent/decrease the risks of burdening the environment.<br>ISO 14001 and internal environmental controls.<br>Activation of the mitigation devices.<br><br>Calculation of the carbon footprint according to ISO 14067.<br><br>The use of the ASI Performance & Chain of Custody standard. | Moderate |

**Table 43:** Risks controlled as a part of the business process (financial risks)

| Risk area | Risk description | Measures | Risk assessment |
| --- | --- | --- | --- |
| **Liquidity risk** | Liquidity risk is the risk of short-term insolvency. | Active cash flow planning using predictive models.<br>Formation of special-purpose reserves for major expenditure.<br>Prearranged credit lines and banking partnerships.<br>Regular monitoring of stocks and debt structure to optimise working capital.<br>Perform regular liquidity stress tests and perform short-term solvency indicators. | Moderate |
| **Risk of a change in the prices of aluminium raw materials** | The price of aluminium is formed on the LME and price changes are constant. Customers seek to purchase products based on the prearranged price basis for aluminium. | Use of forward contracts to hedge purchase prices. | Moderate |
| **Risk of changes in foreign exchange rates** | The threat of loss caused by unfavourable exchange rate fluctuations – this mainly applies to USD. | Hedging by means of appropriate derivative financial instruments and making arrangements on the purchase of basic raw materials in the local currency, natural protection.<br>Regular monitoring of open positions and automated alerting of major movements. | Moderate |
| **Interest rate risk** | Risk of unfavourable interest rate trends. | We manage the risk by monitoring the policy of the ECB and the FED, using appropriate derivative financial instruments – interest rate swaps, negotiations with credit institutions. | Moderate |
| **Credit risks** | Risk of customer defaults leading to write-off of receivables and affecting liquidity and business results. | Credit control system with internal credit rating.<br>Insurance with credit insurance companies.<br>Transactions in high-risk markets are only performed on the basis of advance payments or prime bank guarantees.<br>Customer dispersion policy and determination of exposure limits. | Moderate |
| **Claims for damages and lawsuit risk** | Claims for compensation by third parties for adverse events arising from products or operations. | General liability and manufacturer's liability insurance. Regular legal auditing of the general terms and conditions. Internal incident reporting system. | Moderate |
| **Risk of changes in foreign exchange rates** | The threat of loss caused by unfavourable exchange rate fluctuations – this mainly applies to USD. | Hedging is ensured by means of appropriate derivative financial instruments and making arrangements on the purchase of basic raw materials in the local currency, natural protection. | Moderate |

Operational risk includes the possibility of incurring losses together with legal risk arising from:

1. Inadequately or incorrectly implemented internal procedures,
2. Human error or irregularities in the work of employees,
3. Failures or malfunctions of internal systems (including information systems),
4. external events or unforeseen influences from the environment (e.g. natural disasters, supply disruptions, cyber attacks).

In the Impol Group, we recognise that operational risks are increasingly intertwined with technological developments, digitalisation and the increased complexity of the production environment. That is why we are constantly updating and adapting:

- the organisational structure to ensure a clear division of responsibilities and multi-level control,
- an information system enabling real-time monitoring of business events on the spot,
- internal control systems in accordance with the quality standards (IATF 16949, ISO 9001),
- security architecture including mechanisms to protect industrial information systems (OT/IT integration),
- response mechanisms such as emergency plans, emergency simulation and training.

The Impol Group also focuses on building resistance by introducing proactive monitoring of key risk indicators and the involvement of ESG winds in operational processes, especially in the field of safety, quality and continuous operation.

**Table 44: Types of risks and their management through the application of special measures (operational risks)**

| Risk area | Risk description | Measures | Risk assessment |
|---|---|---|---|
| **Risks in production** | Failure to master technological processes (repetition of errors, complaints, customer dissatisfaction).<br>Excessive stocks have an impact on liquidity, cost efficiency and foreign exchange risks.<br>Process bottlenecks, disrupted flow of material, delays in supply.<br>Unreliable equipment, high insurance costs and franchises. | Introduction of lean production and TPM.<br>Continuous improvement of the planning process and digital tracking of OEE.<br>Control of stocks with an optimal supply model.<br>Advanced monitoring of downtime and quality indicators.<br>Integration of automation and robotics. | Moderate |
| **Risk of information technology** | Malfunctions in the operation of the information system affecting production, logistics or reporting.<br>Lack of internal control over the data, duplication of information, and cybersecurity incidents.<br>Incompatibility of application solutions with the underlying IT infrastructure. | Implementation of a continuous operation plan and regular resistance testing.<br>Use of a highly available infrastructure with dual backups in two independent locations.<br>Consolidated and separate data infrastructure for better control and data recovery.<br>Regular penetration tests and security assessments.<br>Planned overhaul of the ERP system, including security and business standards. | Moderate |
| **Risks associated with employees** | Increased risk of accidents, injuries or failures that may affect work efficiency and safety.<br>Poor coverage in case of sudden absences. | Systematic assessment of risks at work and measures to reduce them.<br>Regular internal and external training for safe work and use of equipment.<br>Replacement system in place to ensure smooth operation.<br>Promoting a culture of safety and measuring employee engagement.<br>ESG-focus on employee health and well-being. | Moderate |

## INTERNAL AUDIT

Within the Impol Group, internal audit operates at the group level as an autonomous and independent support function organised within the parent company Impol 2000, d. d. and the subsidiary Impol Seval, a. d., in Serbia.

Internal audit within the Impol Group provides objective assessments and advice to the Board of Directors, the Audit Committee and the Executive Directors. Its role is crucial in safeguarding assets, ensuring compliance with legislation and internal regulations, and improving the quality and efficiency of risk management and internal controls. In doing so, it contributes significantly to the achievement of the Group's strategic and business objectives by introducing best practices. In accordance with the Impol Group Code of Business Conduct, deficiencies identified in the internal audit process are addressed as soon as possible, preferably as soon as they are detected.

The internal audit complies with applicable legislation, the International Standards of Professional Conduct in Internal Auditing, the Code of Internal Auditing Principles of the Slovenian Institute of Audit, the Code of Professional Ethics for Internal Auditors, generally accepted operating guidelines, other professional standards, the Code of Business Conduct of the Impol Group and internal regulations. In accordance with these guidelines, it ensures a high level of professionalism, independence and impartiality in the provision of assurances.

The functioning of the internal audit was in line with the annual work plan, which was reviewed by the Audit Committee and approved by the Board of Directors. The plan was adapted during the year to the risks identified and to the needs and requirements of the Board of Directors, the Audit Committee or on the basis of independent findings in the field of risks and internal controls.

The audit activity was based on the principles of independence, professionalism, impartiality and ethics. The internal audit reported its findings to the Board of Directors, the Audit Committee and the Executive Directors on a monthly basis and prepared a comprehensive annual report on its work at the end of the financial year.

Depending on the type of recommendations, a plan of their implementation was prepared, and some of the changes were directly introduced into business processes due to greater efficiency and performance. In addition to the audit checks, the internal audit also regularly monitored the implementation of the proposed measures and cooperated with the audit committee and the Impol Group's external audit.

In 2024, the Internal Audit Department was involved in 66 projects and provided 78 proposals for improvement. Internal audits carried out in individual segments below listed areas below: monitoring and managing complaints, monitoring and billing of salaries, and particularly overtime, monitoring and calculating material flows in subsidiaries, monitoring changes in taxes, finances and audit, and cost effects on the operations of the Impol Group, efficiency in affiliates. Monitoring and compliance with customs procedures, effectiveness of HRM IT-analisation, taxation of benefits of management and control bodies, investment monitoring of the renovation of business premises, compliance with the law of safety and health at work, providing continuous operations, reviewing the actuality of the Rules on Transport of Securities for persons who have internal information, introduction methods of lean production, causes of congestion on machines, cutting of materials and recording waste material, information security, review of contracts with an external auditor, customer receivables, customers' bonuses, electronic archives of eHramba and physical archive of documents, setting of hardware and measuring equipment in Impol R and R, ethics and transfer value, achieving quality products requirements, monitoring customer specifications, product calculation, logistics and maintenance.

Internal audit has ensured that the internal control system in the audited units is properly established, operates regularly and supports the achievement of the set objectives in the audited processes. Nevertheless, opportunities for improvement were identified and the internal audit made appropriate recommendations and consistently monitored their implementation and effectiveness.

# FINANCIAL REPORT OF THE IMPOL GROUP FOR THE YEAR 2024

A story of success and hope for the future.

06

# EXECUTIVE DIRECTORS' LIABILITY DECLARATION

The Executive Directors are responsible for preparing an Annual Report of the Impol Group that provides a true and fair view of the financial situation of the Impol Group as well as of its operating results for 2024.

The Executive Directors hereby confirm to have diligently applied the appropriate accounting policies and that accounting estimates have been prepared following the principle of prudence and good management. We also confirm that the Financial Statements including notes have been drawn up based on the assumption of future operation of the Company and in compliance with the valid legislation and International Financial Reporting Standards as adopted by the European Union.

The Executive Directors are responsible for proper accounting, adoption of appropriate measures for preservation of property, constant monitoring of other risks when conducting business and adoption and implementation of measures for minimization of such risks, and prevention and detection of fraud and other irregular or illegal activities.

Andrej Kolmanič
(Chief Executive Officer)

Irena Šela
(Executive Director of Finance and IT)

Slovenska Bistrica, 24 April 2025

# DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors confirms consolidated financial statements and financial statement of Impol 2000, d. d. for the year ending on 31/12/2024 and for the applied accounting guidelines. This Annual Report was adopted by the Company's Board of Directors at its session held on 24/4/2025.

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

Slovenska Bistrica, 24 April 2025

# INDEPENDENT AUDITOR'S REPORT FOR THE IMPOL GROUP

AUDITOR
REVIZIJSKA DRUŽBA d.o.o. PTUJ

***This is a translation of the original report in Slovene language***

## *INDEPENDENT AUDITOR'S REPORT*

*To the shareholders of IMPOL 2000 d.d.,*
*Slovenska Bistrica*

***Report on the audit of the consolidated financial statements***

***Opinion***

*We have audited the consolidated financial statements of IMPOL 2000, d.d., Partizanska 38, Slovenska Bistrica, and its subsidiaries (hereinafter 'the IMPOL Group'), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of material accounting policy information and other explanatory information.*

*In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the IMPOL Group as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.*

***Basis for Opinion***

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

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

***Other information***

*Management is responsible for other information. The other information comprises the business report, which is an integral part of the Annual report of the IMPOL Group and IMPOL 2000, d.d., but does not include the consolidated financial statements and our auditor's report thereon.*

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

*In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, assess whether the other information is materially inconsistent with the financial statements, legal requirements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, our responsibility is to report, based on the knowledge and understanding*

AUDITOR
REVIZIJSKA DRUŽBA d.o.o. PTUJ

*obtained in the audit, on whether the other information contains any material misstatements of fact. Based on the procedures performed, we report that:*

- *the other information is in all respect consistent with audited consolidated financial statements;*
- *the other information is prepared in compliance with applicable law and regulation; and*
- *based on knowledge and understanding of the Group obtained in the audit on the other information, we have not identified any material misstatement on fact.*

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

*Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs adopted by the European Union, 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 IMPOL 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.*

*As part of an audit in accordance with ISAs, 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 organization'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 organization'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 organization 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.*
- *Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.*

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

| | |
|---|---|
| **AUDITOR** | Certified auditor: |
| REVIZIJSKA DRUŽBA d.o.o. Ptuj | |
| Murkova 4, Ptuj | Simon Pregl, univ. dipl. ekon. |
| April 22, 2025 | Simon Pregl |

# CONSOLIDATED FINANCIAL STATEMENTS OF THE IMPOL GROUP

Accounting policies and notes form an integral part of the consolidated financial statements of the Impol Group presented below and should be read in conjunction with them. The consolidated financial statements contained in this report are presented in EUR without cents. Due to the rounding off of value data, there may be insignificant deviations from the sums given in the tables as part of the notes to the consolidated financial statements.

## CONSOLIDATED INCOME STATEMENT

**Table 45: Consolidated income statement for 2024 in EUR**

| Item | | | Note | 2024 | 2023 |
|---|---|---|---|---|---|
| **1.** | | **Net sales revenues** | **1** | **923,190,021** | **876,874,781** |
| | a) | Net sales revenues in the domestic market | | 52,542,310 | 55,783,004 |
| | b) | Net sales revenues in the foreign market | | 870,647,711 | 821,091,777 |
| **2.** | | **Change in the value of product inventories and unfinished production** | | **10,990,330** | **6,265,076** |
| **3.** | | **Capitalised own products and services** | | **72,047** | **126,631** |
| **4.** | | **Other operating revenues (including operating revenues from revaluation)** | **1** | **10,223,662** | **6,384,979** |
| **5.** | | **Costs of goods, materials and services** | **2** | **786,063,690** | **705,671,156** |
| | a) | Cost of sold goods and materials and costs | | 710,843,320 | 642,590,217 |
| | b) | Costs of services | | 75,220,370 | 63,080,939 |
| **6.** | | **Labour costs** | **2** | **103,777,999** | **97,824,587** |
| | a) | Costs of wages and salaries | | 74,762,008 | 69,500,933 |
| | b) | Social security costs (pension insurance costs are shown separately) | | 12,743,637 | 11,826,585 |
| | c) | Other labour costs | | 16,272,354 | 16,497,069 |
| **7.** | | **Write-offs** | **2** | **22,163,993** | **22,306,412** |
| | a) | Depreciation | | 21,660,063 | 22,078,846 |
| | b) | Revaluation operating expenses of intangible assets and tangible fixed assets | | 9,355 | 74,068 |
| | c) | Revaluation operating expenses of current assets | | 494,575 | 152,933 |
| | d) | Revaluation operating expenses from leases | | 0 | 565 |
| **8.** | | **Other operating expenses** | **2** | **2,074,393** | **2,895,583** |
| **9.** | | **Financial revenues from participating interests** | **3** | **523,698** | **373,006** |
| | a) | Financial revenues from participating interests in associated companies | | 299,359 | 240,158 |
| | b) | Financial revenues from participating interests in other companies | | 224,339 | 132,848 |
| **10.** | | **Financial revenues from loans granted** | **3** | **178,822** | **32,309** |
| | a) | Financial revenues from loans granted to others | | 178,822 | 32,309 |
| **11.** | | **Financial revenues from operating receivables** | **3** | **2,617,271** | **1,778,996** |
| | a) | Financial revenues from operating receivables due from others | | 2,617,271 | 1,778,996 |
| **12.** | | **Financial expenses from the impairment and write-offs of financial investments** | **3** | **0** | **0** |
| **13.** | | **Financial expenses from financial liabilities** | **3** | **6,508,394** | **7,142,238** |
| | a) | Financial expenses from loans received from associated companies | | 23,404 | 16,985 |
| | b) | Financial expenses from loans received from banks | | 6,232,453 | 6,888,909 |
| | c) | Financial expenses from other financial liabilities | | 231,694 | 205,924 |
| | d) | Financial expenses from leases | | 20,843 | 30,420 |
| **14.** | | **Financial expenses from operating liabilities** | **3** | **2,001,311** | **1,170,470** |
| | a) | Financial expenses from trade creditors and bills of exchange | | 14,656 | 12,217 |
| | b) | Financial expenses from other operating liabilities | | 1,986,655 | 1,158,253 |
| **15.** | | **Income tax** | **4** | **4,540,787** | **9,478,236** |
| **16.** | | **Deferred taxes** | **5** | **-236,593** | **-91,897** |
| **17.** | | **Net profit or loss for the accounting period** | | **20,901,877** | **45,438,993** |
| | | Of which profit/loss attributable to non-controlling interest | | 153,699 | 880,558 |
| | | Profit/loss attributable to controlling interest | | 20,748,178 | 44,558,435 |
| | | Continuing operations result | | 20,901,877 | 45,438,993 |
| | | Discontinued operations result | | 0 | 0 |

## SECOND COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

**Table 46: Second comprehensive consolidated income statement in EUR**

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Net profit or loss for the accounting period** | | **20,901,877** | **45,438,993** |
| **Other comprehensive income in the accounting period** | | **24,768** | **-933,718** |
| **a) Items that later will not be reclassified to the profit or loss statement** | | **-167,675** | **-393,105** |
| Actuarial gains and losses of defined benefit plans (employee benefits) (+/-) | 16 | -167,675 | -393,105 |
| **b) Items that will later be reclassified to the profit or loss statement** | | **192,443** | **-540,613** |
| Effective part of change in fair value of cash flow hedging instrument (interest rate swaps) | 16 | -15,270 | -131,843 |
| Deferred taxes due to the change in fair value of cash flow hedging instrument (interest rate swaps) | 5, 16 | 3,359 | 24,592 |
| Gains and losses arising from the translation of financial statements of foreign operations (impact of changes in exchange rates) (+/–) | 16 | 204,354 | -433,362 |
| **Total comprehensive income in the accounting period** | | **20,926,645** | **44,505,275** |
| • of which total comprehensive income of non-controlling interest | | 256,804 | 848,869 |
| • of which total comprehensive income of controlling interest | | 20,669,841 | 43,656,406 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**Table 47: Consolidated statement of financial position in EUR**

| | | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|
| **A.** | **Long-term (non-current) assets** | | **241,703,730** | **235,142,650** |
| **I.** | **Intangible assets and long-term deferred costs and accrued revenues** | 6 | **2,663,358** | **2,728,947** |
| **1.** | Long-term property rights | | 1,397,988 | 1,445,663 |
| **2.** | Goodwill | | 1,261,518 | 1,261,518 |
| **3.** | Long-term deferred development costs | | 3,852 | 21,766 |
| **II.** | **Tangible fixed assets** | 7 | **235,065,880** | **228,406,368** |
| **1.** | Land and buildings | | 73,628,938 | 69,810,120 |
| **a)** | Land | | 19,383,900 | 17,455,612 |
| **b)** | Buildings | | 54,245,038 | 52,354,508 |
| **2.** | Production machinery and equipment | | 114,054,815 | 119,932,889 |
| **3.** | Other machinery and equipment | | 9,825,146 | 8,924,103 |
| **4.** | Tangible fixed assets being acquired | | 37,556,981 | 29,739,256 |
| **a)** | Tangible fixed assets under construction and manufacture | | 24,645,449 | 20,714,249 |
| **b)** | Advances to acquire tangible fixed assets | | 12,911,532 | 9,025,007 |
| **III.** | **Assets under lease** | 8 | **329,507** | **685,297** |
| **1.** | Assets under lease from other companies | | 329,507 | 685,297 |
| **IV.** | **Investment property** | 9 | **1,197,279** | **1,296,791** |
| **V.** | **Long-term financial investments** | 10 | **1,575,880** | **1,382,800** |
| **1.** | Long-term financial investments, excluding loans | | 1,362,725 | 1,154,364 |
| **a)** | Shares and participating interests in subsidiaries | | 1,040,682 | 840,330 |
| **b)** | Other shares and participating interests | | 322,043 | 314,034 |
| **2.** | Long-term loans | | 213,155 | 228,436 |
| **a)** | Long-term loans to others | | 213,155 | 228,436 |
| **VI.** | **Long-term operating receivables** | | **0** | **1,428** |
| **1.** | Long-term operating receivables from others | | 0 | 1,428 |
| **VII.** | **Deferred tax receivables** | 5 | **871,826** | **641,019** |
| **B.** | Short-term assets | | 427,735,484 | 447,773,399 |
| **I.** | **Assets (disposal groups) available for sale** | 11 | **0** | **0** |
| **II.** | **Inventories** | 12 | **265,240,128** | **235,200,083** |
| **1.** | Raw material and material | | 198,996,340 | 181,099,966 |
| **2.** | Work in progress | | 33,395,919 | 27,670,662 |
| **3.** | Products and merchandise | | 32,740,089 | 26,341,929 |
| **4.** | Advances for inventories | | 107,780 | 87,526 |
| **III.** | **Short-term financial investments** | 13 | **70,470** | **72,999** |
| **1.** | Short-term financial investments, excluding loans | | 0 | 15,271 |
| **a)** | Other short-term financial investments | | 0 | 15,271 |
| **2.** | Short-term loans | | 70,470 | 57,728 |
| **a)** | Short-term loans to others | | 70,470 | 57,728 |
| **IV.** | **Short-term operating receivables** | 14 | **117,388,688** | **106,820,614** |
| **1.** | Short-term operating receivables from customers | | 103,266,211 | 94,517,229 |
| **2.** | Short-term operating receivables for income tax | | 5,571,702 | 5,090,848 |
| **3.** | Short-term operating receivables from others | | 8,550,775 | 7,212,537 |
| **V.** | **Cash** | 15 | **43,163,894** | **103,488,748** |
| **VI.** | **Other short-term assets** | 15 | **1,872,304** | **2,190,955** |
| | **Total assets** | | **669,439,214** | **682,916,049** |
| **A.** | **Capital** | 16 | **398,961,270** | **390,005,338** |

| | | | | |
|---|---|---|---|---|
| **I.** | **Called-up capital** | | **4,451,540** | **4,451,540** |
| **1.** | Share capital | | 4,451,540 | 4,451,540 |
| **II.** | **Capital of non-controlling share** | | **22,333,955** | **24,201,273** |
| **III.** | **Capital reserves** | | **10,751,254** | **10,751,254** |
| **IV.** | **Revenue reserves** | | **7,958,351** | **7,958,351** |
| **1.** | Legal reserves | | 0 | 0 |
| **2.** | Reserves for own shares and own business shares | | 506,406 | 506,406 |
| **3.** | Own shares and own business shares (as a deductible item) | | -506,406 | -506,406 |
| **4.** | Statutory reserves | | 2,225,770 | 2,225,770 |
| **5.** | Other revenue reserves | | 5,732,581 | 5,732,581 |
| **V.** | **Reserves resulting from valuation at fair value** | | **-966,912** | **-909,144** |
| **VI.** | **Capital revaluation adjustment** | | **350,456** | **249,208** |
| **VII.** | **Retained net profit or loss** | | **333,334,448** | **298,744,421** |
| **VIII.** | **Net profit or loss for the financial year** | | **20,748,178** | **44,558,435** |
| **B.** | **Provisions and long-term accrued costs and deferred revenues** | **17** | **5,445,502** | **5,567,190** |
| **1.** | Provisions for pensions and similar obligations | | 4,701,399 | 4,451,955 |
| **2.** | Other provisions | | 2,513 | 2,573 |
| **3.** | Long-term accrued costs and deferred revenues | | 741,590 | 1,112,662 |
| **C.** | **Long-term liabilities** | **18** | **106,055,337** | **112,913,531** |
| **I.** | **Long-term financial liabilities** | | **103,930,662** | **110,724,352** |
| **1.** | Long-term financial liabilities to banks | | 103,748,073 | 110,335,878 |
| **2.** | Other long-term financial liabilities | | 26,811 | 32,399 |
| **3.** | Long-term financial liabilities from leases | | 155,778 | 356,075 |
| **a)** | Long-term financial liabilities from leases to other companies | | 155,778 | 356,075 |
| **II.** | **Long-term operating liabilities** | | **311,441** | **373,776** |
| **1.** | Other long-term operating liabilities | | 311,441 | 373,776 |
| **III.** | **Deferred tax liabilities** | **5** | **1,813,234** | **1,815,403** |
| **D.** | **Short-term liabilities** | **19** | **158,977,105** | **174,429,990** |
| **I.** | **Liabilities included in groups for disposal** | | **0** | **0** |
| **II.** | **Short-term financial liabilities** | | **59,749,848** | **74,535,290** |
| **1.** | Short-term financial liabilities to banks | | 54,543,640 | 69,602,866 |
| **2.** | Other short-term financial liabilities | | 4,999,229 | 4,600,398 |
| **3.** | Short-term financial liabilities from leases | | 206,979 | 332,026 |
| **a)** | Short-term financial liabilities from leases to other companies | | 206,979 | 332,026 |
| **III.** | **Short-term operating liabilities** | | **94,785,497** | **95,760,024** |
| **1.** | Short-term operating liabilities to suppliers | | 74,980,615 | 73,934,751 |
| **2.** | Short-term operating liabilities from advance payments | | 2,310,053 | 4,235,413 |
| **3.** | Short-term operating liabilities for income tax | | 490,145 | 1,017,229 |
| **4.** | Other short-term operating liabilities | | 17,004,684 | 16,572,631 |
| **IV.** | **Other short-term liabilities** | **20** | **4,441,760** | **4,134,676** |
| | **Total liabilities to sources of assets** | | **669,439,214** | **682,916,049** |

# CONSOLIDATED STATEMENT OF CHANGES IN CAPITAL IN 2024

**Table 48: Consolidated statement of changes in capital in 2024 in EUR**

| | Called-up capital | Non-controlling interest capital | Capital reserves | Revenue reserves | | | | | Reserves resulting from valuation at fair value | Capital revaluation adjustment | Retained net profit/loss | Net profit/loss for the current year | Total capital |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | I | II | III | IV | | | | | V | VI | VII | VIII | IX |
| | Share capital | Capital of the non-controlling share | Capital reserves | Legal reserves | Reserves for own shares and own business shares | Own shares and own business shares (deductible item) | Statutory reserves | Other revenue reserves | Reserves resulting from valuation at fair value | Capital revaluation adjustment | Retained net profit/loss | Net profit/loss for the current year | Total capital |
| **Balance at the end of the previous reporting period as of 31/12/2023** | **4,451,540** | **24,201,273** | **10,751,254** | **0** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-909,144** | **249,208** | **298,744,421** | **44,558,435** | **390,005,338** |
| Retroactive conversions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Opening balance of the reporting period as of 01/01/2024** | **4,451,540** | **24,201,273** | **10,751,254** | **0** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-909,144** | **249,208** | **298,744,421** | **44,558,435** | **390,005,338** |
| **Changes in equity – transactions with owners** | **0** | **-2,124,122** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **-9,846,590** | **0** | **-11,970,712** |
| Disbursement of dividends to others | 0 | -2,124,122 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -9,846,590 | 0 | -11,970,712 |
| Disbursement of dividends to associates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total comprehensive income for the reporting period** | **0** | **256,804** | **0** | **0** | **0** | **0** | **0** | **0** | **-179,586** | **101,248** | **0** | **20,748,178** | **20,926,644** |
| Entry of net profit/loss in the financial year | 0 | 153,699 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,748,178 | 20,901,877 |
| Change in reserves resulting from valuation of financial investments at fair value (interest rate swaps) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -15,270 | 0 | 0 | 0 | -15,270 |
| Gains and losses arising from the translation of financial statements of foreign operations (+ / −) | 0 | 103,106 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 101,248 | 0 | 0 | 204,354 |
| Actuarial gains/losses, recognised under provisions for retirement benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -167,675 | 0 | 0 | 0 | -167,675 |
| Other items of total comprehensive income in the financial year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,359 | 0 | 0 | 0 | 3,359 |
| **Changes in capital** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **121,818** | **0** | **44,436,617** | **-44,558,435** | **0** |
| Allocation of the remaining portion of the net profit to other capital components | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,558,435 | -44,558,435 | 0 |
| Other changes in capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 121,818 | 0 | -121,818 | 0 | 0 |
| **Closing balance of the reporting period as of 31/12/2024** | **4,451,540** | **22,333,955** | **10,751,254** | **0** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-966,912** | **350,456** | **333,334,448** | **20,748,178** | **398,961,270** |

# CONSOLIDATED STATEMENT OF CHANGES IN CAPITAL IN 2023

**Table 49: Consolidated statement of changes in capital in 2023 in EUR**

| | Called-up capital | Non-controlling of the non-controlling share | Capital reserves | Revenue reserves | | | | Reserves resulting from valuation at fair value | Capital revaluation adjustment | Retained net profit or loss | Net profit or loss for the financial year | Total capital |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | I | II | III | IV | | | | V | VI | VII | VIII | IX |
| | Share capital | Non-controlling of the non-controlling share | Capital reserves | Reserves for own shares and own business shares | Own shares and own business shares (deductible item) | Statutory reserves | Other reserves from profit | Reserves resulting from valuation at fair value | Capital revaluation adjustment | Retained net profit | Net profit for the current year | Total capital |
| **Balance at the end of the previous reporting period as of 31/12/2022** | **4,451,540** | **25,483,342** | **10,751,254** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-506,816** | **650,881** | **228,708,564** | **79,980,475** | **357,477,591** |
| Retroactive conversions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Opening balance of the reporting period as of 01/01/2023** | **4,451,540** | **25,483,342** | **10,751,254** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-506,816** | **650,881** | **228,708,564** | **79,980,475** | **357,477,591** |
| **Changes in equity – transactions with owners** | **0** | **-2,130,938** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **-9,846,590** | **0** | **-11,977,528** |
| Disbursement of dividends to others | 0 | -2,130,938 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -9,846,590 | 0 | -11,977,528 |
| **Total comprehensive income for the reporting period** | **0** | **848,869** | **0** | **0** | **0** | **0** | **0** | **-500,356** | **-401,673** | **0** | **44,558,435** | **44,505,275** |
| Entry of net profit/loss in the financial year | 0 | 880,558 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,558,435 | 45,438,993 |
| Change in reserves resulting from valuation of financial investments at fair value (interest rate swaps) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -131,843 | 0 | 0 | 0 | -131,843 |
| Gains and losses arising from the translation of financial statements of foreign operations (+ / −) | 0 | -31,689 | 0 | 0 | 0 | 0 | 0 | 0 | -401,673 | 0 | 0 | -433,362 |
| Actuarial gains/losses, recognised under provisions for retirement benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -393,105 | 0 | 0 | 0 | -393,105 |
| Other items of the total comprehensive income in the financial year (deferred taxes from interest rate swaps) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24,592 | 0 | 0 | 0 | 24,592 |
| **Changes in capital** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **98,028** | **0** | **79,882,447** | **-79,980,475** | **0** |
| Allocation of the remaining portion of the net profit to other capital components | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 79,980,475 | -79,980,475 | 0 |
| Other changes in capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 98,028 | 0 | -98,028 | 0 | 0 |
| **Closing balance of the reporting period as of 31/12/2023** | **4,451,540** | **24,201,273** | **10,751,254** | **506,406** | **-506,406** | **2,225,770** | **5,732,581** | **-909,144** | **249,208** | **298,744,421** | **44,558,435** | **390,005,338** |

# CONSOLIDATED CASH FLOW STATEMENT

**Table 50: Consolidated cash flow statement in EUR**

| Item | | | 2024 | 2023 |
|---|---|---|---|---|
| **A.** | | **Cash flows from operating activities** | | |
| | a) | Profit or loss statement items | 46,248,407 | 72,851,579 |
| | | Operating revenues (except for revaluation) and financial revenues from operating receivables | 933,423,648 | 883,027,793 |
| | | Operating expenses excluding depreciation (except for revaluation) and financial expenses from operating liabilities | -882,871,049 | -800,789,875 |
| | | Income tax and other taxes not included in operating expenses | -4,304,192 | -9,386,339 |
| | b) | Changes of net working assets (and accrued costs and deferred revenues, provisions and deferred tax receivables and liabilities) of the balance sheet operating items | -40,761,539 | 48,282,284 |
| | | Opening minus closing operating receivables | -11,052,277 | 16,163,533 |
| | | Opening minus closing deferred costs and accrued revenues | 318,652 | -330,122 |
| | | Opening minus closing deferred tax receivables | -227,449 | -85,808 |
| | | Opening minus closing assets (groups for disposal) for sale | 0 | 39,171 |
| | | Opening minus closing inventory | -30,048,988 | 26,295,252 |
| | | Closing minus opening operating debts | -829,107 | 4,459,439 |
| | | Closing minus opening accrued costs and deferred revenues and provisions | 1,079,799 | 1,748,813 |
| | | Closing minus opening deferred tax liabilities | -2,169 | -7,994 |
| | **c)** | **Net cash from operating activities or net outflows from operating activities (a + b)** | **5,486,868** | **121,133,863** |
| **B.** | | **Cash flows from investing activities** | | |
| | a) | Cash receipts from investing activities | 5,760,337 | 4,646,509 |
| | | Cash receipts from interest and participation in profit of others relating to investing activities | 502,179 | 392,274 |
| | | Cash receipts from the disposal of intangible assets | 0 | 0 |
| | | Cash receipts from the disposal of tangible fixed assets | 3,461,279 | 1,024,708 |
| | | Cash receipts from the disposal of investment property | 0 | 0 |
| | | Cash receipts from the disposal of long-term financial investments | 101,558 | 12,784 |
| | | Cash receipts from the disposal of short-term financial investments | 1,695,321 | 3,216,743 |
| | b) | Cash disbursements from investing activities | -31,336,399 | -27,316,740 |
| | | Cash disbursements for the acquisition of intangible assets | -494,153 | -431,883 |
| | | Cash disbursements for the acquisition of tangible fixed assets | -29,048,458 | -24,534,930 |
| | | Cash disbursements for the acquisition of investment property | 0 | 0 |
| | | Cash disbursements for the acquisition of long-term financial investments | -85,926 | -156,154 |
| | | Cash disbursements for the acquisition of investments in companies in the Group | 0 | 0 |
| | | Cash disbursements for the acquisition of short-term financial investments | -1,707,862 | -2,193,773 |
| | c) | Net cash from investment activities or net outflows from investment activities (a + b) | -25,576,062 | -22,670,231 |
| **C.** | | **Cash flows from financing activities** | | |
| | a) | Cash receipts from financing activities | 54,898,096 | 68,404,373 |
| | | Cash receipts from paid-in capital | 0 | 0 |
| | | Cash receipts from the increase of long-term financial liabilities | 49,992,863 | 64,991,530 |
| | | Cash receipts from the increase of short-term financial liabilities | 4,905,233 | 3,412,843 |
| | b) | Cash disbursements from financing activities | -95,133,757 | -134,705,154 |
| | | Cash disbursements for given interests from financing activities | -6,640,184 | -6,960,832 |
| | | Cash disbursements for the repayment of capital | 0 | 0 |
| | | Cash disbursements of long-term financial liabilities | -2,062,350 | -5,726,647 |
| | | Cash disbursements of short-term financial liabilities | -74,460,511 | -110,040,147 |
| | | Cash disbursements of dividends and other profit shares paid | -11,970,712 | -11,977,528 |
| | **c)** | **Net cash from financing activities or net outflows from financing activities (a + b)** | **-40,235,661** | **-66,300,781** |
| **D.** | | **Cash at the end of the period** | **43,163,894** | **103,488,748** |
| | **x)** | **Net cash flow in the period** | **-60,324,854** | **32,162,851** |
| | **y)** | **Opening balance of the cash** | **103,488,748** | **71,325,897** |

# NOTES TO THE FINANCIAL STATEMENTS

## PARENT COMPANY

In compliance with the Companies Act, Impol 2000, d. d., having its head office in Slovenska Bistrica, Partizanska 38, and being a large public limited company, is obliged to have its operations audited. The Company is classified under the activity code 70.100 – management of companies. The Company's share capital in the amount of EUR 4,451,540 EUR is divided into 1,066,767 ordinary registered no-par value shares that are not traded in the organised security market. The shares are owned by 815 shareholders (balance in the share register as of 31 December 2024).

The consolidated financial statements for the financial year that ended on 31 December 2024 are presented hereafter. The consolidated financial statements include Impol 2000, d. d. and its subsidiaries and participations in associated companies.

## INTRODUCTORY NOTE ON REPORTING STANDARDS

For the financial year 2015, the Impol Group for the first time prepared its financial statement in accordance with the International Financial Reporting Standards as they were adopted by the European Union. The transition to the first application of IFRS was presented in the 2015 annual report.

## STATEMENT OF COMPLIANCE WITH THE IFRS

The Board of Directors confirmed the financial statements and the consolidated financial statements on 24/04/2025.

The 2024 financial statements of Impol Group were drawn up in accordance with the International Financial Reporting Standards (IFRS), as they were adopted by the European Union, including the notes that were adopted by the International Financial Reporting Interpretations Committee (IFRIC) and that were also adopted by the European Union, and in accordance with the Slovenian Companies Act (ZGD-1).

On the financial statement date, there were no differences between the applied IFRS and the IFRS adopted by the European Union in accounting guidelines of the Impol Group as regards the process of confirming standards in the European Union.

The financial statements of the Impol Group have been drawn up on the basis of the going concern assumption. The applied accounting policies remain the same as in previous years.

**a) Amendment of existing accounting policies, introduction of new standards, and new notes applicable for the current accounting period**

The following amendments in the existing accounting standards, new standards, and new notes issued by the International Accounting Standards Board (IASB) and adopted by the European Union, apply for the current accounting period:

- **Amendments to IAS 1** – Presentation of Financial Statements – Classification of liabilities as current or non-current issued by IASB on 23 January 2020, and amendments to IAS 1 – Presentation of Financial Statements – Non-current liabilities with commitments issued by IASB on 31 October 2022. The amendments issued in January 2020 provide for a more general approach to the classification of liabilities under IAS 1 based on contractual arrangements in effect at the reporting date. The amendments issued in October 2022 clarify how the conditions to be met by an entity in the twelve months following the reporting period affect the classification of liabilities and provide that both amendments are to be applied for annual periods beginning on 1 January. 2024 or later.

- **Amendments to IAS 7** – Statement of cash flows and IFRS 7 – Financial instruments: disclosures – Supplier financial agreements issued by IASB on 25 May 2023. The amendments add disclosure requirements and guidance within existing disclosure requirements to provide qualitative and quantitative information about supplier financial arrangements. The amendments to the standard apply to annual periods beginning on or after 1 January 2024.

- **Amendments to IFRS 16** – Leases – Lease liability on sale and leaseback issued by IASB on 22 September 2022. The amendment to the standard contains a requirement that the seller-lessee determine the “lease payment” or “modified lease payment” so that the seller-lessee would not recognise a gain or loss related to the right-of-use retained by the seller-lessee. The new requirements do not preclude the seller-lessee from recognising in profit or loss in the statement of comprehensive income a gain or loss relating to the partial or full termination of the lease.

The adoption of these new standards, amendments to existing standards and notes did not result in significant changes or impacts on the financial statements of the Impol Group.

**b) Standards and amendments to existing standards issued by the International Accounting Standards Board and adopted by the European Union, but not yet applied**

The standards adopted by the European Union and notes, but not yet applied up to the date of the financial statements, are presented hereafter. The Impol Group intends to take these standards and notes into account in drawing up financial statements. Upon the statements entering into force, the Group did not adopt any of the standards indicated below before their application.

- **Amendments to IAS 21** – Effects of changes in exchange rates – Lack of currency convertibility issued by IASB on 15 August 2023. The amendments to the standard apply to annual periods beginning on or after 1 January 2025 and address the lack of currency convertibility. The amendments provide guidance on determining when a currency is convertible and how to determine an exchange rate when a currency is not convertible.

The Impol Group decided that it shall not adopt materials or apply these standards, adjustments or notes before they come into effect. The Group assumes that the introduction of these new standards and amendments in the initial phase of application shall not significantly affect its financial statements.

**c) New standards, standard amendments and notes not yet adopted by the European Union**

Currently, the International Financial Reporting Standards as they were adopted by the European Union, do not differ significantly from the regulations adopted by the International Accounting Standards Board, with the exception of the following new standards, amendments of existing standards and new notes which were not yet confirmed for application in the European Union when the financial statements for the 2024 financial year were being drawn up/approved1:

- **Amendments to IFRS 10** – Consolidated financial statements and IAS 28 – Investments in associates and joint ventures - Sale or contribution of assets between the investor and its associate or joint venture. The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between investors and their associated company or joint venture. The main consequence of the amendments is for the company to recognise the entire profit or loss amount if the transaction includes business operations (regardless of the fact whether they are located in a subsidiary or not). For transactions with assets that do not represent operations, only part of the profit or loss is recognised even if the assets are located in a subsidiary. The EU has not yet approved the amendments/changes to the standard.

- **Amendments to IFRS 14** – Statutory deferred payment of invoices: The amendment to the standard applies to annual periods beginning on or after 1 January 2016. The European Commission has decided that it will not start the process of confirming this intermediate standard and that it will wait for the release of its final version. The objective of the standard is to enable companies that apply IFRS for the first time and that currently recognise statutory deferred payment of invoices in accordance with previous SSRNs to continue such recognition upon transition to IFRS. The EU has not yet approved the amendments/changes to the standard.

- **Amendments to IFRS 9 and IFRS 7** – Changes in the classification and measurement of financial instruments issued by IASB on 30 May 2024. The amendments clarify the classification of financial assets that have characteristics related to environmental, social and governance (ESG) aspects. The amendments also clarify the date of derecognition of a financial asset or financial liability and introduce additional disclosure requirements in respect of investments in equity instruments that are designated as measured at fair value through other comprehensive income and in respect of financial instruments with contingent characteristics.

- **Amendments to IFRS 9 and IFRS 7** – Nature-dependent electricity contracts issued by IASB on 18 December 2024. Requirements regarding one's own use in IFRS 9 are amended to include the factors that an entity shall consider when applying IFRS 9 to contracts for the purchase and delivery of electricity from renewable sources the production of which is dependent on nature. The requirements regarding the calculation of risk security in IFRS 9 are changed to allow a company that uses a nature dependent electricity contract from renewable sources with certain characteristics as a risk protection instrument to determine the variable range of planned electricity transactions as a protected item, if they are met, the scale as used for an instrument for risk protection. The amendments to IFRS 7 and IFRS 9 introduce disclosure requirements for electricity contracts that are nature-dependent and have certain characteristics.

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7** – Annual improvements to IFRS accounting standards - Volume 11 issued by IASB on 18 July 2024. They include clarifications, simplifications, corrections and amendments in the following areas: (a) calculation of risk security for first-time adopters of IFRSs (IFRS 1), (b) gain or loss on derecognition (IFRS 7), (c) disclosure of the deferred difference between fair value and transaction price (IFRS 7), (d) initial and credit risk disclosures (IFRS 7), (e) lessee derecognition of the lease liability (IFRS 9), (f) transaction price (IFRS 9), (g) determination of the "de facto agent" (IFRS 10), (h) cost method (IFRS 7).

- **Standard IFRS 18** – Presentation and disclosures in financial statement issued by IASB on 9 April 2024 will replace IAS 1 – Presentation of Financial Statements. The standard introduces three sets of new requirements to improve the reporting of companies' financial performance and gives investors a better basis for analysing and comparing companies. The main changes in the new standard compared to IAS 1 include: (a) the introduction of categories (business, investment, financing, income tax and discontinued operations) and the inclusion of interim totals in the profit or loss account, (b) the introduction of requirements for the improvement of consolidation and breakdown, (c) the introduction of disclosures on performance criteria set by management in the notes to the financial statements.

- **Standard IFRS 19** – Subsidiaries with no public liability: disclosures issued by IASB on 9 May 2024. The standard reduces the disclosure requirements for subsidiaries when applying IFRS accounting standards in financial statements. IFRS 19 is optional for subsidiaries that meet certain conditions, and set out the requirements for disclosure for subsidiaries that decide to use it.

The Impol Group estimates a possible impact of these amendments on its consolidated financial statements. Regardless of the above, the Group assumes that the introduction of these new standards and amendments in the initial phase of application shall not significantly affect its financial statements.

[1] The specified dates of entry into force apply for IFRS as issued by the International Accounting Standards Board.

## BASIS AND ESTIMATES FOR PREPARING FINANCIAL STATEMENTS

The financial statements of the Impol Group and financial statements of Impol 2000, d. d. were drawn up taking into consideration the historical cost, except Impol Group in case of derivatives.

In accordance with the legislation, Impol 2000, d. d. shall ensure independent auditing of these financial statements.

The consolidated financial statements are presented in EUR (without cents), and EUR is also the functional currency of the Group.

## SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires the management of the controlling company to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities of the Group as well as the reported income and expenses. Estimates and assumptions are based on previous experiences and many other factors which are considered in given circumstances as justified and based on which we can determine the carrying amount of assets and liabilities that are not clearly evident from other sources. Actual results can differ from these estimates. Estimates and assumptions have to be regularly reviewed. Revisions to accounting estimates are only recognised in the period in which the estimate was revised, if the revisions only applies to this period, or for the period of revision and future years, if the revision affects the current as well as future years.

**Estimates and assumptions are mostly present in the following estimates:**

- **Estimate of useful life of depreciable assets**

For estimating the useful life of assets, the Group considers the expected physical wear, technical ageing, economical ageing, and the expected legal and other restrictions of use. The Company annually reviews the useful life of more significant assets. If the expected pattern of using future economic gains based on depreciable assets changes significantly, the depreciation method shall also change to meet the changes of the pattern. These changes are regarded as changes in accounting estimates.

- **Impairment testing of assets**

Impairment testing of assets is performed by the Group to ensure that the carrying amount does not exceed the recoverable amount. On every reporting date, the management estimates if there are any signs of impairment. Critical estimates were used for the following assessments of value:

- Investment property (Note 9),
- Goodwill (Note 6),
- Investments in associated companies (Note 10),
- Financial receivables (Notes 13 and 10),
- Estimate of fair value of assets (see point “Carrying amounts and fair values of financial instruments”).

Fair value is used in case of financial assets measured by fair value through profit or loss, and in case of derivatives. All other items in financial statements represent the purchase or the amortised value. All assets and liabilities that are measured by fair value in financial statements are classified in a hierarchy of fair value based on the lowest level of inputs that are important for measuring the total fair value:

- level one includes quoted prices (unadjusted) on functioning markets for the same assets and liabilities,
- level two includes inputs that besides quoted prices from level one are also noted directly (i.e. prices) or indirectly (i.e. derived from prices) as assets or liabilities,
- level three includes inputs for the asset or liability not based on observable market data.

Quoted prices are applied as the basis for determination of the fair value of financial instruments.
If a financial instrument is placed on an organised market or if the market is estimated as not functioning, inputs from levels two and three are used for determining the fair value.

- **Estimate of fair value of financial assets measured at fair value through profit or loss**

Profit or loss from financial instruments measured at fair value through profit or loss is classified under the profit or loss statement.

Capital investments in associated companies are calculated according to the capital method and investments in other companies at cost.

- **Estimate of the recoverable amount of receivables and assessment of expected credit losses in business receivables**

At least once annually, namely before preparing the annual statement of account, the suitability of recognised amounts of individual claims is assessed. Claims that are not settled within the agreed period are recognised as ‘doubtful’ and ‘at issue’, and a correction of their value is recognised to debit of the re-evaluated operating charges, and usually legal proceedings are brought about (lawsuit or enforcement).

- **Estimate of the possibility of utilising deferred tax assets and tax liabilities**

The Impol Group forms deferred tax assets for provisions for jubilee and retirement benefits, impairments of financial investments, impairment of claims, and tax losses. Deferred tax liabilities are formed as temporary deductible differences between the carrying value and the tax value of fixed assets.

At the end of a financial year, the amount of the stated deferred tax assets and tax liabilities is estimated. Deferred tax assets are recognised in case of a probable available future profit against which the deferred tax assets can be utilised.

- **Estimate of formed provisions**

Within the requirements regarding certain post-employment and other benefits, the present value of retirement and jubilee benefits is recorded. They are recognised based on the actuarial assessment. The actuarial assessment is based on the assumptions and estimates valid at the time of the assessment and can differ from actual assumptions in the future due to certain changes (discount levels, assessment of turnover of staff, assessment of mortality, and assessment of wage growth).

The Group had no other provisioning.

## SUMMARY OF RELEVANT INFORMATION ABOUT ACCOUNTING POLICIES

When presenting and valuing items in the consolidated financial statements, the Impol Group takes into account the requirements of the applicable accounting framework. In cases where the accounting standards allow for a choice, the accounting policies listed below are taken into account when displaying and valuing the items.

### Transactions in foreign currency

Transactions in foreign currencies are converted to the respective functional currencies of entities in the Impol Group at exchange rates at the dates of the transactions. Cash and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the prevailing exchange rate at that date. Positive or negative foreign currency differences are differences between the amortised cost in the functional currency at the beginning of the period, adjusted by the amount of effective interest and payments during the period, and the amortised cost in foreign currency converted at the exchange rate at the end of the period. Non-cash assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date when the fair value was determined. Non-cash items measured at historical costs in foreign currency are translated into the functional currency by applying the exchange rate valid at the date of the transaction. Foreign currency differences are recognised in profit or loss, under financial revenues or financial expenses.

### Financial statements of companies in the Group

The consolidated financial statements are presented in EUR. Items of every company in the Group that are included in the financial statements are converted into the reporting currency for the purpose of the consolidated financial statements as follows:
- Assets and liabilities in the financial statement are converted according to ECB exchange rates on the date of reporting.

For converting the financial statement from national currencies into EUR, the following reference ECB exchange rates were used.

**Table 51: Reference ECB exchange rates for converting financial statement items**

| Currency | 31/12/2024 |
|---|---|
| USD | 1.0389 |
| HUF | 411.35 |
| RSD | 116.96 |

For converting balance sheet items from national currencies into EUR, the following exchange rates were used.

**Table 52: Exchange rates for converting profit or loss**

| | Average annual exchange rate in 2024 |
|---|---|
| USD | 1.0824 |
| HUF | 395.30 |
| RSD | 117.02 |

Currency differences are recognised under other comprehensive income and reported under the item exchange differences in capital. If a foreign entity is disposed of in a way that there is no longer a controlling or significant influence, the corresponding cumulative amount in the exchange difference in capital is translated into gains and losses on disposal.
If the Group disposes of only part of its share in a subsidiary that includes a foreign company, while maintaining a controlling influence, the corresponding share of the cumulative amount is reclassified as non-controlling share. If the Group disposes of only part of its investment in a subsidiary of joint venture that includes a foreign company, while maintaining a controlling influence, the corresponding share of the cumulative amount is reclassified as profit or loss-

## Subsidiaries

Subsidiaries are entities controlled by the parent company Impol 2000, d. d. Control exists when the controlling company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of subsidiaries are harmonised with the accounting policies of Impol 2000, d. d.

After loss of control, the Group recognises assets and liabilities of the subsidiary, non-controlling shares and other components of capital in connection with the subsidiary. Any surpluses or deficits that arise at the loss of control are recognised in profit or loss. If the Group retains a share in a previous subsidiary, this share is measured at fair value at the date of the loss of control. Later, this share is recognised in capital as an investment in a subsidiary (using the equity method) or as available-for-sale financial assets, depending on the level of control. Investments in subsidiaries are measured at cost. Costs, which can be connected with purchasing a subsidiary, increase the value at cost of the capital investment. Sharing in profit of the subsidiary is recognised in profit or loss after the subsidiary acquires the right to profit-sharing. Consolidated financial statements do not include revenue/expenditure and loss based on transaction within the Group.

More on this in the section presenting the parent company Impol 2000, d. d., and the Impol Group.

## Investment in associated companies

Associates are entities where the Impol Group has a significant influence but does not control their financial and business policies. A significant influence exists if an entity owns 20 to 50 percent of voting rights in another entity.

Investments in associated companies are recognised in individual statements at cost and in consolidated statements using the equity method. Consolidated financial statements include the share of the entity in profit or loss, using the equity method, from the date of the beginning ant until the date of the end of the significant influence. Accounting policies of subsidiaries are harmonised with the accounting policies of Impol 2000, d. d.

If the share of the company in the loss of the associate is bigger than its share, the carrying amount of the share in the associate is reduced to zero, and it is no longer recognised in future losses. Costs that can be connected with the purchase increase the value at cost of the capital investment.

More on this in the section presenting the parent company Impol 2000, d. d., and the Impol Group.

## Intangible assets

Intangible assets include:
- Investments in licences and other long-term property rights (IT, software);
- Goodwill;
- Long-term deferred development costs.

At initial recognition, intangible assets are valued at cost. The carrying amount of intangible assets with a finite useful life is reduced with depreciation. Later expenditure in connection with intangible assets are only capitalised if they increase future economic gain. All other costs are recognised in profit or loss as expenditure at the moment they arise.

Among intangible assets with a finite useful life, the Group recognises software and licences. For the acquired software, the value at cost also includes the costs of acquisition and training for use, and for material rights, only the costs of acquisition. Within the whole useful life of individual intangible assets, the Company consistently allocates its depreciable amount to individual financial periods as the current depreciation.

Depreciation is calculated using the straight-line method, while considering the useful life of the intangible asset. Depreciation starts at the value of cost, after the asset is made available for use. Depreciation methods, useful life and other values are reviewed and, when necessary, adjusted at the end of every financial year.

Depreciation rates based on the estimated useful life of individual types of intangible fixed assets.

**Table 53: Depreciation rates used for intangible fixed assets**

| **Depreciation rates used in the Group** | Depreciation rate in % | |
|---|---|---|
| | Lowest | Highest |
| **Intangible assets** | | |
| **Software** | 10.00% | 50.00% |
| **Intangible investments** | 10.00% | 10.00% |
| **Long-term deferred development costs** | 20.00% | 33.33% |

Goodwill, which occurred at consolidation, represents the excess of the cost of an acquisition over the entity's share in fair value of the acquired identifiable assets, liabilities and contingent liabilities of subsidiaries at the date of acquisition. Negative goodwill is recognised immediately in the consolidated profit or loss account. Goodwill is considered as an asset with a finite useful life and is tested at least once a year regarding possible impairment. Every impairment is recognised immediately in the consolidated profit or loss account and is not removed later. At a disposal of a subsidiary, the corresponding amount of goodwill is included in profit or loss.

Long-term deferred development costs are recognised as intangible assets, if the following can be proven:

a) the feasibility of the completion of the project so that is available for use;
b) intention to finish the project and use it;
c) likelihood of economic benefits of the project;
d) availability of technical, financial and other factors for completing the devel opment and using the project;
e) ability to reliably measure the costs attributed to the intangible assets during its development.

When calculating the accumulated profit the long-term deferred development costs on the balance-sheet cut-off date are taken into consideration so as to reduce the accumulated profit.

Among intangible assets, the Impol Group also shows emission allowances related to greenhouse gas emissions ($CO_2$ allowances). The Group acknowledges the receipt and use of emission allowances as follows:

- rights from emission allowances granted by the State (the Ministry of the Environment and Spatial Planning and the Slovenian Environment Agency) are shown in the statement of financial position in the amount of EUR 1 for one emission allowance;
- purchases of emission allowances on the market are recorded as long-term intangible assets at cost if they cover actual emissions that will occur in future periods;
- purchases of emission allowances are recognised directly among expenses when the estimated level of actual emissions exceeds the number of emission rights which have been either allocated to or purchased by the Company to cover actual emissions;
- If, at the end of the year, the market value of emission allowances is lower than their carrying amount, the relevant impairment is recognised.

On the balance sheet date, the Impol Group first uses all emission allowances obtained from the State; in the event of a deficit, it uses the allowances bought on the market.

## Tangible fixed assets

Tangible fixed assets (property, plant and equipment) are shown according to the cost model. At initial recognition, they are measured at cost, reduced by depreciation and impairment loss, except land, which is not subject to depreciation and are recognised at cost, reduced by all impairments. Cost includes expenses which may be directly attributed to the acquisition of an individual asset.

Important parts of tangible fixed assets with different useful lives are calculated as individual tangible fixed assets.
Borrowing costs that are directly connected with purchasing, building or creating an asset in acquisition are recognised within the value at cost of this asset.

Value at cost of assets created in the Group includes material costs, direct costs of labour, indirect production costs, and (if required) the initial assessment of costs of decommissioning, removal and restoring the site where the asset is held. Immovable property that was built for future use as investment property is considered as a tangible fixed asset and is recognised at cost at the date of completion of construction when immovable property becomes investment immovable property.

The positive or negative difference between the net sales value and the carrying amount of the disposed asset is recognised in the statement of profit or loss. The costs of replacing a part of a tangible fixed asset are recognised at the carrying amount of this asset, if it is probable that future economic gains of this part of the asset will flow into the Group and if the value at cost can be reliably measured.

All other costs (repairs, maintenance) for maintenance or renovation of future economic benefits are recognized in the statement of profit or loss as expensed, the moment they arise. Depreciation is calculated using the straight-line method, considering the useful life of individual tangible fixed assets and the residual value, while residual value is only determined for significant assets. Land is not subject to depreciation. Depreciation starts after the asset is made available for use.

Depreciation rates based on the estimated useful life of individual types of tangible fixed assets.

**Table 54: Depreciation rates used for tangible fixed assets**

| Depreciation rates used in the Impol Group | Depreciation rate in % | |
|---|---|---|
| | Lowest | Highest |
| **Tangible fixed assets** | | |
| **Immovable property:** | | |
| **Buildings** | 1.30% | 3.00% |
| **Other constructions** | 1.30% | 2.50% |
| **Equipment:** | | |
| **Production equipment** | 1.93% | 33.33% |
| **Other equipment** | 5.00% | 33.33% |
| **Computer equipment** | 50.00% | 50.00% |
| **Motor vehicles:** | | |
| **Transport vehicles** | 6.20% | 20.00% |
| **personal vehicles** | 12.50% | 15.50% |
| **Other tangible fixed assets** | 10.00% | 10.00% |
| **Investment property (cost model)** | 1.30% | 3.00% |

## Assets under lease

When signing a contract, it must be determined whether said contract includes lease pursuant to IFRS 16. According to this standard, a contract is a lease contract if it grants the right to use a certain asset for a certain period of time in return for payment.

For these types of contracts, the IFRS 16 standard specifies that at the beginning of the lease the lessee must recognise the right to use the asset (asset under lease) and the liability from the lease. The right to use the asset is amortised and interests are attributed to liabilities.

The asset with the right to use is recognised on the date of commencement of the lease, i.e. when the asset is available for use. The initial measurement of the asset encompasses the amount of the initial measurement of lease obligation (discounted current value of lease that has not yet been paid on that date), and the payment of leases that have been effectuated on the day of commencement of the lease or before, minus any received lease incentives and estimates of potential costs that will occur within the Company with the removal of the asset.

The assets are then measured according to their cost, minus the accumulated depreciation and losses due to impairment, and are then adapted for each consecutive measurement of lease obligation. The asset is depreciated from the beginning of the lease until the end of its useful life, or until the end of the duration of the lease, if this period is shorter than its useful life. If the contract is concluded for an undefined period or if it is automatically extended every year, the expected depreciation periods for each individual group of assets are used.

Signs of impairment are verified annually; in this case, the replaceable value of these assets must be determined. In the event of impairment, it must be recognised in the profit or loss statement pursuant to IAS 36.

The Impol Group excludes from the right to use assets leases that last no longer than 12 months (short-term leases) and do not have the option to purchase, and leases where the leased asset is of small value. This takes into account the value of the asset when it is new.

## Investment property

Investment property is property that is owned with the intention to collect rent (land, buildings or parts of buildings or both). They are recognised at cost, reduced by depreciation and impairment loss. Depreciation is calculated using the straight-line method, while considering the useful life of the investment property. Depreciation rates are between 1.3 and 3 percent.

For reporting and disclosure in annual statements fair value of investment property is valued using the cash flow capitalisation method, where cash flow mostly consists of rent received from renting investment property. Investment property that is rented within the Group is reclassified as tangible fixed assets, except in cases where ancillary services are so insignificant that the property does not meet the reclassification criteria.

## Financial instruments

Financial instruments include:
- Non-derivative financial assets;
- Non-derivative financial liabilities;
- Derivative financial instruments.

At initial recognition, financial instruments are recognised at fair value. Fair value is the amount at which an asset can be sold or a liability exchanged between knowledgeable, willing parties in an arm's length transaction. After the initial recognition, they are measured according to value as described hereafter.

Determination of the fair value of financial instruments takes into account the following hierarchy of determination levels:

- level one includes quoted prices (unadjusted) on functioning markets for the same assets and liabilities,

- level two includes inputs that besides quoted prices from level one are also noted directly (i.e. prices) or indirectly (i.e. derived from prices) as assets or liabilities,
- level three includes inputs for the asset or liability not based on observable market data.

Quoted prices are applied as the basis for determination of the fair value of financial instruments. If a financial instrument is placed on an organised market or if the market is estimated as not functioning, inputs from levels two and three are used for determining the fair value.

## Non-derivative financial assets

Non-derivative financial assets include cash and cash equivalents, claims and loans, and investments. Pursuant to the IFRS 9, the aforementioned assets can be divided into the following three groups:

- financial assets at fair value through profit or loss;
- financial assets measured at amortised value;
- financial assets at fair value through other comprehensive income.

The basis for the aforementioned division is represented by the business models, in the framework of which each individual financial asset is managed, as well as its contractual cash flows. Pursuant to IFRS 9, classifying and measuring financial assets in the financial statements is defined according to the chosen business model, in the framework of which financial assets are managed, and the characteristics of their contractual cash flows. Upon initial recognition, each of the financial assets is classified into one of the following business models:

- model with the purpose of acquiring contractual cash flows (measurement at amortised value),
- model with the purpose of selling and acquiring contractual cash flows (measurement at fair value through comprehensive income statement),
- other models (measurement at fair value through the profit or loss statement).

## Financial assets at fair value through profit or loss

The financial assets measured at fair value through the profit or loss statement are initially measured at fair value, while transaction costs are indicated in the profit or loss statement upon purchase. Financial instruments are classified in this group, which are intended for trading, and financial instruments measured by the Impol Group at fair value. Profit or loss arising from these financial instruments are classified into the profit or loss statement. Dividends from financial instruments classified in this group are recognised as financial revenues in the profit or loss statement.

## Financial assets measured at amortised value

Financial assets measured at amortised value are measured at amortised cost using the effective interest rate. They are shown in the amount of outstanding capital, increased for the amount of outstanding interest and compensation, and decreased for the amount of impairment.

## Financial assets at fair value through other comprehensive income

Financial assets owned for trading, and financial assets measured at fair value through other comprehensive income, are measured at fair value after initial recognition. The fair value is based on the published market price on the reporting date which represents the best offer or, if unavailable, closing offer.

## Loans and receivables

Loans and receivables are non-derivative financial assets that are not quoted in an active market. They are included in short-term assets, except with maturity longer than 12 months after the date of the financial statement, in which case they are classified as long-term assets. In the financial situation statement, loans and receivables are reported under business, financial and other receivables at amortised cost, considering the current interest rate.

In addition to the above groups of financial assets, individual separate financial statements of companies in the Impol Group also show investments in subsidiaries and affiliated companies, which are valued at cost in accordance with the IFRS 27 standard. In the consolidated financial statements, investments in subsidiaries are excluded and investments in associates are accounted for using the equity method.

## Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits under three months and other short-term highly liquid investments with original maturity of three months or less. They are disclosed at cost. Overdrafts are included under short-term financial liabilities.

## Non-derivative financial liabilities

Non-derivative financial liabilities include business, financial and other liabilities. Financial liabilities are initially recognised at fair value, increased by costs directly attributable to the transaction. After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities are classified under long-term liabilities, except with maturity shorter that 12 months after the date of the consolidated statement of financial position, Such liabilities are classified as short-term liabilities.

## Derivative financial instruments

Derivative financial instruments are initially recognised at fair value. Costs connected with the transaction are recognised in profit or loss after they arise. After initial recognition, derivative financial instruments are measured at fair value, while changes are recognised as described hereafter.

When a derivative financial instrument is used as a hedge against the risk of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss, the effective part of changes in fair value of derivative financial instruments is recognised under the comprehensive income of the period and disclosed under the revaluation surplus/reserves resulting from valuation at fair value. The ineffective part of changes in fair value of the derivative financial instrument is recognised directly in profit or loss. The Impol Group usually stops using the instrument as a hedge against the risk of exposure to variability in cash flows if the financial instrument no longer meets the criteria for hedging or if the financial instrument is sold, terminated or exercised. The accumulated profit or loss recognised under other comprehensive income remains recognised under the revaluation surplus, until the forecast transaction does not affect profit or loss. If the forecast transaction can no longer be expected, the amount in other comprehensive income has to be recognised directly in profit or loss. In other cases, the amount recognised under other comprehensive income is transferred to profit or loss of the same period in which the hedged item affects profit or loss.

The effects of other derivative financial instruments that are not used as a hedge against the risk of exposure to variability in cash flows or that cannot be attributed to individual risks in connection with a recognised asset or liability are recognised in profit or loss.

The Impol Group uses the following derivative financial instruments:

- future transactions (forwards)

Effective management of the whole raw material field of the Impol Group is focused on two areas: currency risk management and management of risks regarding changes in aluminium prices. Both areas are closely linked and are managed by the Group with forwards and futures.

In case of aluminium raw materials or hedging of LME risks, the Impol Group follow the principle that profit or loss from a forward is recognised in profit or loss at liquidation or after settling individual forwards on the LME on the day of maturity, which is usually the same as the period of the realisation of the sale transaction on the physical market, or after realising the actual processing margin, which is the subject of hedging. In the presented manner, possible fluctuations in the achieved processing margin of sales on the physical market due to changes in prices of aluminium raw material at the time of sale, which are used as the base for determining the sales price (LME + sales premium), are balanced or neutralised by the effects of the realised forward, both being recognised in profit or loss of the same period. With this principle, the Impol Group provides profitability, which mostly depends on the difference between the purchase premium and the achieved sales premium and not on the fluctuations of aluminium prices. Profit or loss from these forwards is recognised in profit or loss under other financial income and revenue.

Currency risk management through forward currency contracts is also directly connected with managing aluminium prices and fluctuations of LME prices of aluminium. The Group purchases aluminium in US dollars and realises most of its sales in EUR. Purchasing and selling in different currencies leads to inconsistencies between purchase and sales prices, which is harmonised by the Group by using futures (forwards). Profit or loss from forward currency transactions is recognised in profit or loss under other financial income and revenue.
Futures (forwards) include fair value of open transactions on the date of the statement of financial position, which is determined based on publicly available information on the value of futures on the organised market on the date of reporting for all open transactions.

- interest rate swaps

Interests of received loans bear the interest rate change risk, against which the Impol Group uses interest rate swaps. Interest rate swaps value the fair value of open swaps on the date of the financial situation with discounting of future cash flows in connection with variable interest (receipt of interest from swaps) and fixed interest (payment of interest from swaps). When interest rate swaps are defined as a safety instrument against the variability of cash flows of recognised assets or liabilities or the intended transaction, profit or loss resulting from the instrument that is defined as a successful safety against risk is recognised directly under other comprehensive income and item reserves from fair value measurement in the financial statement. Profit or loss resulting from the instrument that is defined as unsuccessful is recognised in profit or loss under other financial expenditure. In 2024, the Impol Group completed all active transactions in connection with the replacement of interest rates, so that on 31 December 2024, such derivatives no longer possess.

## Inventories

The Group follows the following inventories:
- inventory of raw materials;
- inventory of materials;
- inventory of incomplete production;
- inventory of finished goods and merchandise.

Inventories are measured at the lower of cost and net recoverable value. Net recoverable value is the estimated selling price at the reporting date less sales expenses and other possible administrative expenses, which are usually connected with the sale.

Inventories of materials and merchandise are valued at cost including the purchase price, import duties and other non-refundable purchase taxes, and the direct costs of purchase. The FIFO method is used for valuing inventories of merchandise and measuring use.

Inventories of incomplete production are valued at cost of production depending on the percentage of completion.

In consolidation, unrealised profit or loss in inventories purchased within the Group are excluded by reducing the corresponding part of inventories and increasing operational expenditure.

The calculation of profit is performed based on the achieved EBIT margin of the financial year.

Impairment of inventories is described in detail under in chapter on impairment

## CAPITAL

Capital is an obligation towards the owners which falls due if the Company ceases to operates, whereby the size of the capital is adjusted considering the price of net wealth attainable at that point. Equity is defined with sums that have been invested by owners, and sums that arose during the course of the business operations of the company and which belong to the owners.

Total equity consists of share capital, non-controlling interest capital, capital reserves, profit reserves, net profit carried over from previous years, reserves from fair value measurement, translation reserve, and temporarily undistributed net profit of the financial year. Own shares, for which the corresponding profit reserves are created, represent a deductible capital item. Group equity is reported separately for the controlling owner and non-controlling interests.

### Called-up capital

Called-up capital of the controlling company is present as share capital, which is nominally defined in the statute of the parent company registered with the court and paid-in by the company's owners.

As of 31/12/2024, the share capital of the controlling company Impol 2000, d. d., amounts to EUR 4,451,540 and is divided into 1,066,767 ordinary no-par value shares. Dividends are paid in accordance with the decisions of the General Meeting.

### Capital reserves

Capital reserves of the Group include all amounts of payments that exceed the lowest emission amounts of shares, and the amounts based on eliminating the general revaluation adjustment.

Capital reserves of the parent company Impol 2000, d. d. include paid-in capital surplus and the general revaluation adjustment.

### Own shares

If the controlling company or its subsidiaries buy shares of the controlling company, the paid amounts, including transaction costs and excluding taxes, are deducted from the total capital as own shares, until these shares are cancelled, reissued or sold. If own shares are reissued or sold, all the received payments excluding transaction costs and connected tax effects are included in capital reserves.

### Statutory reserves

Statutory reserves of the controlling company are formed based on the statute of the company in the amount of 15 percent of net profit of the financial year. They are set aside in the amount of ½ of the parent company's share capital.

### Reserves resulting from valuation at fair value and capital revaluation adjustment

Reserves resulting from valuation at fair value, include actuarial gains or losses based on provisions for retirement allowances and the effects of fair value changes of derivative financial instruments that are classified as hedging instruments (currency swaps). Capital revaluation adjustment includes the effects based on revaluations of financial statements of foreign companies.

### Provisions and long-term accrued costs and deferred revenues

Provisions are formed for a present obligation as a result of a past event and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

### Provisions for severance pays and long-service bonuses

In accordance with legal requirements and its internal rules, the Impol Group is bound to pay jubilee and retirement benefits to its employees, for which it formed long-term provisions. There are no other retirement obligations. Provisions are formed in the amount of the expected future payments of jubilee and retirement benefits discounted on the date of the statement of financial position. Calculations are made for individual employees by including the costs of all expected retirement and jubilee benefits.

Actuarial calculation is based on assumptions and assessments applicable at the time of the calculation that due to changes in the following year may differ from actual assumptions that will apply at that time. This mainly refers to discount rates, employee fluctuation estimates, mortality rates and wage growth estimates.

### Financial liabilities from leases

Financial liabilities from leases are recognised on the commencement date of the lease of asset. On the commencement date of lease, the lease liability is measured at current value of lease still due. These leases are discounted. At a later measurement of the financial liability from leases, it is increased for the value reflecting liability interests from lease, and reduced for the value of leases paid. In the event of an amendment of the lease conditions, the current value is measured again on the basis of revaluation of future leases or an amendment of lease (duration or price).

After the commencement date of lease, financial liabilities from leases are measured again using the new discount rate, if the duration of lease or the value of future leases have changed.

In the event of lease termination or reduction the profit or loss connected to partial or full termination of lease are recognised in the profit or loss statement.

Liabilities from lease are disclosed as a long-term liability, with the exception of liabilities that will be settled in a 12-month period and that are disclosed in the financial statement as short-term liabilities from lease.

## Long-term accrued costs and deferred revenues

Long-term accrued costs and deferred revenues refer to received non-returnable funds for co-financing the purchase of equipment for improving the working conditions for the disabled. Grants related to assets are recognised as income in the statement of comprehensive income and in the useful life of the asset.

Among long-term accrued costs and deferred revenues, all types of state support are also shown as deferred revenues. State subsidies are recognised at fair value, but only when there is an acceptable assurance that the Impol Group will fulfil the conditions related to them and receive the subsidies. Government subsidies are recognised as revenue in the periods in which they are matched with the relevant costs that they are supposed to compensate. If the state support relates to a specific asset, it is recognised as deferred revenues, which the Impol Group recognises in the income statement proportionately over the period of the expected useful life.

## IMPAIRMENTS

## Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows from that asset.

A financial asset is impaired if its carrying amount is higher than the estimated replacement value. The financial asset is revalued if there is an objective evidence of impairment. The replacement value represents the current value of the estimated future cash flows discounted at the original effective interest rate of this instrument. The impairment is recognised in the profit or loss statement.

A financial investment is assessed at each reporting date by the accounting department to determine its suitability. If a financial investment is losing value (e.g. due to unsuccessful operations of the entity where the company has its equity participation, insufficient solvency etc.), it mus be determined what kind of corrections have to be made to the initially recognised value of cost and debited to revaluation financial expenditures. The responsible person also has to order a partial or total cancellation of the financial investment as soon as reasons for this occur.

## Impairment of receivables and loans granted

Impairments of receivables are formed based on the assessment of recoverability time analysis. Here, in accordance with the provisions of IFRS 9, the impairment of receivables is formed on the basis of expected losses in relation to the risk that the receivables would not be repaid, taking into account historical, current and forward-looking information on repayments.
If it is estimated that when the accounting value of the receivable exceeds its fair value (i.e. the recoverable value), the receivable is impaired. Receivables that are assessed not to be collected within the regular deadline or in the whole amount are considered as doubtful. If proceedings were already brought before the court, receivables are considered as disputed. Impairment of loans granted is assessed for every individual loan. Impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. All impairment losses are recognised in profit or loss.

When it comes to financial assets measured at fair value through other comprehensive income, the latter are measured according to their cost upon initial recognition, and are then increased for the costs of the business transaction arising from the purchase of said financial asset. Profit or loss arising from these financial instruments are never classified into the profit or loss statement.

When it comes to impairment of financial assets measured at amortised value, the amount of loss is measured as the difference between the carrying amount of a financial investment and the current value of expected future cash flows, discounted according to the initial effective interest rate. The value of said loss is recognised in the profit or loss statement. Should the grounds for the impairment of the financial investment cease to exist, the reversal of the impairment of the financial asset, which is stated at amortised cost, is recognised in the profit or loss statement.

In the event of financial assets measured at fair value through the profit or loss statement, profit or loss arising from these financial instruments are classified into the profit or loss statement.

## NON-FINANCIAL ASSETS

### Tangible and intangible assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable value. A cash-generating unit is the smallest group of assets that generate financial income that are to a greater extent independent from financial income from other assets and groups of assets. Impairment losses are recognised in the profit or loss statement. The recoverable value of the asset or cash-generating unit is the value in use or its fair value, reduced by costs of disposal, whichever is higher. In assessing value in use, estimated future cash flows are discounted to their present value by using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss of goodwill is not reversed.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the assets' recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation write-off, if no impairment loss had been recognised in the previous periods.

### Inventories

Inventories are impaired if their carrying amount exceeds their estimated recoverable amount. Additionally, individual types of inventories are analysed by their age structure. Depending on the group of inventories, the amount of impairment loss according to their age is determined as a percentage of their value. Impairment also includes expert judgement on possible utilisation or sale of such inventories. At least at the end of the financial year, the company checks the net realisable value of inventories and the need for write-off of inventories. Costs of inventories are not reversible if inventories are damaged, partially or completely obsolete, or if their sales price is reduced. Costs of inventories are also not reversible if the estimated costs of completion or costs in connection with sales increase. Partial write-offs of inventories under their original value or costs up to the net recoverable value is in accordance with the policy that assets cannot be recognised at values higher than expected from their sale or utilisation. Inventories are usually partially written off to their net recoverable value under individual items.

## RECOGNITION OF REVENUES AND EXPENSES

Revenues are recognised if the increase of economic gain in the financial year is connected with an increase of an asset or a decrease of a liability, and if this increase can be reliably measured.

Operating revenues are recognised when it could reasonably be expected that they will result in remuneration, if this is not already realised upon occurring and they may be reliably measured. The Impol Group uses a five-level model of recognising revenues in accordance with IFRS 15. The identification of the contract with customers is followed by the identification of separation enforcement obligations, the identification of the price, the division of the price according to separation enforcement obligations and, pursuant to the aforementioned steps, the recognition of revenues. The main principle is that recognition of revenues reflects the transfer of goods and services to a customer in the amount reflecting the indemnity that the Company expects to be entitled to.

Operating revenues includes:
- Revenues from the sale of products, merchandise and materials are measured based on sale prices indicated on invoices or other documents, reduced by discounts approved upon sale or later on, also due to early payments. Revenues from sale of products are recognised in profit or loss after the Company transfers significant risks and gains in connection with the ownership of products to the buyer.
- Revenues from sale of services, except services that lead to financial revenues, are measured according to sales prices of completed services. They are recognised in the period in which the service is performed. The work completion percentage method at the financial statement date is applied;
- Incomplete production and complete products at warehouse are valued at production costs. The degree of completion of performed services in case of incomplete production is assessed with an inventory;
- Other operating revenues occurs in case of disposal of property, devices, equipment and intangible assets, compensations received, subventions, removal of provisions, payment of previously written off operating receivables, liability write-offs and other.

Revenues from the sale of products, goods and services are recognised at the time of transferring control over goods or service to the buyer, which usually occurs:
- for products and commercial goods upon delivery of goods or when the buyer assumes goods (taking into account the valid parity);
- for services at the moment when the service provided is provided and can be reliably measured or measured. When performing the service itself.

Sales revenues are recognised in an amount that reflects the transaction price, which is allocated to the individual performance obligation. The transaction price is the amount of compensation to which the Impol Group expects to be entitled in exchange for the transfer of goods or services to the buyer, excluding amounts collected on behalf of third parties. The control of the goods and services depends on the terms of the sales contract, and the transfer occurs at the moment when the buyer takes over the goods or the service is performed.

A customer contract asset is a right to consideration in exchange for goods or services that have been transferred to the customer but have not yet been billed to the customer. In this case, the Impol Group shows accrued revenues for goods and services delivered to customers among assets from contracts with customers.

A liability from contracts with customers is a liability to transfer goods or services to the customer in exchange for compensation received by the Company from the customer. Within the framework of liabilities from contracts with customers, the Impol Group would thus show liabilities from approved volume discounts. Liabilities from contracts are recognised as revenues when the Group fulfils its performance obligation under the contract.

Operating expenses in a financial period are in principle the same as costs increased by costs of initial inventories of incomplete production and complete products, and reduced by accrued charges of final inventories. Costs of sales and costs of general activities are immediately after their occurrence included in revenues.

For calculating consumption, the Impol Group uses the FIFO method.

Operating expenses are recognised when costs are not stated in the value of inventories of goods and work in process any more, or when the merchandise is sold. Costs that can not be stated at inventories of goods and work in process are recognised as operating expenses upon their occurrence. The cost of goods sold includes expenses related to the sale of goods when the cost of goods is not kept in inventories.

Material costs are the original costs of purchased materials that are directly used in the creation of business effects (direct material costs), as well as material costs that do not have such a nature and are included in the relevant functional groups of indirect business costs.

Service costs are the original costs of purchased services that are directly necessary for the creation of business effects (direct service costs), as well as service costs that do not have such a nature and are included in the relevant functional groups of indirect business costs.

Depreciation costs are the original costs associated with the strictly consistent transfer of the value of depreciable tangible fixed assets and depreciable intangible assets.

Write-offs include impairments, write-offs and losses on the sale of intangible assets and tangible fixed assets, as well as impairments or write-offs of receivables.
Labour costs are original costs related to accrued wages and similar amounts in gross amounts, as well as to duties calculated from this basis and not an integral part of gross amounts. Labour costs also include the costs of creating provisions for jubilee and retirement benefits for employees.

Other operating expenses arise in connection with the creation of provisions, concession fees, expenses for environmental protection, donations, etc.

## Financial revenues and expenses

Financial revenues comprise interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, and foreign exchange gains and gains on hedging instruments that are recognised in profit or loss, interest from receivables not paid on time and positive currency differences. Interest revenues are recognised as it accrues in profit or loss by using the effective interest method. Dividend income is recognised on the date that the shareholder's right to receive payment is established.

Financial expenses comprise interest expenses on borrowings (part of borrowing costs can be capitalised under property, devices and equipment), foreign exchange losses, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, losses on hedging instruments that are recognised in profit or loss.

## Taxes

Income tax comprises current and deferred tax.

Current tax liabilities are disclosed in profit or loss, except for the part relating to items disclosed directly in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year.

Deferred tax is disclosed using the balance sheet liability method, which takes into account temporary differences occurring between the carrying amount of an asset or liability and its tax base in profit or loss. Deferred tax is determined using tax rates effective at the date of the statement of financial position that are expected to be used when the deferred tax liability is realised or the deferred tax liability is settled. Deferred tax receivables are recognised in the extent of the probability that there will be taxable profit available in the future that can be used to cover the deferred tax receivable.

Deferred tax in respect of insignificant amounts are not additionally recognised in consolidated financial statements.

## Cash flow statement

The cash flow statement for the part regarding operations is composed using the indirect method from the data of the statement of financial position on 31/12 of the financial year and the statement of financial position on 31/12 of the previous financial year and additional data necessary for adjusting inflows and outflows, and for a suitable breakdown of significant items. The part regarding investing and financing is composed using the indirect method. Settled and received interest from operating receivables are distributed between cash flows from operating activities. Interest from loans and paid and received dividends are distributed between cash flows from financing.

## Segment reporting

Because of the very similar nature of product groups, their production procedure and distribution, the Impol Group defined only one reporting segment. Presentation of data with segment reporting takes into account that aluminium business activities represent the main operating activities of the Group. Other activities have an insignificant effect on presenting financial information.

The Impol Group reports on sales by geographical area. The defined geographical areas are Slovenia, European Union, other European countries and the rest of the world.

# DISCLOSURES TO INDIVIDUAL ITEMS OF GROUP FINANCIAL STATEMENTS

## 1. OPERATING REVENUES

**Table 55:** Operating revenues in EUR

| A. Operating revenues | Operating revenues generated with | | 2024 | 2023 |
|---|---|---|---|---|
| | associated companies | other companies | | |
| **Net sales revenues** | 82,891 | 923,107,130 | 923,190,021 | 876,874,781 |
| **Change in the value of product inventories and unfinished production** | 0 | 10,990,330 | 10,990,330 | 6,265,076 |
| **Capitalised own products and services*** | 0 | 72,047 | 72,047 | 126,631 |
| **Other operating revenues** | 0 | 10,223,662 | 10,223,662 | 6,384,979 |
| **TOTAL:** | **82,891** | **944,393,170** | **944,476,061** | **889,651,467** |

| B. Net sales revenues | Net sales revenues from sales generated with | | 2024 | 2023 |
|---|---|---|---|---|
| | associated companies | other companies | | |
| **Net revenues from the sale of products** | 0 | 792,845,976 | 792,845,976 | 758,007,145 |
| **Net revenues from the sale of services** | 81,426 | 5,921,696 | 6,003,122 | 6,066,096 |
| **Net sales revenues from the sale of goods and materials** | 1,465 | 124,339,459 | 124,340,924 | 112,801,540 |
| **TOTAL:** | **82,891** | **923,107,130** | **923,190,021** | **876,874,781** |

| C. Other operating revenues | 2024 | 2023 |
|---|---|---|
| **Revenues from the reversal of provisions**** | 1,058,615 | 975,147 |
| **Other revenues associated with business effects (subsidies, grants, compensations etc.)***** | 7,478,174 | 3,792,118 |
| **Revaluation operating revenues** | 1,686,873 | 1,617,715 |
| **TOTAL:** | **10,223,662** | **6,384,979** |

| D. Revaluation operating revenue**** | 2024 | 2023 |
|---|---|---|
| **From disposal of tangible fixed assets** | 1,472,742 | 1,034,645 |
| **From the disposal of non-current assets** | 0 | 217,681 |
| **From operating receivables** | 138,181 | 364,208 |
| **From operating liabilities** | 75,950 | 1,181 |
| **TOTAL:** | **1,686,873** | **1,617,715** |

*Capitalised own products and services are products produced by the Impol Group for its own needs and which it capitalised among tangible or intangible long-term fixed assets. Their value does not exceed the costs of their production or services rendered.

**Revenues from the elimination of provisions and long-term accrued costs and deferred revenues in the amount of EUR 667,282 relate to the elimination of provisions for jubilee and retirement benefits, in the amount of EUR 327,645 to the use of resigned contributions from the employment of the disabled to cover costs, and in the amount of EUR 63,688 to cover the costs of depreciation and write-offs of fixed assets, purchased from state support received from the employment of disabled persons.

***Other operating revenues related to operating effects relates to the reimbursement of electricity and gas charges (EUR 716,396), revenue from claims (EUR 1,393,410), revenues from co-financing of projects (EUR 1,047,287), of which:
- to the "INDIGO" project, which is co-financed by the Ministry of Economic Development and Technology in the amount of EUR 209,248,
- to the "GREEN_AL_PRO" project, which is co-financed by the Ministry of Economic Development and Technology in the amount of EUR 139,536,
- to the "Green foil" project, which is co-financed by the Ministry of Economic Development and Technology in the amount of EUR 128,664,
- to the project "DIGI PRO young people", co-financed by the Ministry of Digital Transformation in the amount of EUR 344,908,
- to the "Basic Competence" project in the amount of EUR 44,261,
- to the "Advanced digital technologies" project in the amount of EUR 81,500,
- to the "Works of the Future for Disabled people" project in the amount of EUR 19,191,
- to the "Hybreed" project in the amount of EUR 79,979,

Revenues from the use of emission allowances obtained by the State (EUR 28278), the insurance premiums received by the insurance companies and the compensation paid by customers for the cancellation of contracts or the non-fulfilment of contractually agreed quantities of products withdrawn (EUR 4189 041) and various other operating revenues (EUR 103 762).

**** Revaluation operating revenues refer mainly to profits achieved from the sale of tangible assets in the total amount of EUR 1,472,742, to payments of receivables and received insurance premiums in connection with receivables for which value corrections were previously created due to impairment in the total amount of EUR 138,181 and to write-offs of obsolete liabilities in the total amount of EUR 75,950.

## Net sales revenues by business segment

**Table 56: Net sales revenues by business segment in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Revenues from sales in Slovenia** | **44,316,394** | **45,780,552** |
| Revenues from sales in Slovenia – Associated companies | 82,891 | 65,788 |
| Revenues from sales in Slovenia – Other companies | 44,233,503 | 45,714,764 |
| **Revenues from sales in EU** | **768,872,729** | **738,381,278** |
| Revenues from sales in the EU – Other companies | 768,872,729 | 738,381,278 |
| **Revenues from sales in other European countries** | **64,229,919** | **53,008,420** |
| Revenues from sales in other European countries – other companies | 64,229,919 | 53,008,420 |
| **Revenues from sales on other markets** | **45,770,980** | **39,704,531** |
| Revenues from sales on other markets – Other companies | 45,770,980 | 39,704,531 |
| **TOTAL** | **923,190,021** | **876,874,781** |

Net sales revenues from the sale of aluminium products (per state) is specified in detail under section Market and Customers.

## 2. OPERATING EXPENSES

**Table 57: Operating expenses in EUR**

| A. Analysis of costs and expenses | Manufacturing costs | Costs of sales | Costs of general activities | Total 2024 | Total purchase in 2024 from: Associated companies | Other companies | 2023 |
|---|---|---|---|---|---|---|---|
| **Cost of merchandise and materials sold** | 10,227 | 151,578,548 | 269,660 | 151,858,435 | 0 | 151,858,435 | 117,880,929 |
| **Costs of material** | 548,386,668 | 10,082,532 | 515,684 | 558,984,884 | 0 | 558,984,884 | 524,709,288 |
| **Costs of services** | 35,774,569 | 20,881,358 | 18,564,443 | 75,220,370 | 2,166,122 | 73,054,248 | 63,080,939 |
| **Labour costs** | 64,616,674 | 410,598 | 38,750,727 | 103,777,999 | 0 | 103,777,999 | 97,824,587 |
| **Depreciation** | 9,658,500 | 108,029 | 11,893,534 | 21,660,063 | 0 | 21,660,063 | 22,078,846 |
| **Revaluation operating expenses*** | 14,873 | 2,491 | 486,565 | 503,930 | 0 | 503,930 | 227,566 |
| **Other operating expenses**** | 459,174 | 5,581 | 1,609,638 | 2,074,393 | 0 | 2,074,393 | 2,895,583 |
| **TOTAL:** | **658,920,686** | **183,069,138** | **72,090,252** | **914,080,075** | **2,166,122** | **911,913,953** | **828,697,738** |

| B. Revaluation operating expenses* | 2024 | 2023 |
|---|---|---|
| **Revaluation operating expenses from tangible fixed assets** | 9,355 | 74,068 |
| **Revaluation operating expenses from rights to use** | 0 | 566 |
| **Revaluation operating expenses from inventories** | 8,942 | 2,869 |
| **Revaluation operating expenses from operating receivables** | 485,633 | 150,064 |
| **TOTAL:** | **503,930** | **227,566** |

| C. Depreciation | 2024 | 2023 |
|---|---|---|
| **Depreciation of fixed assets** | 556,711 | 613,769 |
| **Depreciation of buildings** | 2,511,627 | 2,531,817 |
| **Depreciation of equipment** | 18,142,440 | 18,393,078 |
| **Depreciation of investment property** | 99,511 | 111,659 |
| **Depreciation of the rights to use assets** | 349,775 | 428,522 |
| **TOTAL:** | **21,660,063** | **22,078,846** |

*Revaluation operating expenses from tangible fixed assets refer to the carrying amount of eliminated unusable fixed assets. The stated exclusions of fixed assets were carried out due to breakdowns, destruction, technological obsolescence, the inability to purchase spare parts, and above all further unsuitability for the products produced by the Impol Group. The remaining part of the revaluation operating expenses mostly relates to the impairment of trade receivables.

**Among other operating expenses, the biggest share is the costs related to emission allowances, costs related to environmental charges (water concession, compensation for building land), charges due to non-fulfilment of the disabled quota, scholarships, various membership fees, donations and others.

## Labour costs

**Table 58: Itemisation of labour costs in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Costs of wages and salaries** | 74,762,007 | 69,500,933 |
| **Costs of pension insurance** | 6,956,840 | 6,457,831 |
| **Costs of other social security contributions** | 5,786,798 | 5,368,754 |
| **Other labour costs** | 16,272,354 | 16,497,069 |
| **Total** | **103,777,999** | **97,824,587** |

## 3. FINANCIAL REVENUES AND EXPENSES

**Table 59: Financial revenues in EUR**

| | Total 2024 | Of which from companies | | Total 2023 |
|---|---|---|---|---|
| | | Associated companies | Other | |
| **Financial revenues from participating interests – profit-sharing, dividends** | 523,698 | 299,359 | 224,339 | 373,006 |
| **Financial revenues from loans – interests** | 178,822 | 0 | 178,822 | 32,309 |
| **Financial revenues from operating receivables – interests** | 4,561 | 0 | 4,561 | 14,142 |
| **Financial revenues from operating receivables – foreign exchange differences** | 978,829 | 0 | 978,829 | 529,349 |
| **Financial revenues from forwards** | 1,633,881 | 0 | 1,633,881 | 1,235,505 |
| **Total:** | **3,319,790** | **299,359** | **3,020,431** | **2,184,311** |

Financial revenues from participating interests of profits of associate companies represent shares in the amount of EUR 299,359,
calculated according to the equity method in the consolidated financial statements.

The majority of revenues from futures relates to aluminium hedging (EUR 1,618,361), and the remaining amount of EUR 15,520 to realised transactions from interest rate swaps - IRS.

**Table 60: Financial expenses in EUR**

| | Total 2024 | Of which from companies | | Total 2023 |
|---|---|---|---|---|
| | | Associated companies | Other | |
| **Financial expenses from (excluding bank loans) – interests** | 161,072 | 23,404 | 137,668 | 123,260 |
| **Financial expenses from leases – interests (financial lease)** | 789 | 0 | 789 | 4,631 |
| **Financial expenses from loans received from banks – interests** | 6,231,543 | 0 | 6,231,543 | 6,888,508 |
| **Financial expenses from loans received from banks – foreign exchange differences** | 910 | 0 | 910 | 401 |
| **Financial expenses from other financial liabilities – interests** | 94,026 | 0 | 94,026 | 99,649 |
| **Financial expenses from leases – interests (operating lease)** | 20,054 | 0 | 20,054 | 25,789 |
| **Financial expenses from operating liabilities – interests** | 19,607 | 0 | 19,607 | 61,706 |
| **Financial expenses from operating liabilities – foreign exchange differences** | 338,966 | 0 | 338,966 | 831,328 |
| **Financial expenses from forwards** | 1,642,738 | 0 | 1,642,738 | 277,436 |
| **Total:** | **8,509,704** | **23,404** | **8,486,300** | **8,312,708** |

Financial expenses from forward transactions are entirely related to aluminium hedging.

**Table 61: Financial expenses from operating liabilities in EUR**

| Financial expenses from operating liabilities | Total 2024 | Of which from companies | Total 2023 |
|---|---|---|---|
| | | Other | |
| **Financial expenses from trade creditors – interests** | 14,656 | 14,656 | 12,217 |
| **Financial expenses from other operating liabilities – interests** | 4,951 | 4,951 | 49,489 |
| **Financial expenses from other operating liabilities – foreign exchange differences** | 338,966 | 338,966 | 831,328 |
| **Total** | **358,573** | **358,573** | **893,035** |

# 4. INCOME TAX

**Table 62:** Income tax in EUR

| Income tax | 2024 | 2023 |
|---|---|---|
| Revenues determined in accordance with accounting regulations | 1,769,231,787 | 1,657,874,245 |
| Revenues recognised for tax purposes | 1,739,762,591 | 1,623,994,788 |
| Expenses determined under accounting regulations | 1,716,500,871 | 1,569,961,013 |
| Expenses recognised for tax purposes | 1,713,112,681 | 1,568,409,296 |
| Difference between deductible revenues and expenses | 26,649,910 | 55,585,491 |
| Tax base | 28,195,625 | 57,070,490 |
| Tax base | 20,994,338 | 50,733,618 |
| Tax | 4,540,787 | 9,478,236 |
| Effective tax rate (disregarding deferred tax) | 18.01% | 17.29% |

Income tax is accounted for in accordance with laws that apply in individual countries where the Group has its subsidiaries. The applicable income tax rate in Slovenia in 2024 was 22% (in 2023: 19%), while the applicable income tax rate in Croatia is 18%, in Serbia 15%, in the USA 21%, and in Hungary 9%.

The amount of unused tax losses, which will reduce the tax base in the coming years at the level of companies in the Impol Group, amounts to EUR 31 as of 31/12/2024 amounts to EUR 145,179.

**Table 63:** Overview of current income tax by companies in EUR

| Income tax | 2024 | 2023 |
|---|---|---|
| Impol 2000, d. d. | 95,155 | 139,430 |
| Impol, d. o. o. | 1,664,007 | 4,762,847 |
| Impol FT, d. o. o. | 436,737 | 750,393 |
| Impol PCP, d. o. o. | 814,615 | 1,333,614 |
| Impol-Montal, d. o. o. | 40,311 | 35,671 |
| Impol R in R, d. o. o. | 15,502 | 21,055 |
| Impol Infrastruktura, d. o. o. | 4,933 | 7,122 |
| Impol LLT, d. o. o. | 187,788 | 650,128 |
| Impol Seval, a. d. | 48,464 | 523,563 |
| Impol-TLM, d. o. o. | 84,116 | 320,823 |
| Alcad, d. o. o. | 7,107 | 22,637 |
| Impol-FinAl, d. o. o. | 49,806 | 80,460 |
| Stampal SB, d. o. o. | 113,958 | 265,353 |
| Kadring, d. o. o. | 71,081 | 144,618 |
| Rondal, d. o. o. | 472,808 | 279,659 |
| Impol Servis, d. o. o. | 30,445 | 42,474 |
| Impol Seval Tehnika, d. o. o. | 50,857 | 5,608 |
| Impol Seval PKC, d. o. o. | 4,830 | 4,381 |
| Impol Seval Final, d. o. o. | 6,522 | 7,750 |
| Štatenberg, d. o. o. | 227 | 475 |
| Impol Hungary Kft. | 333 | 5,767 |
| Impol Aluminium Corporation, New York | 162,442 | 22,119 |
| Impol Stanovanja, d. o. o. | 124,113 | 16,104 |
| Unidel, d. o. o. | 54,628 | 36,188 |
| **TOTAL income taxes** | **4,540,787** | **9,478,236** |

## CbCR REPORTING

In 2024 the total consolidated revenues of the Impol Group reached or exceeded EUR 750,000,000, the same as in the past two years, therefore on the basis of Chapter III.B of ZDavP-2, Country-by-country reporting (CbCR) will be carried out for the third time in 2025. The reporting company for the international group of companies is the controlling company Impol 2000, d. d.

### Minimum tax

At the end of 2023, the Minimum Tax Act (ZMD) was passed, which aims to ensure a global minimum taxation of large international and domestic groups with an effective tax rate of 15%. The minimum tax rules from the law apply to the Group's financial years from 1 January 2024 onwards. It is a separate system from corporate income tax, with countries' own rules for determining the base and effective tax rate. Groups that have the obligation to pay the minimum tax are groups whose annual revenues, which are reported in the consolidated financial statements of the umbrella parent entity, amount to EUR 750 million or more in at least two of the four financial years.

In the Impol Group, we calculated for the first time in 2024 the surcharge and the domestic surcharge for the Slovenian part of the Group. In accordance with the ZMD, we used a temporary CBCR Safe Dock, which is allowed during the transitional period of entry into force of the law. The liability for (domestic) top-up tax for the financial year 2024 is zero.

## 5. DEFERRED TAX ASSETS AND LIABILITIES

**Table 64: Deferred tax assets and liabilities in EUR**

| | Deferred tax receivables | Deferred tax liabilities |
|---|---|---|
| **Deferred tax balance as of 31/12/2023** | **641,019** | **1,815,404** |
| Opening balance adjustment (+/-) | 0 | 0 |
| **Deferred tax balance as of 01/01/2024** | **641,019** | **1,815,404** |
| Deductible temporary differences (+) | 268,625 | 0 |
| Taxable temporary differences (+) | 0 | 199 |
| Utilisation of deductible temporary differences (-) | 37,822 | 0 |
| Reversal of deductible temporary differences (+) | 0 | 9,348 |
| Exchange rate differences (+/-) | 5 | 6,980 |
| **Deferred tax balance as of 31/12/2024** | **871,826** | **1,813,234** |

Change in deferred receivables and liabilities for tax assets and liabilities in the amount of EUR 232,977 (2023: EUR 118,392) was recognised:

| | 2024 | 2023 |
|---|---|---|
| Profit or loss account (+ / -) | 236,593 | 91,897 |
| Capital – Reserves resulting from valuation at fair value (+/-) | 3,359 | 24,592 |
| Capital – Revaluation difference (+/-) | -6,975 | 1,902 |
| **Total** | **232,977** | **118,391** |

Deferred tax receivables are formed due to deductible temporary differences due to the differences between the accounting and tax recognised depreciation, for written-off receivables, for which impairments are temporarily not recognised for tax purposes upon recognition, for formed provisions for jubilee and retirement benefits, for fair value of financial instruments, which is recognised under other comprehensive income as negative amount (e.g. interest rate swaps until including 2024), and for tax losses and unused tax relief for investments. The considered deductible temporary differences will in the future result in a reduction of the taxable profit shown in the Group's profit or loss statement. The latter, separated by category, is shown in the table below.

## Trend in deferred receivables for tax – consolidated

**Table 65: Trend in deferred receivables for tax – consolidated in EUR**

| | Accounting depreciation exceeds the depreciation f or tax purposes | Asset impairments (revaluation operating expenses) | Formation of provisions | Interest rate swap | Unused relief for investments | TOTAL |
|---|---|---|---|---|---|---|
| **Deferred tax receivables for tax as of 31/12/2023** | **2,134** | **46,588** | **513,936** | **-3,359** | **81,721** | **641,019** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| **Deferred tax receivables for tax as of 01/01/2024** | **2,134** | **46,588** | **513,936** | **-3,359** | **81,721** | **641,019** |
| Occurrence of deductible temporary differences (+) | 1,049 | 141,238 | 97,931 | 3,359 | 24,048 | 268,625 |
| Utilisation of deductible temporary differences (-) | 1,417 | 10,308 | 26,097 | 0 | 0 | 37,822 |
| Exchange rate differences (+/-) | 4 | 0 | 0 | 0 | 0 | 4 |
| **Deferred tax receivables for tax as of 31/12/2024** | **2,770** | **177,518** | **585,770** | **0** | **105,769** | **871,826** |

Deferred tax liabilities are formed from taxable temporary differences between depreciation taken into account for tax purposes and depreciation shown in the accounts. The considered deductible temporary differences will in the future result in an increase of the taxable profit shown in the Group's profit or loss statement.

## Trend in deferred liabilities for tax – consolidated

**Table 66: Trend in deferred tax liabilities – consolidated in EUR**

| | Depreciation for tax purposes exceeds accounting depreciation | TOTAL |
|---|---|---|
| **Deferred tax liabilities as of 31/12/2023** | **1,815,404** | **1,815,404** |
| Opening balance adjustments | 0 | 0 |
| **Deferred tax liabilities as of 1/1/2024** | **1,815,404** | **1,815,404** |
| Occurrence of taxable temporary differences (+) | 199 | 199 |
| Reversal of deductible temporary differences (+) | 9,348 | 9,348 |
| Exchange rate differences (+/-) | 6,980 | 6,980 |
| **Deferred tax liabilities as of 31/12/2024** | **1,813,234** | **1,813,234** |

The calculation took into account the 22% rate for Slovenia (2023: 22%), and in other tax jurisdictions in accordance with local tax legislation, ie. In Croatia, 18%, in Serbia 15%, 21% in the USA and 9% in Hungary.

The consolidated financial statement still includes deferred tax receivables and deferred tax liabilities that arise in different states or refer to different tax jurisdictions, and are unsettled both as receivables and as liabilities.

**Table 67: Effective tax rate calculation**

| | 2024 | 2023 |
|---|---|---|
| **Profit or loss before taxes** | **25,206,071** | **54,825,332** |
| Income tax | 4,540,787 | 9,478,236 |
| Deferred taxes | -236,593 | -91,897 |
| **Total income tax** | **4,304,194** | **9,386,339** |
| **Effective tax rate** | **17.08%** | **17.12%** |

## Net earnings per share

Basic earnings per share are calculated by dividing net earnings attributable to shareholders by the weighted average of the number of regular shares during the year, excluding the average number of own shares.

**Table 68: Net earnings per share in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Profit or loss relating to the owners of the controlling entity** | 20,748,178 | 44,558,435 |
| **Weighted average of the number of regular shares** | 984,659 | 984,659 |
| **Net earnings per share (in EUR)** | 21.10 | 45.25 |

**Table 69: Weighted average of the number of regular shares as of 31/12/2024 in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Regular shares as of 01/01** | 1,066,767 | 1,066,767 |
| **Effect of own shares*** | -82,108 | -82,108 |
| **Weighted average of the number of regular shares as of 31/12** | 984,659 | 984,659 |

*These are shares of the controlling company Impol 2000, d. d. owned by the following companies in the Impol Group: Impol-Montal, d. o. o. (80,482 shares) and Kadring, d. o. o. (1.626 shares). Because the Impol Group has no preference shares or bonds that could be converted to shares, the diluted earnings per share is the same as the basic earnings per share.

## Changes in other comprehensive income

Changes in other comprehensive income in 2024 include:

- Change in the fair value of the hedging instruments (interest rate swaps) to EUR -15,270, whereby the derivative instruments entered into until and including 2024 were intended to hedge cash flows and are highly effective in regulating the cash flows of the loans received;
- Exchange rate differences from converting financial statements of foreign companies included consolidation in the amount of EUR 204,354;
- Actuary profits based on the re-calculation of provisions for retirement benefits for the financial year 2024, in the amount of EUR -167,675;
- Other items of total comprehensive income refer to the adjustment of the value of reserves resulting from interest rate swaps at fair value for deferred tax receivables in the amount of EUR 3,359.

# 6. INTANGIBLE ASSETS AND LONG-TERM DEFERRED COSTS AND ACCRUED REVENUES

**Table 70: Trend in intangible assets in 2024 in EUR**

| | Long-term property rights | Goodwill | Long-term deferred development costs | Long-term property rights acquired | TOTAL |
|---|---|---|---|---|---|
| **Cost as of 31/12/2023** | **9,952,672** | **1,261,518** | **653,803** | **211,379** | **12,079,371** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **9,952,672** | **1,261,518** | **653,803** | **211,379** | **12,079,371** |
| Direct increases – acquisitions | 24,816 | 0 | 0 | 494,153 | 518,969 |
| Transfer from investments in progress | 495,129 | 0 | 0 | -495,129 | 0 |
| Exchange rate differences | 1,600 | 0 | 0 | 189 | 1,789 |
| Decreases – exclusions, other decreases (-) | 481,928 | 0 | 0 | 0 | 481,928 |
| **Cost as of 31/12/2024** | **9,992,288** | **1,261,518** | **653,803** | **210,591** | **12,118,200** |
| | | | | | |
| **Value adjustment as of 31/12/2023** | **8,718,388** | **0** | **632,036** | **0** | **9,350,424** |
| Opening balance adjustment | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **8,718,388** | **0** | **632,036** | **0** | **9,350,424** |
| Depreciation during the year | 538,796 | 0 | 17,915 | 0 | 556,711 |
| Exchange rate differences | 1,358 | 0 | 0 | 0 | 1,358 |
| Decreases – exclusions, other decreases (-) | 453,650 | 0 | 0 | 0 | 453,650 |
| **Value adjustment as of 31/12/2024** | **8,804,891** | **0** | **649,951** | **0** | **9,454,842** |
| | | | | | 0 |
| **Carrying amount as of 31/12/2024** | **1,187,397** | **1,261,518** | **3,852** | **210,591** | **2,663,358** |
| **Carrying amount as of 31/12/2023** | **1,234,284** | **1,261,518** | **21,767** | **211,379** | **2,728,947** |

The majority of increases and decreases in long-term property rights (without transfer from assets under acquisition) refers to the purchase of software. For 2024, the Impol Group received free of charge for EUR 24,816 or 24,816 emission allowances, and 28,278 state allowances (3,462 allowances from 2023 and 24,816 allowances from 2024, which are valued at 1 EUR/allowance) were recorded for use, which is shown in the table of movements between non-tangible means. The balance of emission allowances shown under long-term asset-backed securities is thus 0 at the end of 2024. The estimated use of allowances for 2024 is 35,676 allowances, and therefore the Impol Group bought EUR 226,280 of emission allowances (i.e., 4,000 UDS allowances) on the market, which were recognised directly at the cost upon purchase, and at the end of 2024 in recognised EUR 213,034 of emissions allowances equalling 3,480 allowances, which are expected to be purchased in 2025 for 2024 emissions. From this quota of purchases, the 82 allowances for 2023 were covered, which was greater than expected after the final calculation. The total reported costs of the utilisation of emission allowances, which are reported under other operating expenses for 2024, amount to EUR 476,592 or 35,758 allowances – the final calculation will be carried out at the end of April 2025. Thus, a total of 3,462 free state allowances from 2023 worth EUR 3,462, 24,816 free state allowances for 2024 worth EUR 24,816, 4,000 allowances purchased on the market in 2024, worth EUR 226,280 and 3,480 allowances in the value of EUR 213.034 (accured expenses).

The category of long-term deferred development cost discloses the costs of the Watson development project. This development project is the first of its kind in the aluminium industry, and includes over 70 international alloys and over 200 different chemical compositions.

**Table 71:** Trend in intangible assets in 2023 in EUR

| | Long-term property rights | Goodwill | Long-term deferred development costs | Long-term property rights being acquired | TOTAL |
|---|---|---|---|---|---|
| **Cost as of 31/12/2022** | **10,072,163** | **1,261,518** | **653,803** | **290,892** | **12,278,376** |
| Opening balance adjustments | 72,558 | 0 | 0 | 0 | 72,558 |
| **Cost as of 01/01/2023** | **10,144,722** | **1,261,518** | **653,803** | **290,892** | **12,350,934** |
| Direct increases – acquisitions | 50,267 | 0 | 0 | 429,571 | 479,837 |
| Transfer from investments in progress | 509,099 | 0 | 0 | -509,099 | 0 |
| Exchange rate differences | -424 | 0 | 0 | 15 | -409 |
| Decreases – exclusions, other decreases (-) | 750,992 | 0 | 0 | 0 | 750,992 |
| **Cost as of 31/12/2023** | **9,952,672** | **1,261,518** | **653,803** | **211,379** | **12,079,371** |
| | | | | | |
| **Value adjustment as of 31/12/2022** | **8,345,993** | **0** | **501,275** | **0** | **8,847,268** |
| Opening balance adjustment | 14,510 | 0 | 0 | 0 | 14,510 |
| **Value adjustment as of 01/01/2023** | **8,360,504** | **0** | **501,275** | **0** | **8,861,778** |
| Depreciation during the year | 483,007 | 0 | 130,762 | 0 | 613,769 |
| Exchange rate differences | -356 | 0 | 0 | 0 | -356 |
| Decreases – exclusions, other decreases (-) | 124,767 | 0 | 0 | 0 | 124,767 |
| **Value adjustment as of 31/12/2023** | **8,718,388** | **0** | **632,036** | **0** | **9,350,424** |
| | | | | | |
| **Carrying amount as of 31/12/2023** | **1,234,284** | **1,261,518** | **21,767** | **211,379** | **2,728,947** |
| **Carrying amount as of 31/12/2022** | **1,726,170** | **1,261,518** | **152,528** | **290,892** | **3,431,108** |

The disclosed intangible assets are owned by the Group and are free of debts. More than 70% of all intangible assets that were used on 31/12/2024 were fully depreciated.

## Goodwill

Structure of goodwill according to business combinations that generated it.

**Table 72:** Structure of goodwill in EUR

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Alcad, d. o. o.** | 942,289 | 942,289 |
| **Stampal SB, d. o. o.** | 319,229 | 319,229 |
| **TOTAL:** | 1,261,518 | 1,261,518 |

On 31/12/2024, goodwill was tested for possible impairment and no need for impairment was determined.

# 7. TANGIBLE FIXED ASSETS

**Table 73: Trend in tangible fixed assets in 2024 in EUR**

| | Land | Buildings | Property being acquired | Total immovable property | Production machinery and equipment | Other machinery and equipment | Equipment and other tangible fixed assets being acquired | Advances to acquire tangible fixed assets | Total equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost as of 31/12/2023** | **17,455,612** | **114,811,778** | **5,429,344** | **137,696,733** | **393,354,030** | **35,873,223** | **15,284,906** | **9,025,007** | **453,537,165** | **591,233,898** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **17,455,612** | **114,811,778** | **5,429,344** | **137,696,733** | **393,354,030** | **35,873,223** | **15,284,906** | **9,025,007** | **453,537,165** | **591,233,898** |
| Direct increases – acquisitions | 0 | 0 | 4,938,578 | 4,938,578 | 0 | 0 | 18,490,699 | 10,059,986 | 28,550,685 | 33,489,263 |
| Transfer from investments in progress | 2,299,321 | 5,765,027 | -8,064,348 | 0 | 9,684,703 | 3,333,299 | -13,018,002 | 0 | 0 | 0 |
| Transfer between companies in the Group – acquisition | 0 | 0 | 108,164 | 108,164 | 0 | 0 | 1,668,659 | 0 | 1,668,659 | 1,776,823 |
| Transfer between companies in the Group – sales (-) | 0 | 0 | 0 | 0 | 631,023 | 0 | 210,717 | 0 | 841,740 | 841,740 |
| Exchange rate differences | 10,515 | 69,441 | 741 | 80,698 | 339,191 | 24,320 | 17,758 | 852 | 382,121 | 462,819 |
| Decreases – sales (-) | 381,548 | 2,044,381 | 0 | 2,425,930 | 474,532 | 62,892 | 333 | 0 | 537,757 | 2,963,687 |
| Decreases – exclusions, other decreases (-) | 0 | 31,203 | 0 | 31,203 | 674,485 | 904,532 | 0 | 6,174,312 | 7,753,328 | 7,784,531 |
| Transfers between categories of tangible fixed assets | 0 | 0 | 0 | 0 | 69,000 | -69,000 | 0 | 0 | 0 | 0 |
| **Cost as of 31/12/2024** | **19,383,900** | **118,570,661** | **2,412,479** | **140,367,040** | **401,666,885** | **38,194,418** | **22,232,970** | **12,911,533** | **475,005,805** | **615,372,845** |
| | | | | | | | | | | |
| **Value adjustment as of 31/12/2023** | **0** | **62,457,270** | **0** | **62,457,270** | **273,421,141** | **26,949,120** | **0** | **0** | **300,370,261** | **362,827,531** |
| Opening balance adjustment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **0** | **62,457,270** | **0** | **62,457,270** | **273,421,141** | **26,949,120** | **0** | **0** | **300,370,261** | **362,827,531** |
| Depreciation during the year | 0 | 2,511,627 | 0 | 2,511,627 | 15,747,942 | 2,394,498 | 0 | 0 | 18,142,440 | 20,654,067 |
| Direct increase | 0 | 0 | 0 | 0 | 0 | 43,316 | 0 | 0 | 43,316 | 43,316 |
| Transfer between companies in the Group – sales (-) | 0 | 0 | 0 | 0 | 631,023 | 0 | 0 | 0 | 631,023 | 631,023 |
| Exchange rate differences | 0 | 41,237 | 0 | 41,237 | 148,705 | 15,882 | 0 | 0 | 164,587 | 205,824 |
| Decreases – sales (-) | 0 | 669,219 | 0 | 669,219 | 474,532 | 62,029 | 0 | 0 | 536,561 | 1,205,780 |
| Decreases – exclusions, other decreases (-) | 0 | 15,292 | 0 | 15,292 | 669,163 | 902,517 | 0 | 0 | 1,571,679 | 1,586,971 |
| Transfers between categories of tangible fixed assets | 0 | 0 | 0 | 0 | 69,000 | -69,000 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 31/12/2024** | **0** | **64,325,624** | **0** | **64,325,624** | **287,612,070** | **28,369,271** | **0** | **0** | **315,981,341** | **380,306,965** |
| | | | | | | | | | | |
| **Carrying amount as of 31/12/2024** | **19,383,900** | **54,245,038** | **2,412,479** | **76,041,417** | **114,054,815** | **9,825,146** | **22,232,970** | **12,911,533** | **159,024,463** | **235,065,880** |
| **Carrying amount as of 31/12/2023** | **17,455,612** | **52,354,508** | **5,429,344** | **75,239,463** | **119,932,889** | **8,924,103** | **15,284,906** | **9,025,007** | **153,166,905** | **228,406,368** |

In 2024, the Impol Group invested in increasing its production capacities in Slovenia as well as in companies abroad, namely investments in real estate in the total amount of EUR 5,046,742 and investments in equipment in the total amount of EUR 20,159,358 were made. More information about this is provided in the operating part of the annual report. In 2024, the Impol Group eliminated (sold, wrote off) tangible fixed assets with a total carrying amount of EUR 1,781,155, whereby it realised EUR 9,355 of revaluation operating expenses and EUR 1,472,742 of revaluation operating revenues.

More than 60% of all tangible fixed assets that were used on 31/12/2024 were fully depreciated.

**Table 74:** Trend in tangible fixed assets in 2023 in EUR

| | Land | Buildings | Property being acquired | Total immovable property | Production machinery and equipment | Other machinery and equipment | Equipment and other tangible fixed assets being acquired | Advances to acquire tangible fixed assets | Total equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost as of 31/12/2022** | **17,069,330** | **112,005,982** | **5,341,269** | **134,416,582** | **384,634,065** | **33,917,847** | **6,770,491** | **9,647,744** | **434,970,147** | **569,386,729** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | -72,558 | 0 | 0 | 0 | -72,558 | -72,558 |
| **Cost as of 01/01/2023** | **17,069,330** | **112,005,982** | **5,341,269** | **134,416,582** | **384,561,507** | **33,917,847** | **6,770,491** | **9,647,744** | **434,897,589** | **569,314,170** |
| Direct increases – acquisitions | 0 | 0 | 3,066,784 | 3,066,784 | 0 | 0 | 20,843,751 | 7,682,500 | 28,526,251 | 31,593,035 |
| Transfer from investments in progress | 386,296 | 2,896,250 | -3,282,546 | 0 | 11,000,706 | 2,321,170 | 13,321,876 | 0 | 0 | 0 |
| Transfer between companies in the Group – acquisition | 0 | 0 | 304,225 | 304,225 | 0 | 0 | 1,000,132 | 0 | 1,000,132 | 1,304,357 |
| Transfer between companies in the Group – sales (-) | 0 | 0 | 0 | 0 | 15,847 | 0 | 0 | 0 | 15,847 | 15,847 |
| Transfer to assets under lease | 0 | 0 | 0 | 0 | 14,400 | 0 | 0 | 0 | 14,400 | 14,400 |
| Exchange rate differences | -15 | -16,308 | -388 | -16,711 | -83,163 | -6,632 | -7,591 | 1,030 | -96,356 | -113,068 |
| Revaluation due to impairment (-) | 0 | 0 | 0 | 0 | 43,359 | 0 | 0 | 0 | 43,359 | 43,359 |
| Decreases – sales (-) | 0 | 74,146 | 0 | 74,146 | 1,664,105 | 80,677 | 0 | 0 | 1,744,782 | 1,818,929 |
| Decreases – exclusions, other decreases (-) | 0 | 0 | 0 | 0 | 416,108 | 278,485 | 0 | 8,306,268 | 9,000,861 | 9,000,861 |
| Transfers between categories of tangible fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 31/12/2023** | **17,455,612** | **114,811,778** | **5,429,344** | **137,696,733** | **393,354,030** | **35,873,223** | **15,284,906** | **9,025,007** | **453,537,165** | **591,233,898** |
| | | | | | | | | | | |
| **Value adjustment as of 31/12/2022** | **0** | **60,010,603** | **0** | **60,010,603** | **259,539,276** | **24,867,828** | **0** | **0** | **284,407,104** | **344,417,706** |
| Opening balance adjustment | 0 | 0 | 0 | 0 | -14,510 | 0 | 0 | 0 | -14,510 | -14,510 |
| **Value adjustment as of 01/01/2023** | **0** | **60,010,603** | **0** | **60,010,603** | **259,524,765** | **24,867,828** | **0** | **0** | **284,392,593** | **344,403,196** |
| Depreciation during the year | 0 | 2,531,817 | 0 | 2,531,817 | 16,011,519 | 2,381,559 | 0 | 0 | 18,393,078 | 20,924,895 |
| Direct increase | 0 | 0 | 0 | 0 | 0 | 56,193 | 0 | 0 | 56,193 | 56,193 |
| Transfer between companies in the Group – sales (-) | 0 | 0 | 0 | 0 | 15,847 | 0 | 0 | 0 | 15,847 | 15,847 |
| Transfer to assets under lease | 0 | 0 | 0 | 0 | 5,520 | 0 | 0 | 0 | 5,520 | 5,520 |
| Exchange rate differences | 0 | -11,003 | 0 | -11,003 | -38,217 | -4,454 | 0 | 0 | -42,671 | -53,674 |
| Revaluation due to impairment (-) | 0 | 0 | 0 | 0 | 43,359 | 0 | 0 | 0 | 43,359 | 43,359 |
| Decreases – sales (-) | 0 | 74,146 | 0 | 74,146 | 1,615,557 | 80,386 | 0 | 0 | 1,695,942 | 1,770,088 |
| Decreases – exclusions, other decreases (-) | 0 | 0 | 0 | 0 | 407,683 | 271,621 | 0 | 0 | 679,305 | 679,305 |
| **Value adjustment as of 31/12/2023** | **0** | **62,457,270** | **0** | **62,457,270** | **273,421,141** | **26,949,120** | **0** | **0** | **300,370,261** | **362,827,531** |
| | | | | | | | | | | |
| **Carrying amount as of 31/12/2023** | **17,455,612** | **52,354,508** | **5,429,344** | **75,239,463** | **119,932,889** | **8,924,103** | **15,284,906** | **9,025,007** | **153,166,905** | **228,406,368** |
| **Carrying amount as of 31/12/2022** | **17,069,330** | **51,995,379** | **5,341,269** | **74,405,979** | **125,094,790** | **9,050,019** | **6,770,491** | **9,647,744** | **150,563,044** | **224,969,023** |

*Due to the application of the IFRS 16 – Lease standard, the assets under lease in the financial statement up to 01/01/2019, are no longer recognised among tangible fixed assets, but are instead recognised separately under "Assets under lease". A more detailed presentation of the change is disclosed as part of the 2019 annual report.

## Pledged tangible fixed assets

**Table 75: Assets pledged as security for settlement of liabilities (without asserts under finance lease) in EUR**

| | Cost (+) | Value adjustment (-) | Carrying amount (=) |
|---|---|---|---|
| **Equipment** | 3,087,837 | 2,883,418 | 204,419 |
| **TOTAL:** | **3,087,837** | **2,883,418** | **204,419** |

The assets seized relate to a solar power plant owned by a company in the Impol Group, namely Impol Montal, d. o. o. Other tangible fixed assets are not pledged as collateral for liabilities.

# 8. ASSETS UNDER LEASE

**Table 76: Trend in right to use assets in the first half of 2024 in EUR**

| | Assets under lease – immovable property – operating lease – other companies | Assets under lease – equipment – operating lease – other companies | Total assets under lease – operating lease | Assets under lease for equipment – financial lease – other companies | Total assets under lease – equipment – financial lease | Total assets under lease |
|---|---|---|---|---|---|---|
| **Cost as of 31/12/2023** | **26,881** | **1,670,474** | **1,697,354** | **160,823** | **160,823** | **1,858,177** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **26,881** | **1,670,474** | **1,697,354** | **160,823** | **160,823** | **1,858,177** |
| Decreases (-) | 26,881 | 450,651 | 477,532 | 0 | 0 | 477,532 |
| **Cost as of 31/12/2024** | **0** | **1,219,823** | **1,219,823** | **160,823** | **160,823** | **1,380,646** |
| | | | | | | |
| **Value adjustment as of 31/12/2023** | **26,229** | **1,002,622** | **1,028,851** | **144,029** | **144,029** | **1,172,880** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **26,229** | **1,002,622** | **1,028,851** | **144,029** | **144,029** | **1,172,880** |
| Depreciation (+) | 652 | 337,728 | 338,380 | 11,394 | 11,394 | 349,774 |
| Decreases (-) | 26,881 | 444,634 | 471,515 | 0 | 0 | 471,515 |
| **Value adjustment as of 31/12/2024** | **0** | **895,716** | **895,716** | **155,423** | **155,423** | **1,051,139** |
| | | | | | | |
| **Carrying amount as of 31/12/2024** | **0** | **324,107** | **324,107** | **5,400** | **5,400** | **329,507** |
| **Carrying amount as of 31/12/2023** | **652** | **667,851** | **668,503** | **16,794** | **16,794** | **685,297** |

**Table 77:** **Trend in right to use assets in the first half of 2023 in EUR**

| | Assets under lease – immovable property – operating lease – other companies | Assets under lease – equipment – operating lease – other companies | Total assets under lease – operating lease | Assets under lease for equipment – financial lease – other companies | Total assets under lease – equipment – financial lease | Total assets under lease |
|---|---|---|---|---|---|---|
| **Cost as of 31/12/2022** | **37,767** | **1,925,545** | **1,963,312** | **175,223** | **175,223** | **2,138,535** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2023** | **37,767** | **1,925,545** | **1,963,312** | **175,223** | **175,223** | **2,138,535** |
| Direct increase (+) | 0 | 284,328 | 284,328 | 0 | 0 | 284,328 |
| Decreases (-) | 0 | 539,698 | 539,698 | 14,400 | 14,400 | 554,098 |
| Other decreases (-) | 10,739 | 0 | 10,739 | 0 | 0 | 10,739 |
| Exchange rate differences | -148 | 298 | 150 | 0 | 0 | 150 |
| **Cost as of 31/12/2023** | **26,881** | **1,670,474** | **1,697,354** | **160,823** | **160,823** | **1,858,177** |
| | | | | | | |
| **Value adjustment as of 31/12/2022** | **28,503** | **1,134,221** | **1,162,724** | **136,954** | **136,954** | **1,299,678** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2023** | **28,503** | **1,134,221** | **1,162,724** | **136,954** | **136,954** | **1,299,678** |
| Depreciation (+) | 8,561 | 407,366 | 415,927 | 12,595 | 12,595 | 428,523 |
| Decreases (-) | 0 | 539,132 | 539,132 | 5,520 | 5,520 | 544,652 |
| Other decreases (-) | 10,739 | 0 | 10,739 | 0 | 0 | 10,739 |
| Exchange rate differences (+/-) | -97 | 167 | 70 | 0 | 0 | 70 |
| **Value adjustment as of 31/12/2023** | **26,229** | **1,002,622** | **1,028,851** | **144,029** | **144,029** | **1,172,880** |
| | | | | | | |
| **Carrying amount as of 31/12/2023** | **652** | **667,851** | **668,503** | **16,794** | **16,794** | **685,297** |
| **Carrying amount as of 31/12/2022** | **9,264** | **791,324** | **800,588** | **38,269** | **38,269** | **838,857** |

In transitioning to the new IFRS 16 – Lease standard, the Impol Group adopted the decision in 2019 to consistently select – for all leases – the option of retroactively applying the standard with cumulative effect of starting to apply the standard and measuring the asset in the amount that is equal to the calculated lease liability. A more detailed presentation of the change is disclosed as part of the 2019 annual report.

A 3.00% annual interest rate was applied for calculating the current value of liabilities from leases for all leases.

## 9. INVESTMENT PROPERTY

In the period under observation the investment property only includes buildings and associated land held to earn rentals.

**Table 78:** Investment property in 2024 in EUR

| Description | Buildings | TOTAL |
|---|---|---|
| **Cost as of 31/12/2023** | **5,252,337** | **5,252,337** |
| Opening balance adjustments | 0 | 0 |
| **Cost as of 01/01/2024** | **5,252,337** | **5,252,337** |
| **Cost as of 31/12/2024** | **5,252,337** | **5,252,337** |
| **Value adjustment as of 31/12/2023** | **3,955,546** | **3,955,546** |
| Opening balance adjustments | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **3,955,546** | **3,955,546** |
| Depreciation (+) | 99,511 | 99,511 |
| **Value adjustment as of 31/12/2024** | **4,055,058** | **4,055,058** |
| **Carrying amount as of 31/12/2024** | **1,197,279** | **1,197,279** |
| **Carrying amount as of 31/12/2023** | **1,296,791** | **1,296,791** |

In 2024, the Impol Group generated income with investment property in the amount of EUR 255,430 (EUR 255,785 in 2023). Connected depreciation costs in 2024 were EUR 99,511 (EUR 111.659 in 2023).

**Table 79:** Investment property in 2023 in EUR

| Description | Buildings | TOTAL |
|---|---|---|
| **Cost as of 31/12/2022** | **5,252,337** | **5,252,337** |
| Opening balance adjustments | 0 | 0 |
| **Cost as of 01/01/2023** | **5,252,337** | **5,252,337** |
| **Cost as of 31/12/2023** | **5,252,337** | **5,252,337** |
| **Value adjustment as of 31/12/2022** | **3,843,887** | **3,843,887** |
| Opening balance adjustments | 0 | 0 |
| **Value adjustment as of 01/01/2023** | **3,843,887** | **3,843,887** |
| Depreciation (+) | 111,659 | 111,659 |
| **Value adjustment as of 31/12/2023** | **3,955,546** | **3,955,546** |
| **Carrying amount as of 31/12/2023** | **1,296,791** | **1,296,791** |
| **Carrying amount as of 31/12/2022** | **1,408,450** | **1,408,450** |

The Impol Group estimates that the carrying amount of investment property qualifies as fair value.

The investment property owned by the Impol Group is not pledged as collateral for the liabilities.

# 10. LONG-TERM FINANCIAL INVESTMENTS

**Table 80: Long-term financial investments in EUR**

| | Cost/fair value/amortised cost of long-term financial investments as of 31/12/2024 | Of which long-term financial investments in companies: associated companies | other companies | Total value adjustment (-) as of 31/12/024 | Carrying amount 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|---|---|
| | | + | + | - | | |
| Long-term financial investments (+) | 1,575,880 | 1,040,682 | 535,198 | 0 | 1,575,880 | 1,382,801 |
| Total long-term investments | 1,575,880 | 1,040,682 | 535,198 | 0 | 1,575,880 | 1,382,801 |
| | | | | | | |
| Investments in shares and participating interest | 1,362,725 | 1,040,682 | 322,043 | 0 | 1,362,725 | 1,154,364 |
| **TOTAL long-term financial investments except for loans** | **1,362,725** | **1,040,682** | **322,043** | **0** | **1,362,725** | **1,154,364** |
| Long-term loans granted | 113,927 | 0 | 113,927 | 0 | 113,927 | 122,919 |
| Other long-term funds invested | 99,227 | 0 | 99,227 | 0 | 99,227 | 105,517 |
| **TOTAL long-term loans** | **213,155** | **0** | **213,155** | **0** | **213,155** | **228,436** |
| **Total long-term investments** | **1,575,880** | **1,040,682** | **535,198** | **0** | **1,575,880** | **1,382,801** |

LTFI: Long-term financial investments

Long-term financial investments as of 31/12/2024 were not pledged as security for liabilities.

## Trend in long-term financial investments excluding loans

**Table 81: Trend in long-term financial investments excluding loans in EUR**

| | Cost as of 1/1/2024 | Change due to the use of the equity method | Exchange rate differences | Decrease in 2024 (liquidation*) | Cost as of 31/12/2024 | Value adjustment 1/1/2024 | Decrease in 2024 (liquidation*) | Value adjustment 31/12/2024 | Carrying amount as of 31/12/2024 | Carrying amount as of 01/01/2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Shares and participating interests in subsidiaries** | 874,978 | 200,342 | 10 | 34,648 | 1,040,682 | 34,648 | 34,648 | 0 | 1,040,682 | 840,330 |
| **Other shares and participating interests** | 314,034 | 0 | 8,009 | 0 | 322,043 | 0 | 0 | 0 | 322,043 | 314,034 |
| **Total investment in shares:** | **1,189,012** | **200,342** | **8,019** | **34,648** | **1,362,725** | **34,648** | **34,648** | **0** | **1,362,725** | **1,154,364** |

## Investments in shares of associated companies

**Table 82: Investments in associated companies in EUR**

| Associated company | Participating interests of the Group in capital | Investment as of 31/12/2024 - equity method | Value adjustment as of 31/12/2024 | Carrying amount of the investment as of 31/12/2024 | Carrying amount of the investment as of 31/12/2023 |
|---|---|---|---|---|---|
| | | + | - | | |
| **Simfin, d. o. o., Slovenia** | 49.51% | 1,032,543 | 0 | 1,032,543 | 837,764 |
| **Slobodna carinska cona, d. o. o., Serbia** | 33.33% | 8,129 | 0 | 8,129 | 2,566 |
| **Impol Brasil Aluminium LTDA*** | - | - | - | - | 0 |
| **Total:** | | **1,040,672** | **0** | **1,040,672** | **840,330** |

*In September 2024, Impol Brasil Aluminium LTDA, in which the Impol Group had a 50% ownership stake, officially closed. For the past five years, the company has not shown any turnover. Nor were any claims, debts or assets of the company recognised at the time of closure. The Impol Group fully depreciated the investment of EUR 34,648 already in the financial year 2015, with the full amount of the depreciation being recognised as chargeable to the profit or loss account of that year. The exclusion of the investment in question in the current year had no impact on the operating result as its carrying amount was already zero.

## Trend in long-term financial investments – loans

**Table 83: Trend in long-term financial investments – loans in EUR**

| | Amortised cost as of 31/12/2023 | New loans | Refunds (-) | Definitive write-off of loan (-) | Exchange rate differences (+/-) | Amortised cost as of 31/12/2024 | Value adjustment (-) as of 01/01/2024 | Definitive write-off of loan (-) | Value adjustment as of 31/12/2024 | Carrying amount as of 31/12/2024 | Carrying amount as of 01/01/2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Long-term loans to others** | 258,627 | 0 | 9,343 | 135,707 | 351 | 113,927 | 135,707 | 135,707 | 0 | 113,927 | 122,919 |
| **Other long-term funds invested to other companies** | 105,517 | 85,925 | 92,215 | | 0 | 99,227 | 0 | 0 | 0 | 99,227 | 105,517 |
| **TOTAL:** | **364,144** | **85,925** | **101,558** | **135,707** | **351** | **213,155** | **135,707** | **135,707** | **0** | **213,155** | **228,436** |

Long-term loans as of 31/12/2024 refer exclusively to loans given to employees and others in the Seval Group in Serbia, in the amount of EUR 113,927. In 2024, the bankruptcy proceedings of one of the borrowers were completed, so the Impol Group carried out a final write-off of a given loan in the total amount of EUR 135,707, for which it has in the past formed a correction of value due to impairment. The loans granted are not secured. Other long-term invested funds according to the condition on 31 December 2024 in the amount of EUR 99,227 relate to payments into reserve funds of dwellings whose owners are individual companies in the Impol Group.

## 11. INVENTORIES

**Table 84: Inventories in EUR**

| | Cost as of 31/12/2024 | Carrying amount as of 31/12/2024 | Carrying amount as of 31/12/2023 |
|---|---|---|---|
| **Raw material and material** | 198,996,340 | 198,996,340 | 181,099,966 |
| **Work in progress and services** | 33,395,919 | 33,395,919 | 27,670,662 |
| **Products** | 27,575,110 | 27,575,110 | 22,210,217 |
| **Merchandise** | 5,164,980 | 5,164,980 | 4,131,712 |
| **Advances for inventories to companies in the Group** | 0 | 0 | 0 |
| **Advances for inventories to others** | 107,780 | 107,780 | 87,527 |
| **TOTAL** | **265,240,128** | **265,240,128** | **235,200,083** |

Inventories as of 31/12/2024 were not pledged as security for liabilities.

On 31/12/2024, the Group inspected the value of merchandise inventories and determined that the net realisable value of inventories exceeds the carrying amount, therefore no impairment of inventories was recorded on 31/12/2024.

Received goods and material to be processed are recorded as foreign goods and only their quantity is monitored. At the end of 2024, the Group's inventories of goods given on consignment amounted to EUR 945,593.

## Inventory surpluses and deficits

**Table 85: Inventory surpluses and deficits in EUR**

| | Total | Surpluses | Deficits (-) |
|---|---|---|---|
| **Raw material and material** | 2,438 | 2,438 | 0 |
| **Work in progress and services** | 333,705 | 333,705 | 0 |
| **Products** | 0 | 0 | 0 |
| **Merchandise** | -116,960 | 900 | -117,860 |

## 12. SHORT-TERM FINANCIAL INVESTMENTS

**Table 86:** Short-term financial investments in EUR

| | Cost/amortised cost/fair value of short-term financial investments as of 31/12/2024 | Of which STFI in: Other companies | Value adjustment due to impairment | Carrying amount as of 31/12/2024 | Carrying amount as of 31/12/2023 |
|---|---|---|---|---|---|
| | = | + | - | = | |
| **Short-term financial investments (+)** | 70,470 | 70,470 | 0 | 70,470 | 72,999 |
| **Short-term part of long-term financial investments (+)** | 0 | 0 | 0 | 0 | 0 |
| **TOTAL:** | **70,470** | **70,470** | **0** | **70,470** | **72,999** |
| | | | | | |
| **Fair value of forwards from the purchase/sale of aluminium and fair value of financial derivatives - interest rate swaps** | 0 | 0 | 0 | 0 | 15,270 |
| **TOTAL short-term financial investments excluding loans:** | 0 | 0 | 0 | 0 | 15,270 |
| **Short-term loans granted** | 70,470 | 70,470 | 0 | 70,470 | 57,728 |
| **TOTAL short-term loans granted:** | **70,470** | **70,470** | **0** | **70,470** | **57,728** |
| **Short-term unpaid called-up capital** | 0 | 0 | 0 | 0 | 0 |
| **TOTAL:** | **70,470** | **70,470** | **0** | **70,470** | **72,999** |

**Table 87:** Trend in short-term financial investments excluding loans in EUR

| | Fair value 01/01/2024 | Sale or conclusion (-) | Fair value 31/12/2024 | Carrying amount as of 31/12/2024 | Carrying amount as of 01/01/2024 |
|---|---|---|---|---|---|
| **Interest rate swaps (IRS)** | 15,270 | 15,270 | 0 | 0 | 15,270 |
| **TOTAL** | **15,270** | **15,270** | **0** | **0** | **15,270** |

The change in short-term financial investments excluding loans totalling EUR 15,270 represents the effect of the closure of interest rate swap settlement in 2024. In 2024, the Group completed all active transactions in connection with the replacement of interest rates, so that on 31 December 2024, such derivatives no longer possess. The effect of the measurement of interest rate swaps at fair value in the total amount of EUR -15,270 for 2024 is shown in the framework of other comprehensive income. The hedges of interest rate swaps, which refer to the hedged items in the statement of financial position, are shown within capital as a reserve for fair value until the close of the interest rate swap transaction. The Group defined the said hedging as successful in its entirety.

**Table 88: Trend in short-term financial investments – loans in EUR**

| | Amortised cost (+) as of 01/01/2024 | New loans (+) | Refunds (-) | Loan write-off (-) | Exchange rate differences (+/-) | Amortised cost as of 31/12/2024 | Value adjustment (-) as of 01/01/2024 | Adjustment increase due to impairment (-) | Adjustment reduction due to loan write-off (+) | Exchange rate differences (+/-) | Value adjustment (-) as of 31/12/2024 | Carrying amount as of 31/12/2024 | Carrying amount as of 01/01/2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Short-term loans to others** | 312,211 | 110,186 | 97,646 | 254,482 | 201 | 70,470 | 254,483 | 0 | 254,482 | 1 | 0 | 70,470 | 57,728 |
| **TOTAL SHORT-TERM FINANCIAL INVESTMENTS – LOANS** | **312,211** | **110,186** | **97,646** | **254,482** | **201** | **70,470** | **254,483** | **0** | **254,482** | **1** | **0** | **70,470** | **57,728** |

The majority of the carrying amount of short-term investments granted (EUR 63,470) refers to loans granted to employees of the Impol Group, and the remaining amount of EUR 7,000 on the given loan to the legal entity. In 2024, the loans from previous years (EUR 254,482) were fully carried out by the write-off of cost and correction due to impairment due to the official completion of the bankruptcy proceedings of the debtor.

Short-term financial investments were not pledged as security for liabilities.

## 13. SHORT-TERM OPERATING RECEIVABLES

Carrying amounts of all trade receivables and other receivables in significant amounts correspond to their fair value.

**Table 89: Short-term operating receivables in EUR**

| | Short-term operating receivables | Short-term operating receivables to companies: Associated companies | Short-term operating receivables to companies: Other | Value adjustment due to impairment* | Value adjustment of short-term operating receivables to other companies | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|---|---|---|
| | = | + | + | - | - | = | |
| **Short-term operating receivables from customers** | 106,846,471 | 10,423 | 106,836,048 | 3,580,260 | 3,580,260 | 103,266,211 | 94,517,229 |
| • **of which already matured on 31/12/2024** | **19,903,254** | **1,113** | **19,902,141** | **0** | **0** | **19,903,254** | **20,351,105** |
| **Short-term advances and securities granted** | 1,287,230 | 0 | 1,287,230 | 0 | 0 | 1,287,230 | 373,718 |
| **Short-term receivables related to financial revenues**** | 20,863 | 0 | 20,863 | 155 | 155 | 20,708 | 32,030 |
| **Short-term receivables from state institutions** | 12,663,060 | 0 | 12,663,060 | 0 | 0 | 12,663,060 | 11,344,303 |
| **Other short-term operating receivables** | 151,478 | 0 | 151,478 | 0 | 0 | 151,478 | 553,334 |
| **TOTAL** | **120,969,102** | **10,423** | **120,958,680** | **3,580,414** | **3,580,414** | **117,388,688** | **106,820,614** |

| **Short-term operating receivables from customer receivables in EUR by markets:** | |
|---|---|
| • **on the domestic market** | 7,661,508 |
| • **on the foreign market** | 95,604,703 |
| **TOTAL** | **103,266,211** |

## *Trend in value adjustment of current operating receivables due to impairment

**Table 90: Trend in value adjustment of short-term operating receivables due to the impairment in EUR**

| | 2024 | Of which value adjustment for short-term receivables from other companies | 2023 |
|---|---|---|---|
| **Balance as of 01/01/2024** | **3,527,090** | **3,527,090** | **5,906,278** |
| **Exchange rate differences (+/-)** | 615 | 615 | 99,506 |
| **Decrease in value due to settlement of receivables (-)** | 74,661 | 74,661 | 375,356 |
| **Decrease in value due to write-offs of receivables (-)** | 355,505 | 355,505 | 2,243,166 |
| **Value adjustments due to the impairment (+)** | 482,875 | 482,875 | 139,829 |
| **Transfers of formed adjustments of companies in the group upon acquisition** | 0 | 0 | 0 |
| **Balance as of 31/12/2024** | **3,580,414** | **3,580,414** | **3,527,090** |

**Table 91: Analysis of outstanding trade receivables in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2024** | 16,773,024 | - |
| **Matured in 2023** | 78,230 | 16,960,431 |
| **Matured in 2022** | 17,069 | 63,417 |
| **Matured in 2021** | 714,539 | 719,277 |
| **Matured in 2020 or before** | 2,320,391 | 2,607,980 |
| **TOTAL receivables from customers already due** | **19,903,254** | **20,351,105** |

**The majority of claims to the state institutions refer to receivables for deduction of value added tax in the tax jurisdictions of the Republic of Slovenia, the Republic of Croatia and the Republic of Serbia. Within the item receivables from the state, on 31/12/2024, the Impol Group reports, among other things, receivables from profit tax for EUR 5,571,702, of which EUR 5,185,266 refers to receivables from profit tax in the Republic of Slovenia and EUR 386,436 to receivables from the title of profit tax in the Republic of Serbia.

## 14. CASH AND OTHER SHORT-TERM ASSETS

**Table 92: Cash in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Cash in hand and immediately cashable securities** | 7,015 | 2,213,009 |
| **Cash in banks and other financial institutions** | 43,156,879 | 101,275,739 |
| **Short-term deposits up to three months** | 0 | 0 |
| **Cash** | **43,163,894** | **103,488,748** |

The Group has no cash deposits of under three months. Daily deposits are included under Cash in banks.

Among other short-term assets, the Group recognises short-term deferred costs, short-term accrued revenues and VAT on advances received.

**Table 93: Other short-term assets in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term deferred costs or expenses** | 1,064,643 | 948,289 |
| **Short-term deferred income** | 785,482 | 1,173,461 |
| **Securities** | 0 | 0 |
| **VAT from advances received** | 22,179 | 69,206 |
| **OTHER SHORT-TERM ASSETS** | **1,872,304** | **2,190,956** |

Short-term deferred costs or expenses mainly refer to the costs of property insurance, professional literature, IT maintenance, licenses, membership fees and the like.

In the short term, the revenue, which, as of 31/12/2024, amounted to a total of EUR 785,482, is in the amount of EUR 195,492 for expected insurance for damage events from 2024, and the remaining amount of EUR 589,990 refers to the unchanged revenues or unrepresented requests for co-financing costs in the following projects:

- In connection with the "INDIGO" project, the companies in the Impol Group (Impol 2000, d. d., Impol LLT, d. o. o., Alcad, d. o. o., and Kadring, d. o. o.) submitted claims to the Ministry of the Interior in 2024 for a total amount of EUR 205.572, thus depleting the available funds of the project. This is the co-financing of the costs of the public call for tenders “Digital transformation of the economy” by the Ministry of Economic Development and Technology “INDIGO project”. The total amount of approved funds in the framework of the mentioned project, to which the companies in the Group are entitled, amounted o EUR 876,378. The project was completed in 2024, i.e. all claims were issued, and therefore on 31/12/2024 there were no unrecognised revenues from that project.

- In 2024, the Impol, d. o. o., as a leading consortium partner, signed a consortium agreement with the Ministry of Economic Development and Technology for the implementation of the “GREEN_AL_PRO” project (as part of the public call for Grants for research and development projects as part of Recovery and resilience plans). Impol PCP, d. o. o., and Impol LLT, d. o. o. are also involved in the project. In this regard we expect to receive a state aid in the amount of EUR 299,260, of which the last amount was drawn in 2024 in the amount of EUR 124,592. According to the balance on 31/12/2024, the balance of unissued claims remains in the amount of EUR 98,474, which will be issued in their entirety in 2025.

- Also, in 2023, the new "Green foil" project was launched, which is also co-financed by the Ministry of Economic Development and Technology. The total amount of approved funds within the mentioned project, in which Impol 2000, d. d., and Impol FT, d. o. o. participate, amounts to EUR 267,121. In 2023, the companies have already issued claims in the total amount of EUR 65,898, and in 2024 for EUR 124,592. According to the balance on 31/12/2024, the balance of unissued claims remains in the amount of EUR 94,737.

- In 2024, Impol, d. o. o., started the project "Hybreed", funded by the Ministry of Higher Education, Science and Innovation under the auspices of the Public Research Agency of the Republic of Slovenia, in the amount of EUR 199,974. In 2024, the number of claims issued was EUR 44,691 and the outstanding number of claims issued remained at EUR 155,283.

- Kadring, d. o. o. started two projects in 2023: "Digital competencies" funded by the Ministry of Digital Transformation and "basic competences" funded by the Ministry of Education. The first of these projects, amounting to EUR 935,550, received EUR 658,350 of state aid in 2023 and EUR 277,200 in 2024. The second of these projects, amounting to EUR 266,400, EUR 44,261 were used in 2024, and the state of unissued claims on 31/12/2024 according to this project is EUR 222,139. This project is expected to last until the end of 2029.

- Kadring, d. o. o. acquired an additional project 'Workplaces of the future for the disabled' in 2024 for EUR 38 548, funded by the Ministry of Labour, Family and Social Affairs. In 2024, the number of claims issued was EUR 19,191, and the outstanding number of claims issued on 31/12/2024 remained at EUR 19,357.

## 15. CAPITAL

**Table 94: Capital in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Capital** | **398,961,270** | **390,005,338** |
| **Capital of non-controlling share** | 22,333,955 | 24,201,273 |
| **Called-up capital** | 4,451,540 | 4,451,540 |
| • **Share capital** | 4,451,540 | 4,451,540 |
| **Capital reserves** | 10,751,254 | 10,751,254 |
| **Revenue reserves** | 7,958,351 | 7,958,351 |
| • **Legal reserves** | 0 | 0 |
| • **Reserves for own shares and own business shares** | 506,406 | 506,406 |
| • **Own shares and own business shares (as a deductible item)** | -506,406 | -506,406 |
| • **Statutory reserves** | 2,225,770 | 2,225,770 |
| • **Other revenue reserves** | 5,732,581 | 5,732,581 |
| **Revaluation reserves** | 0 | 0 |
| **Reserves resulting from valuation at fair value** | -966,913 | -909,144 |
| **Capital revaluation adjustment** | 350,456 | 249,208 |
| **Retained net profit or loss** | 333,334,448 | 298,744,421 |
| **Net profit or loss for the financial year** | 20,748,178 | 44,558,435 |

### Non-controlling share

The capital of the non-controlling interest refers to the minority shares held by the owners in the company Impol Aluminium Corp., USA, namely in the amount of 10 percent of the ownership share of the capital of the said company, and to the minority shares held by the owners in the company Impol Seval, a. d., Serbia, in the amount of 30% of the ownership share in the capital of the said company.

### Share capital

The share capital of Impol 2000, d. d. equals EUR 4,451,540 and is divided into 1,066,767 ordinary registered no-par value shares.

### Reserves

The Group's reserves include capital reserves, reserves from profit and the reserves resulting from valuation at fair value and the revaluation adjustment of capital. None of these reserves can be used to pay dividends or other participating interests.

### Capital reserves

Capital reserves as of 31/12/2024 amount to EUR 10,751,254. Capital reserves include paid-in capital surplus in the amount of EUR 9,586,803 and the general revaluation adjustment of capital in the amount of EUR 1,164,451.

### Revenue reserves

Revenue reserves, which as of 31/12/2024 amount to EUR 7,958,351, which include own shares (as deduction) and the corresponding reserves for own shares, statutory reserves and other revenue reserves.

As of 31/12/2024, the Impol Group owned 82,108 own shares in the total amount of EUR 506,406 (as deduction of capital). These are shares of the controlling company Impol 2000, d. d. owned by the following companies in the Group: Impol-Montal, d. o. o. (80,482 shares) and Kadring, d. o. o. (1.626 shares). Reserves for own shares are disclosed in the same amount under Reserves from profit.

**Table 95: Repurchased own shares in EUR**

| | Balance as of 01/01/2024 | | | Balance as of 31/12/2024 | | |
|---|---|---|---|---|---|---|
| | Number | Percent | Value | Number | Percent | Value |
| **Own shares acquired** | 82,108 | 7.70% | 506,406 | 82,108 | 7.70% | 506,406 |
| **TOTAL** | | 7.70% | 506,406 | | 7.70% | 506,406 |

## Capital revaluation adjustment

The capital revaluation adjustment as of 31/12/2024 amounts to EUR 350,456 EUR and increased by EUR 101,248 in 2024, which corresponds to an increased due to currency differences that occurred when including financial reports of foreign subsidiaries into consolidated financial statements.

## Reserves resulting from valuation at fair value

Reserves resulting from valuation at fair value have changed in 2024 due to a change in the value of effective cash flow hedging (interest replacement) in the amount of EUR -15,271, in 2024 the resulting actuarial losses arising from charged severance pay at retirement in a total amount EUR -167,675 and the transfer of such actuarial losses in the amount of EUR 121,818 to the transferred profit or loss and due to the elimination of correction of the value of the reserves generated by the evaluation of interest exchanges at fair value for the deferred tax liability of EUR 3,359, as shown in the table.

**Table 96: Reserves from fair value measurement in EUR**

| | Balance as of 01/01/2024 | Formation (+/-) | Reversal (-/+) | Balance as of 31/12/2024 |
|---|---|---|---|---|
| **Reserves resulting from valuation of financial investments at fair value (interest rate swaps)** | 15,271 | 0 | -15,271 | 0 |
| **Reserves resulting from valuation of short-term financial investments at fair value** | 0 | 0 | 0 | 0 |
| **Actuarial gains/losses, recognised under provisions for retirement benefits** | -921,056 | -167,675 | 121,818 | -966,913 |
| **Adjustment of reserves resulting from valuation of financial investments at fair value for deferred tax liabilities (interest rate swaps)** | -3,359 | 0 | 3,359 | 0 |
| **TOTAL** | **-909,144** | **-167,675** | **109,907** | **-966,913** |
| **Of which reserves resulting from valuation at fair value belonging to non-controlling share** | 0 | 0 | 0 | 0 |
| **Reserves resulting from valuation at fair value belonging to owners of the controlling company** | -909,144 | -167,675 | 109,907 | -966,913 |

## Disbursement of dividends

In 2024, based on the resolution of the general meeting of shareholders, the controlling company Impol 2000, d. d. paid dividends in the gross amount of EUR 10.00 per share or a total of EUR 10,667,670. Since the receivers of dividends are also the companies Impol-Montal, d. o. o., which owns 80.482 shares of Impol 2000, d. d. and Kadring, which owns 1,626 shares of Impol 2000, d. d., the actual payment of dividends outside the Group was EUR 9,846,590, while Impol Montal, d. o. o. received dividends in the amount of EUR 804,820 and Kadring, d. o. o. in the amount of EUR 16,260.

## 16. PROVISIONS AND LONG-TERM ACCRUED COSTS AND DEFERRED REVENUES

**Table 97: Provisions and long-term accrued costs and deferred revenues in EUR**

| | Provisions for long-service bonuses | Provisions for severance pays upon retirement | Provisions for retirement, long-service bonuses and severance pays upon retirement | Other provisions due to long-term accrued costs | Received government grants | Other long-term deferred costs and accrued revenues | Total |
|---|---|---|---|---|---|---|---|
| **Balance as of 31/12/2023** | **1,325,830** | **3,126,125** | **4,451,955** | **2,573** | **1,086,735** | **25,927** | **5,567,190** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Balance as of 01/01/2024** | **1,325,830** | **3,126,125** | **4,451,955** | **2,573** | **1,086,735** | **25,927** | **5,567,190** |
| Formation (+) | 275,539 | 524,069 | 799,608 | 0 | 1,642,979 | 0 | 2,442,587 |
| Other increase (+) | 0 | 0 | 0 | 0 | 81 | 25,273 | 25,354 |
| Entry of provisions of companies in the Group upon acquisition | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Utilisation (-) | 107,441 | 214,626 | 322,067 | 0 | 2,011,071 | 0 | 2,333,138 |
| Reversal (–) | 76,321 | 154,365 | 230,686 | 0 | 56 | 28,278 | 259,020 |
| Other decreases (-) | 0 | 0 | 0 | 60 | 0 | 0 | 60 |
| Exchange rate differences | 903 | 1,686 | 2,589 | 0 | 0 | 0 | 2,589 |
| **Balance as of 31/12/2024** | **1,418,511** | **3,282,888** | **4,701,399** | **2,513** | **718,668** | **22,922** | **5,445,502** |

It is estimated that no provisions, other than the above stated, need to be formed. The provisions refer to the business entities outside the Group. Provisions for post-employment and other long-term benefits of the employees are created in the amount of the estimated future payments of jubilee and retirement benefits, discounted to the end of the reporting period. Labour costs and interest expenses are recognised in profit or loss, while the conversion of post-employment benefits and/or unrealised actuarial gains and losses are recognised in other comprehensive income as capital.

The calculation of provisions for jubilee and retirement benefits is based on the following conditions:

- Discount rate based on information on the return of long-term government bonds of the Republic of Slovenia. Croatia or Republic of Serbia;
- Currently valid amounts of jubilee and retirement benefits from internal rules;
- Employee turnover mostly depending on their age;
- Mortality based on last available mortality tables of the local population.

Other provisions due to long-term accrued costs in the amount of EUR 1,327 refer to provisions due to claims in Croatia, and in the amount of EUR 1,186 to the formation of a risk fund for purposed of running a student employment agency (Kadring, d. o. o.).

Among received state aid after the balance on 31/12/2024, are stated assets from disposed of contributions of disabled persons and subsidies for improving the working conditions for disabled persons in the total amount of EUR 357,293, and funds from projects in the total amount of EUR 361,375. The projects are described in the chapter of Cash and other short-term assets, and the balance of long-term accrued costs and deferred revenues as of 31/12/2024 is as follows by individual projects implemented in 2024:

- “INDIGO” project: EUR 0;
- “GREEN_AL_PRO” project: EUR 0;
- “Green foil” project: EUR 0;
- “Hybreed” project: EUR 119,995;
- “Digital competencies” project: EUR 0;
- “Basic competencies” project: EUR 222,139;
- “Workplaces of the future for the disabled” project: EUR 19,241.

The trend in received government grants in 2024 is presented below.

**Table 98:** **Received government grants in EUR**

| | Assets from the employment of disabled persons (remunerated contributions, rewards) | Assets from disposed of contributions for covering depreciation costs | Calculated interest from unused contributions | State aid for projects | TOTAL received government grants |
|---|---|---|---|---|---|
| **Balance as of 31/12/2023** | **60,133** | **309,221** | **56** | **717,325** | **1,086,735** |
| Opening balance adjustments | 0 | 0 | 0 | 0 | 0 |
| **Balance as of 01/01/2024** | **60,133** | **309,221** | **56** | **717,325** | **1,086,735** |
| Formation – disposed of contributions disabled persons (+) | 360,762 | 0 | 0 | 0 | 360,762 |
| Formation – subsidies (+) | 15,076 | 0 | 0 | 0 | 15,076 |
| Formation – projects (+) | 0 | 0 | 0 | 1,263,908 | 1,263,908 |
| Formation – rewards for exceeding the employment quota for disabled people (+) | 0 | 0 | 0 | 3,233 | 3,233 |
| Other increase (+) | 0 | 0 | 81 | 0 | 81 |
| Utilisation (75% of pays of disabled persons) (-) | 324,291 | 0 | 0 | 0 | 324,291 |
| Utilisation (acquisition of fixed assets from disposed of contributions) (+/-) | -46,090 | 46,090 | 0 | 0 | 0 |
| Utilisation (covering depreciation costs and residual value at disposal) (-) | 0 | 63,688 | 0 | 0 | 63,688 |
| Utilisation (covering incurred costs) - projects (-) | 0 | 0 | 0 | 1,619,859 | 1,619,859 |
| Utilisation – reward for exceeding the employment quota for disabled people (-) | 0 | 0 | 0 | 3,233 | 3,233 |
| Other decreases – annulment of interest from previous years (-) | 0 | 0 | 56 | 0 | 56 |
| **Balance as of 31/12/2024** | **65,591** | **291,622** | **81** | **361,375** | **718,668** |

Other long-term accrued costs and deferred revenues show, among other things, the trend of free allowances received from the State, namely EUR 24 816 per year. 24 816 emission allowances shall be received and used for EUR 28 278 or equivalent. 28,278 emission allowances issued by the European Union. An overview of the balance and trend of other long-term accrued costs and deferred revenues on 31/12./2024 is shown in the table.

**Table 99:** **Other long-term accrued costs and deferred revenues in EUR**

| | Emission allowances obtained free of charge from the state | Received subsidy for fixed assets | Fund for the renovation of the Štatenberg manor | Total: |
|---|---|---|---|---|
| **Balance as of 31/12/2023** | **3,462** | **11,981** | **10,484** | **25,927** |
| Opening balance adjustments | 0 | 0 | 0 | 0 |
| **Balance as of 01/01/2024** | **3,462** | **11,981** | **10,484** | **25,927** |
| Other increase (+) | 24,816 | 0 | 457 | 25,273 |
| Reversal (–) | 28,278 | 0 | 0 | 28,278 |
| **Balance as of 31/12/2024** | **0** | **11,981** | **10,941** | **22,922** |

## 17. LONG-TERM FINANCIAL AND OPERATING LIABILITIES

**Table 100:** **Long-term financial and operating liabilities in EUR**

| | Total debt as of 31/12/2024 | The part falling due in 2025 | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|
| | + | - | = | |
| Long-term financial liabilities to banks | 158,291,713 | 54,543,640 | 103,748,074 | 110,335,878 |
| Long-term financial liabilities (excluding liabilities from leases) | 32,399 | 5,588 | 26,811 | 32,399 |
| Long-term financial liabilities from leases – operating lease – other companies | 354,821 | 199,043 | 155,778 | 356,075 |
| Other long-term operating liabilities | 311,441 | 0 | 311,441 | 373,776 |
| **TOTAL long-term financial and operating liabilities** | **158,990,374** | **54,748,272** | **104,242,103** | **111,098,128** |
| Long-term financial liabilities | 158,678,934 | 54,748,272 | 103,930,662 | 110,724,352 |
| Long-term operating liabilities | 311,441 | 0 | 311,441 | 373,776 |
| **TOTAL long-term financial and operating liabilities** | **158,990,374** | **54,748,272** | **104,242,103** | **111,098,128** |

**Table 101:** **Trend in long-term financial liabilities – without liabilities from leases in EUR**

| | Debt as of 01/01/2024 | New loans | Repayment in the current year (-) | Exchange rate differences (+/-) | Debt as of 31/12/2024 | Part of long-term debt falling due in the following year | Long-term debt balance as of 31/12/2024 | Debt as of 31/12/2023 |
|---|---|---|---|---|---|---|---|---|
| Long-term financial liabilities to banks | 110,335,878 | 49,992,863 | 2,061,096 | 24,068 | 158,291,713 | 54,543,640 | 103,748,074 | 110,335,878 |
| Long-term financial liabilities (excluding liabilities from leases) | 32,399 | 0 | 0 | 0 | 32,399 | 5,588 | 26,811 | 32,399 |
| **TOTAL long-term financial liabilities** | **110,368,277** | **49,992,863** | **2,061,096** | **24,068** | **158,324,113** | **54,549,228** | **103,774,885** | **110,368,277** |

## Interest rates and insurance of long-term financial liabilities

The range of the interest rate for long-term received loans in 2024 was from 1.99% fixed to a six-month EURIBOR +2.00% (depending on the field, maturity, insurance and credit institutions range).

The long-term financial liabilities are secured by bills of exchange and clauses (negative pledge and pari passu), and part of the liability of EUR 207.476 (of which EUR 8.010 is shown as long-term financial liabilities, the remaining part of EUR 199.466 as short-term part of the long-term financial liabilities as short-term financial liabilities) is secured by a solar plant equipment pledge.

## Liabilities from leases

**Table 102: Trend in long-term financial liabilities from leases in EUR**

| | Debt as of 01/01/2024 | Termination of the lease in current year (-) / Repayments in the current year (-) | Debt as of 31/12/2024 | Part of long-term debt falling due in the following year | Long-term debt balance as of 31/12/2024 |
|---|---|---|---|---|---|
| **Long-term financial liabilities from leases – operating lease – other companies** | 356,075 | 1,254 | 354,821 | 199,043 | 155,778 |
| **TOTAL** | **356,075** | **1,254** | **354,821** | **199,043** | **155,778** |

A 3% interest rate is applied for calculating liabilities from leases for all leases. Future minimum lease payments and their present values in connection with liabilities from leases are as shown in the table below.

**Table 103: Future minimum lease payments and their present value in EUR**

| | Future minimum lease payments | Present net value of future lease payments |
|---|---|---|
| **Up to 1 year** | 214,305 | 206,979 |
| **1 to 5 years** | 161,109 | 155,778 |
| **Total:** | **375,414** | **362,757** |

**Table 104: Maturity of long-term financial and operating liabilities in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2025** | X | 44,324,695 |
| **Matured in 2026** | 46,126,210 | 31,710,245 |
| **Matured in 2027** | 29,291,842 | 19,685,422 |
| **Matured in 2028** | 18,161,807 | 9,989,393 |
| **Matured in 2029** | 9,104,129 | 5,388,372 |
| **Due in 2030 or later** | 1,558,114 | X |
| **Total long-term financial and operating liabilities** | **104,242,103** | **111,098,128** |

# 18. SHORT-TERM LIABILITIES

**Table 105: Short-term liabilities in EUR**

| A. Short-term financial and operating liabilities | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Short-term operating liabilities to suppliers on the domestic market to associated companies | 560,597 | 428,862 |
| Short-term operating liabilities to suppliers on the domestic market to other companies | 21,510,923 | 27,028,218 |
| Short-term pat of long-term operating liabilities to suppliers on the domestic market – other companies | 0 | 43,127 |
| Short-term operating liabilities to suppliers on the foreign market to other companies | 52,909,095 | 46,434,544 |
| Short-term operating liabilities based on advances to other companies | 2,310,053 | 4,235,413 |
| Other short-term operating liabilities to associated companies | 3,332 | 2,099 |
| Other short-term operating liabilities to other companies | 17,491,498 | 17,587,761 |
| **TOTAL short-term operating liabilities:** | **94,785,497** | **95,760,024** |
| Short-term portion of long-term financial liabilities to banks | 54,543,640 | 66,302,866 |
| Short-term part of long-term financial liabilities (excluding liabilities from lease) to other companies | 5,588 | 1,071,851 |
| Short-term part of long-term financial liabilities from leases – operating lease – other companies | 206,979 | 332,026 |
| Short-term financial liabilities (other than lease liabilities) – associated companies | 500,000 | 500,000 |
| Short-term financial liabilities to banks | 0 | 3,300,000 |
| Short-term financial liabilities (other than lease liabilities) – other companies | 4,460,947 | 2,999,766 |
| Short-term financial liabilities from the distribution of profit | 32,693 | 28,782 |
| **Total short-term financial liabilities:** | **59,749,848** | **74,535,290** |
| **Total short-term financial and operating liabilities:** | **154,535,345** | **170,295,314** |

| B. Short-term financial and operating liabilities | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Short-term financial liabilities | 4,993,640 | 6,828,547 |
| Short-term part of long-term financial liabilities | 54,756,207 | 67,706,743 |
| **Total short-term financial liabilities** | **59,749,848** | **74,535,290** |
| Short-term operating liabilities | 94,785,497 | 95,716,897 |
| Short-term part of long-term operating liabilities | 0 | 43,127 |
| **Total short-term operating liabilities** | **94,785,497** | **95,760,024** |
| **Total short-term financial and operating liabilities** | **154,535,345** | **170,295,314** |

| C. Short-term operating liabilities | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Short-term operating liabilities to suppliers – associated companies | 560,597 | 428,862 |
| Short-term operating liabilities to suppliers – other companies | 74,420,018 | 73,462,762 |
| Short-term pat of long-term operating liabilities to suppliers – other companies | 0 | 43,127 |
| **Total short-term liabilities to suppliers** | **74,980,614** | **73,934,751** |
| • of which already matured on the financial statement date | 3,272,726 | 11,155,443 |
| Short-term operating liabilities for advances | 2,310,053 | 4,235,413 |
| **TOTAL short-term liabilities for advances** | **2,310,053** | **4,235,413** |
| Short-term liabilities to employees | 11,259,368 | 11,737,007 |
| Short-term liabilities to government | 2,110,228 | 2,511,552 |
| Short-term liabilities from interest – associated companies | 3,332 | 2,099 |
| Short-term liabilities from interest – other companies | 369,940 | 503,056 |
| Other short-term operating liabilities – other companies | 3,751,963 | 2,836,147 |
| **Total other short-term operating liabilities** | **17,494,829** | **17,589,860** |
| **Total short-term operating liabilities** | **94,785,497** | **95,760,024** |

| D. Itemisation of short-term operating liabilities from interest | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Interest related to finance expenses from operating liabilities | 2,579 | 2,673 |
| Interest related to finance expenses from financial liabilities | 370,693 | 502,481 |
| **Total:** | **373,271** | **505,155** |

Among short-term operating liabilities to the state, as of 31/12/2024, the Impol Group shows, among other things, liabilities from profit tax for EUR 490,145. The stated liability amount refers to the following tax jurisdictions: Slovenia EUR 236,468, USA EUR 169,243, Hungary EUR 318 and Croatia EUR 84,116.

**Table 106:** Trend in short-term financial liabilities in EUR (without liabilities from leases and liabilities relating to the distribution of profit)

| | Debt as of 01/01/2024 | New loans in current year (+) | Transfer of the short-term portion of long-term liabilities (+) | Trend in fair value change (+/-) | Exchange rate differences (+/-) | Repayments in the current year (-) | Short-term debt balance as of 31/12/2024 | Short-term debt balance as of 31/12/2023 |
|---|---|---|---|---|---|---|---|---|
| **Short-term portion of long-term financial liabilities to banks** | 66,302,866 | 0 | 54,543,640 | 0 | 21,564 | 66,324,430 | 54,543,640 | 66,302,866 |
| **Short-term financial liabilities to banks** | 3,300,000 | 0 | 0 | 0 | 0 | 3,300,000 | 0 | 3,300,000 |
| **Short-term financial liabilities to associated companies (excluding liabilities from leases)** | 500,000 | 500,000 | 0 | 0 | 0 | 500,000 | 500,000 | 500,000 |
| **Short-term portion of financial liabilities to other companies (excluding liabilities from lease)** | 1,071,851 | | 5,588 | 0 | 0 | 1,071,851 | 5,588 | 1,071,851 |
| **Short-term financial liabilities to other companies (excluding liabilities from leases)** | 2,828,255 | 2,828,255 | 0 | 0 | 0 | 2,828,255 | 2,828,255 | 2,828,255 |
| **Fair value of forwards from the purchase/sale of aluminium** | 171,510 | 0 | 0 | 1,461,182 | 0 | 0 | 1,632,692 | 171,510 |
| **TOTAL:** | **74,174,482** | **3,328,255** | **54,549,228** | **1,461,182** | **21,564** | **74,024,536** | **59,510,175** | **74,174,482** |

**Table 107:** Trend in short-term financial liabilities from leases in EUR

| | Debt as of 01/01/2024 | Transfer of the short-term portion of long-term leases | Termination of the lease in current year (-) | Decrease in liabilities/ set-off with rent in the current year (-) | Short-term debt balance as of 31/12/2024 |
|---|---|---|---|---|---|
| **Short-term financial liabilities from lease – operating lease – other companies** | 332,026 | 199,043 | 6,031 | 318,059 | 206,979 |
| **TOTAL:** | **332,026** | **199,043** | **6,031** | **318,059** | **206,979** |

The Group no longer proves obligations from short-term bank loans on 31/12/2024, as the latter were fully repaid during 2024, but only from short-term parts of long-term bank loans that are due in 2025. Other short-term loans (to associated companies and other companies) are rented at the recognised interest rate on the date of the transaction.

The short-term financial liabilities arising from the loans (short-term parts of the long-term loans and short-term loans from other and associated companies) are secured by bills of exchange and clauses (negative pledge and pari passu), and part of the amount of EUR 199.466 is secured by pledging equipment – solar power plant.

Financial liabilities arising from the balance of 31/12/2024, which reflect the fair value of forwards with regard to the purchase/sale of aluminium in the amount of EUR 1,632,692, are not secured.

**Table 108:** Analysis of outstanding liabilities to suppliers in EUR

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2024** | 3,063,715 | X |
| **Matured in 2023** | 179,801 | 10,978,594 |
| **Matured in 2022** | 21,490 | 95,683 |
| **Matured in 2021** | 0 | 31 |
| **Matured in 2020 or before** | 7,719 | 81,135 |
| **TOTAL outstanding liabilities to suppliers** | **3,272,726** | **11,155,443** |

## 19. OTHER SHORT-TERM LIABILITIES

Among other short-term liabilities, the Impol Group shows pre-charged costs or expenses, short-term deferred income and VAT from advances.

**Table 109: Other short-term liabilities in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Accrued deferred costs or expenses** | 4,228,964 | 4,001,713 |
| **Short-term deferred revenues** | 20,649 | 31,686 |
| **VAT from advances granted** | 192,148 | 101,277 |
| **TOTAL OTHER SHORT-TERM LIABILITIES** | **4,441,760** | **4,134,676** |

Pre-calculated costs refer to the calculated amounts of unused annual leaves as of 31/12/2024 in the total amount of EUR 1,801,474, calculated costs for already incurred obligations for 2024 in the total amount of EUR 143,943, calculated costs of employee awards in the amount of 426,893 EUR and other included costs in the amount of EUR 1,856,655 (among the latter, the largest item is the included costs for the concession from the Ražinka water source in Croatia (EUR 922,688).

## 20. CONTINGENT LIABILITIES

The Impol Group has issued guarantees in the amount EUR 3,509,488, mostly in connection with custom duties upon importation of goods and materials, and liabilities in the amount of EUR 775 in connection with recalculated VAT at bankruptcy.

There are currently lawsuits against the Group in the total amount of EUR 17,963 in connection with employment litigations for compensation for damages and other economic actions in the amount of EUR 125,410 EUR. The Group estimates that except for individual smaller amounts these claims are unjustified, which is why the Group did not form short-term provisions for these purposes. Employment litigations, insured by an insurance company, are not included among contingent liabilities.

## 21. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Regarding the probability of occurrence and relevance, the financial risks of the Impol Group are ranked as high. For this reason attention is given to these risk categories. They are actively monitored and managed by the Finance and Business Administration Department, the Risk Management Department and all other relevant departments in Impol Group companies operating outside Slovenia.

### Liquidity risks

When it comes to liquidity risk management, the Impol Group examines whether it is able to settle all current operating liabilities and whether it is generating a sufficiently large cash flow to settle financing liabilities. Floating weekly and monthly scheduling of cash flows allows the Company to determine liquid asset requirements. Potential shortages of cash are covered by bank credit lines, whereas any short-term surpluses are invested in liquid short-term financial investments. Successful business performance facilitates sustainable solvency and capital increase.

### Long-term financial liabilities

**Table 110: Long-term financial liabilities in EUR**

| | Debt as of 31/12/2024 | Part of long-term debt falling due in the following year | Long-term debt balance as of 31/12/2024 | Debt as of 31/12/2023 |
|---|---|---|---|---|
| **Long-term financial liabilities to banks** | 158,291,713 | 54,543,640 | 103,748,074 | 110,335,878 |
| **Long-term financial liabilities (excluding liabilities from leases)** | 32,399 | 5,588 | 26,811 | 32,399 |
| **Long-term financial liabilities from leases – operating lease – other companies** | 354,821 | 199,043 | 155,778 | 356,075 |
| **TOTAL long-term financial liabilities** | **158,678,934** | **54,748,272** | **103,930,662** | **110,724,352** |

## Maturity of long-term financial liabilities by years

**Table 111: Maturity of long-term financial liabilities by years in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2025** | X | 44,324,695 |
| **Matured in 2026** | 46,126,210 | 31,710,245 |
| **Matured in 2027** | 29,291,842 | 19,685,422 |
| **Matured in 2028** | 18,161,807 | 9,989,393 |
| **Matured in 2029** | 9,104,129 | 5,014,597 |
| **Due in 2030 or later** | 1,246,674 | X |
| **Total long-term financial liabilities** | **103,930,662** | **110,724,352** |

**Table 112: Short-term financial and operating liabilities in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term financial liabilities** | 4,993,640 | 6,828,547 |
| **Short-term part of long-term financial liabilities** | 54,756,207 | 67,706,743 |
| **Total short-term financial liabilities** | **59,749,848** | **74,535,290** |
| **Short-term operating liabilities** | 94,785,497 | 95,716,897 |
| **Short-term part of long-term operating liabilities** | 0 | 43,127 |
| **Total short-term operating liabilities** | **94,785,497** | **95,760,024** |
| **TOTAL SHORT-TERM FINANCIAL AND OPERATING LIABILITIES** | **154,535,345** | **170,295,314** |

## Risk of changes in aluminium prices

The primary objective of the Group is to regulate fluctuations, to try to coordinate purchases and sales and protect possible inconsistencies by concluding derivatives.

In 2024, the activity of forward operations generated the forward balance of EUR -24,377.

**Table 113: Forward balance in 2024 in EUR**

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Financial revenue from forwards – forward purchases/sales of aluminium** | 1,618,360 | 1,095,070 | 1,468,051 | 821,924 | 1,455,157 |
| **Financial expenditure from forwards – forward purchases/sales of aluminium** | 1,642,738 | 277,436 | 818,966 | 4,448,111 | 341,445 |

The fair value of these financial instruments (aluminium hedging) as of 31/12/2024 amounts to EUR 1,632,692 and is shown as a short-term financial liability. The impact of potential changes of concluded forwards is neutral, since values in a certain period of time are neutralised on the physical market.

## Foreign exchange risk

In 2024, we did not decide to protect foreign exchange risk using implemented financial instruments.

**Table 114: Overview of dollar inflows, outflows and open positions at Impol, d. o. o. in USD million**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Inflows** | 27.6 | 24.6 | 33.0 |
| **Outflows** | 1.2 | 22.6 | 49.9 |

Since the Group operates in several countries, the open receivables and liabilities in foreign currencies are distributed by individual countries.

Open short-term operating receivables in foreign currencies as of 31/12/2024 for companies based in Slovenia:

- USD: 6,759,729
- AUD: 291,328

Open short-term operating liabilities in foreign currencies as of 31/12/2024 for companies based in Slovenia:

- USD: 2,513
- GBP: 5,222

Open short-term operating receivables in foreign currencies as of 31/12/2024 for companies based in Serbia:

- EUR: 21,354,941

Open short-term operating liabilities in foreign currencies as of 31/12/2024 for companies based in Serbia:

- EUR: 41,900,484
- USD: 0
- GBP: 4,271

## Analysis of the sensitivity to currency pairs to which we are exposed in Slovenia

Adverse change of any currency pair by 10% would decrease the operating result by not more than EUR 591,991. The largest change refers to the currency pair EUR/USD, where the impact on the operating results amounted to EUR 591,560 due to an adverse change.

## Analysis of the sensitivity to currency pairs to which we are exposed in Serbia

Adverse change of any currency pair by 10% would decrease the operating result by not more than RSD 240,473,737 (which according to the exchange rate of the National Bank of Serbia as of 31/12/2024 amount to EUR 2,055,069). The largest part refers to the currency pair EUR/RSD, where the impact on the operating results amounted to RSD 240,413,466 due to an adverse change (which according to the exchange rate of the National Bank of Serbia as of 31/12/2024 amounts to EUR 2,054,554).

The Impol Group adopted a measure to reduce the impact of exchange differences on the operating profit in the Serbian part of the Group and to minimise the need for financing a substantial share of raw materials. A large part of the sales in the European Union is thus organised through Impol, d. o. o. The latter provides aluminium to be processed and in this way eliminates the risk of higher foreign exchange differences.

**Table 115: Revenues and expenses from foreign exchange differences in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Financial revenues from operating receivables – foreign exchange differences** | 978,829 | 529,349 |
| **TOTAL revenues from foreign exchange differences** | **978,829** | **529,349** |
| **Financial expenses from loans received from banks – foreign exchange differences** | 910 | 401 |
| **Financial expenses from operating liabilities – foreign exchange differences** | 338,966 | 831,328 |
| **TOTAL expenses from foreign exchange differences** | **339,876** | **831,729** |

## Interest rate risk

The risk refers to the risk of growth of the interbank reference interest rate EURIBOR, to which certain long-term and short-term financial liabilities are tied, in the event that no fixed interest rate has been agreed for the financial debt.

## Analysis of the sensitivity to changes in interest rates

The Impol Group is exposed to interest rate risk in the portion of debt which is tied to the variable interest rate (the variable portion is tied to EURIBOR).

**Table 116: Short and long-term financial liabilities of the Impol Group at a fixed rate in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Financial liabilities** | 44,408,134 | 79,088,756 |

**Table 117: Short-term and long-term financial liabilities at a variable interest rate in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Financial liabilities** | 119,272,375 | 106,170,886 |

**Table 118: Value of financial liabilities secured with interest rate swaps in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Interest rate swaps amount** | 0 | 2,000,000 |

**Table 119: Analysis of the impact of the operating result changes on the interest rate changes in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Increase of IR by 50 bp** | -596,362 | -520,854 |
| **Increase of IR by 100 bp** | -1,192,724 | -1,041,709 |
| **Decrease of IR by 50 bp** | 596,362 | 520,854 |
| **Decrease of IR by 100 bp** | 1,192,724 | 1,041,709 |

Interest rate changes on the reporting date for 50 or 100 basis points would increase/decrease the amounts specified in the table above. Sensitivity analysis of the profit or loss in case of the indebtedness assumes that all other variables remain unchanged. In the case of 2023, the calculation is reduced by a variable interest rate by the total amount of liabilities protected by the exchange of interest rates, while on 31/12/2024 there are no liabilities secured with interest rate swaps. On the reporting date, the Impol Group does not have substantial amounts of financial receivables tied to the variable interest rate.

## Credit risk

The credit control process encompasses customer credit rating which is carried out regularly by a chosen credit insurance and foreign insurance firms as well as our customer solvency monitoring system. The Group had its receivables to customers insured by credit insurance companies.

As of 31/12/2024, the insurance companies insured receivables to customers in the amount of EUR 83,455,329, representing 80.82% of all open receivables to customers.

The remaining unsecured receivables are monitored in accordance with the open receivables monitoring policy and their maturity structure is the same as for entire receivables. This means regular monitoring of the credit rating of customers, setting internal limits and monitoring risks as part of the Risk Management Committee.

Only quality insurances are included under secured receivables. Promissory notes and enforcement drafts are not included due to their low level of redeemability.

By regularly monitoring open and past due trade receivables, the ageing structure of receivables and average payment deadlines, the Impol Group maintains its credit exposure within acceptable limits given the strained conditions on the market. The Group's policy is that individual buyers shall not exceed 7% of all sales.

## Carrying amounts and fair values of financial instruments

Classification of financial instruments according to their fair value as of 31/12/2024 is presented in the table.

**Table 120: Carrying amounts and fair values of financial instruments in EUR**

| | Carrying amount | Fair value | Fair value level |
|---|---|---|---|
| **Investments in associate companies** | 1,040,682 | 1,040,682 | 3 |
| **Long-term financial investments – available-for-sale assets** | 322,043 | 322,043 | 3 |
| **Long-term loans granted** | 213,155 | 213,155 | 3 |
| **Short-term loans granted** | 70,470 | 70,470 | 3 |
| **Short-term operating receivables** | 117,388,688 | 117,388,688 | 3 |
| **Cash and cash equivalents** | 43,163,894 | 43,163,894 | 3 |
| **Long-term financial liabilities** | 103,930,662 | 103,930,662 | 3 |
| **Long-term operating liabilities** | 311,441 | 311,441 | 3 |
| **Short-term financial liabilities (excluding financial derivatives)** | 58,117,156 | 58,117,156 | 3 |
| **Short-term financial liabilities – fair value of financial derivatives (forwards from the purchase/sale of aluminium)** | 1,632,692 | 1,632,692 | 2 |
| **Short-term operating liabilities** | 94,785,497 | 94,785,497 | 3 |

# EVENTS AFTER THE REPORTING DATE

After the reporting date, there were no significant events that would in any way affect the consolidated financial statements for the 2024.

Due to general price increases, the minimum wage rose. Inflation in Slovenia impacted the raise of minimum wage, which increased from EUR 1,253.90 to EUR 1,277.72, meaning a 1.9% increase. The remuneration system of companies in the Impol Group operating in Slovenia was adjusted accordingly.

From 1 January 2025, the gross minimum wage in Croatia is set at EUR 970 per month, representing an increase of 15,48% compared to the previous year when it was EUR 840 gross. The remuneration system of Impol-TLM operating in Croatia has been adapted in line with the amendment.
The increase in the minimum gross wage will not have a significant impact on the increase in the total cost base.

On 23 January 2025, the fifth member of the Board of Directors was elected. Dejan Košir was re-elected for a term expiring on 31 January 2027.

# OTHER DISCLOSURES

The Impol Group has a single-tier management system in place.

Composition of the Board of Directors (up to 31/12/2026):
- Jernej Čokl, Board of Directors President;
- Vlado Leskovar, Board of Directors Vice President;
- Janko Žerjav, Board of Directors Member;
- Andrej Kolmanič, Board of Directors Member;
- Dejan Košir, Board of Directors Member.

The Board of Directors appointed two Executive Directors:
- Andrej Kolmanič, Chief Executive Officer;
- Irena Šela, Executive Director of Finance and IT;

And the Audit Commission:
- Vladimir Leskovar, President of the Commision;
- Dejan Košir;
- Tanja Ahaj, External Member.

The Company had no matured receivables from members of the Board of Directors and employees on individual contracts.

**Table 121: Remuneration of members of the Board of Directors, executive directors, directors of subsidiaries, members of the Supervisory Board and employees based on individual contracts in the Impol Group in 2024 in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Management members (Board of Directors, Executive Directors and Directors of Subsidiaries)** | 3,774,691 | 3,998,610 |
| **Members of the Supervisory Board** | 143,086 | 142,972 |
| **Employees on individual contracts** | 9,230,728 | 9,449,823 |
| **TOTAL:** | **13,148,505** | **13,591,405** |

**Table 122: The amount (cost) spent for auditors of companies in the Impol Group (according to ZGD-1, Point 2, Paragraph 4, Article 69) in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Auditing of the annual report** | 155,772 | 150,444 |
| **Other audit services** | 3,450 | 3,450 |
| **TOTAL** | **159,222** | **153,894** |

Except for the mandatory annual audit of financial statements and legally defined audit overview report on the relations with affiliated companies in Slovenia (Article 546 of the Companies Act (ZGD-1)) for financial year 2024, the auditors were not carrying out any other audit or non-audit services for companies in the Impol Group.

# SIGNATURE OF THE ANNUAL REPORT FOR 2024 AND ITS COMPONENTS

The president and members of the Board of Directors and the executive directors of Impol 2000, d. d. are familiar with the content of all parts of the Consolidated Annual Report of the Group and with the whole Annual Report of the Impol Group for 2024. We agree with the content and confirm it with our signature.

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

Andrej Kolmanič
(Chief Executive Officer)

Irena Šela
(Executive Director of Finance and IT)

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# FINANCIAL REPORT OF IMPOL 2000, D. D., FOR 2024

Common vision, connectedness and new opportunities.

07

# STATEMENT ON THE RESPONSIBILITY OF THE EXECUTIVE DIRECTORS

The Executive Directors are responsible for drawing up the Annual Report of Impol 2000, d. d. so that it gives a true and fair view of the financial situation of Impol 2000, d. d. as well as its results of operations for 2024.

The Executive Directors hereby confirm to have diligently applied the appropriate accounting policies and that accounting estimates have been prepared following the principle of prudence and good management. We likewise certify that the financial statements, along with the notes to these statements, have been drawn up on the assumption that and Company will continue to operate, and in accordance with the valid legislation and International Accounting Standards.

The Executive Directors are responsible for proper accounting, adoption of appropriate measures for preservation of property, constant monitoring of other risks when conducting business and adoption and implementation of measures for minimization of such risks, and prevention and detection of fraud and other irregular or illegal activities.

Andrej Kolmanič
(Chief Executive Officer)

Irena Šela
(Executive Director of Finance and IT)

Slovenska Bistrica, 15 April 2025

# DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors hereby approves the Financial Statements of Impol 2000, d. d. for the year ending on December 31, 2024, and the accounting policies applied. This Annual Report was adopted by the Company's Board of Directors at its session held on 24/4/2025.

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

Slovenska Bistrica, 24 April 2025

# INDEPENDENT AUDITOR'S REPORT FOR IMPOL 2000, D. D.

AUDITOR
REVIZIJSKA DRUŽBA d.o.o. PTUJ

***This is a translation of the original report in Slovene language***

## *INDEPENDENT AUDITOR'S REPORT*

*To the shareholders of IMPOL 2000 d.d.,*
*Slovenska Bistrica*

***Report on audit of the separate financial statements***

***Opinion***

*We have audited the separate financial statements of IMPOL 2000, d.d., Partizanska 38, Slovenska Bistrica (the Company), which comprise the separate statement of financial position as at December 31, 2024, the separate income statement, the separate statement of other comprehensive income, the separate statement of changes in equity and the separate cash flow statement for the year then ended, and a summary of material accounting policy information and other explanatory information.*

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

***Basis for Opinion***

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

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

***Other information***

*Management is responsible for other information. The other information comprises the business report, which is an integral part of the Annual report of the IMPOL Group and IMPOL 2000, d.d., but does not include the financial statements and our auditor's report thereon.*

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

*In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, assess whether the other information is materially inconsistent with the financial statements, legal requirements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatements of fact. Based on the procedures performed, we report that:*

AUDITOR
REVIZIJSKA DRUŽBA d.o.o. PTUJ

- *the other information is in all respect consistent with the audited separate financial statements;*
- *the other information is prepared in compliance with applicable law and regulation; and*
- *based on knowledge and understanding of the Company obtained in the audit on the other information, we have not identified any material misstatement on fact.*

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

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

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

*Those Charged with Governance are responsible for overseeing the Company's financial reporting process.*

***Auditor's Responsibilities for the Audit of the Separate Financial Statements***

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

*As part of an audit in accordance with ISAs, 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.*

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

**AUDITOR**
REVIZIJSKA DRUŽBA d.o.o. Ptuj
Murkova 4, Ptuj

April 22, 2025

Certified auditor:

Simon Pregl, univ. dipl. ekon.

Simon Pregl

# FINANCIAL STATEMENTS OF IMPOL 2000, D. D.

Accounting policies and notes form an integral part of the financial statements presented below and should be read in conjunction with them.

## PROFIT OR LOSS STATEMENT

**Table 123:** **Profit or loss statement in EUR**

| Item | | Note | 2024 | 2023 |
|---|---|---|---|---|
| **1.** | **Net sales revenues** | **1** | **37,644,913** | **38,651,840** |
| a) | Net sales revenues in the domestic market | | 35,133,697 | 35,546,517 |
| b) | Net sales revenues in the foreign market | | 2,511,216 | 3,105,323 |
| **2.** | **Other operating revenues (including operating revenues from revaluation)** | **1** | **165,799** | **204,733** |
| **3.** | **Costs of goods, materials and services** | **2** | **23,613,865** | **25,128,431** |
| a) | Cost of goods and materials sold, and costs of the materials used | | 21,402,736 | 23,074,642 |
| b) | Costs of services | 2 | 2,211,128 | 2,053,789 |
| **4.** | **Labour costs** | | **12,764,950** | **12,746,839** |
| a) | Costs of wages and salaries | | 8,971,264 | 8,784,186 |
| b) | Social security costs (pension insurance costs are shown separately) | | 1,479,487 | 1,440,926 |
| c) | Other labour costs | | 2,314,199 | 2,521,727 |
| **5.** | **Write-offs** | **2** | **261,063** | **244,739** |
| a) | Depreciation | | 260,894 | 243,965 |
| b) | Revaluation operating expenses of intangible assets and tangible fixed assets | | 0 | 740 |
| c) | Revaluation operating expenses of current assets | | 169 | 34 |
| **6.** | **Other operating expenses** | **2** | **322,147** | **389,754** |
| **7.** | **Financial revenues from participating interests** | **3** | **12,100,000** | **16,250,000** |
| a) | Financial revenues from participating interests in companies in the Group | | 12,100,000 | 16,250,000 |
| **8.** | **Financial revenues from loans granted** | **3** | **792** | **792** |
| a) | Financial revenues from loans granted to companies in the Group | | 790 | 790 |
| b) | Financial revenues from loans granted to others | | 2 | 2 |
| **9.** | Financial revenues from operating receivables | 3 | 3,978 | 3,239 |
| a) | Financial revenues from operating receivables due from others | | 3,978 | 3,239 |
| **10.** | **Financial expenses from financial liabilities** | **3** | **658,867** | **637,251** |
| a) | Financial expenses from loans received by companies in the Group | | 635,294 | 610,825 |
| b) | Financial expenses from other financial liabilities | | 10,918 | 11,489 |
| c) | Financial expenses from leases from companies in the group | | 6,567 | 8,299 |
| d) | Financial expenses from leases | | 6,088 | 6,638 |
| **11.** | **Financial expenses from operating liabilities** | **3** | **87** | **547** |
| a) | Financial expenses from trade creditors and bills of exchange | | 15 | 43 |
| b) | Financial expenses from other operating liabilities | | 72 | 504 |
| **12.** | **Income tax** | **4** | **95,154** | **139,429** |
| **13.** | **Deferred taxes** | **5** | **-2,454** | **-7,875** |
| **14.** | **Net profit or loss for the financial year:** | | **12,201,804** | **15,831,489** |

## STATEMENT OF OTHER COMPREHENSIVE INCOME

### Table 124: Statement of other comprehensive income in EUR

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Net profit or loss for the accounting period** | | **12,201,804** | **15,831,489** |
| Other comprehensive income in the accounting period | | -20,407 | -42,430 |
| a) Items that later will not be reclassified to the profit or loss statement | | -20,407 | -42,430 |
| Actuarial gains and losses of defined benefit plans (employee benefits) (+/-) | 15 | -20,407 | -42,430 |
| b) Items that will later be reclassified to the profit or loss statement | | 0 | 0 |
| **Total comprehensive income in the accounting period** | | **12,181,397** | **15,789,059** |

## STATEMENT OF FINANCIAL POSITION

### Table 125: Statement of financial position in EUR

| | | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|
| **A.** | **LONG-TERM ASSETS** | | **142,315,775** | **142,136,785** |
| **I.** | **Intangible assets and long-term deferred costs and accrued revenues** | **6** | **246,401** | **212,932** |
| 1. | Long-term property rights | | 246,401 | 212,932 |
| **II.** | **Tangible fixed assets** | **7** | **428,406** | **183,551** |
| 1. | Production machinery and equipment | | 65,657 | 64,712 |
| 2. | Other machinery and equipment | | 362,749 | 118,839 |
| **III.** | **Assets under lease** | **8** | **218,698** | **320,487** |
| 1. | Assets under lease to companies in the Group | | 181,565 | 242,086 |
| 2. | Assets under lease from other companies | | 37,133 | 78,401 |
| **IV.** | **Investment property** | | **0** | **0** |
| **V.** | **Long-term financial investments** | **9** | **141,385,667** | **141,385,666** |
| 1. | Long-term financial investments, excluding loans | | 141,334,667 | 141,334,666 |
| a) | Shares and stocks in companies in the Group | | 141,334,667 | 141,334,666 |
| 2. | Long-term loans | | 51,000 | 51,000 |
| a) | Long-term loans to companies in the Group | | 51,000 | 51,000 |
| **VI.** | **Long-term operating receivables** | | **0** | **0** |
| **VII.** | **Deferred tax receivables** | **5** | **36,603** | **34,149** |
| **B.** | **SHORT-TERM ASSETS** | | **6,964,970** | **9,560,810** |
| **I.** | **Assets (disposal groups) available for sale** | | **0** | **0** |
| **II.** | **Inventories** | **10** | **0** | **0** |
| **III.** | **Short-term financial investments** | **11** | **0** | **0** |
| **IV.** | **Short-term operating receivables** | **12** | **4,380,715** | **5,336,520** |
| 1. | Short-term operating receivables to companies in the Group | | 709,365 | 1,219,033 |
| 2. | Short-term operating receivables from customers | | 3,244,855 | 3,471,679 |
| 3. | Short-term operating receivables for income tax | | 52,836 | 0 |
| 4. | Short-term operating receivables from others | | 373,659 | 645,808 |
| **V.** | **Cash** | **13** | **2,512,581** | **4,003,958** |
| **VI.** | **Other short-term assets** | **13** | **71,674** | **220,332** |
| | **TOTAL ASSETS** | | **149,280,745** | **151,697,595** |
| **A.** | **CAPITAL** | **14** | **76,297,370** | **74,783,643** |
| **I.** | **Called-up capital** | | **4,451,540** | **4,451,540** |
| 1. | Share capital | | 4,451,540 | 4,451,540 |
| **II.** | **Capital reserves** | | **10,751,254** | **10,751,254** |
| **III.** | **Revenue reserves** | | **7,958,351** | **7,958,351** |
| 1. | Statutory reserves | | 2,225,770 | 2,225,770 |
| 2. | Other revenue reserves | | 5,732,581 | 5,732,581 |
| **IV.** | **Revaluation reserves** | | **0** | **0** |
| **V.** | **Reserves resulting from valuation at fair value** | | **-96,423** | **-84,535** |
| **VI.** | **Retained net profit or loss** | | **41,030,844** | **35,875,544** |
| **VII.** | **Net profit or loss for the financial year** | | **12,201,804** | **15,831,489** |
| **B.** | **PROVISIONS AND LONG-TERM ACCRUED COSTS AND DEFERRED REVENUES** | **15** | **429,180** | **508,806** |
| 1. | Provisions for pensions and similar obligations | | 429,180 | 394,979 |
| 2. | Long-term accrued costs and deferred revenues | | 0 | 113,827 |
| **C.** | **LONG-TERM LIABILITIES** | **16** | **58,450,646** | **229,477** |
| **I.** | **Long-term financial liabilities** | | **58,450,646** | **229,477** |
| 1. | Long-term financial liabilities to companies in the Group | | 58,319,148 | 0 |
| 2. | Long-term financial liabilities from leases | | 131,498 | 229,477 |
| a) | Long-term financial liabilities from leases to companies in the Group | | 126,507 | 186,975 |
| b) | Long-term financial liabilities from leases to other companies | | 4,991 | 42,502 |
| **II.** | Long-term operating liabilities | | 0 | 0 |
| **III.** | **Deferred tax liabilities** | | **0** | **0** |
| **D.** | **SHORT-TERM LIABILITIES** | **17** | **14,103,549** | **76,175,669** |

| | | | | |
|---|---|---|---|---|
| **I.** | **Liabilities included in groups for disposal** | | **0** | **0** |
| **II.** | **Short-term financial liabilities** | | **97,994** | **69,486,617** |
| 1. | Short-term financial liabilities to companies in the Group | | 0 | 68,319,148 |
| 2. | Other short-term financial liabilities | | 0 | 1,066,667 |
| 3. | Short-term financial liabilities from leases | | 97,994 | 100,802 |
| a) | Short-term financial liabilities from leases to companies in the Group | | 60,467 | 58,683 |
| b) | Short-term financial liabilities from leases to other companies | | 37,527 | 42,119 |
| **III.** | **Short-term operating liabilities** | | **13,630,633** | **6,224,641** |
| 1. | Short-term operating liabilities to companies in the Group | | 11,390,652 | 3,207,612 |
| 2. | Short-term operating liabilities to suppliers | | 401,353 | 346,277 |
| 3. | Short-term operating liabilities from advance payments | | 174,961 | 148,965 |
| 4. | Short-term operating liabilities for income tax | | 0 | 18,260 |
| 5. | Other short-term operating liabilities | | 1,663,667 | 2,503,527 |
| **IV.** | **Other short-term liabilities** | **17** | **374,922** | **464,411** |
| | **TOTAL LIABILITIES TO SOURCES OF ASSETS** | | **149,280,745** | **151,697,595** |

# STATEMENT OF CHANGES IN CAPITAL FOR THE YEAR 2024

**Table 126:** **Statement of changes in capital for 2024 in EUR**

| | | Called-up capital | Capital reserves | Revenue reserves | | Revaluation reserves | Reserves resulting from valuation at fair value | Retained net profit or loss | Net profit or loss for the financial year | Total CAPITAL |
|---|---|---|---|---|---|---|---|---|---|---|
| | | I | II | III | | IV | V | VI | VII | VIII |
| | | Share capital | Capital reserves | Statutory reserves | Other revenue reserves | Revaluation reserves | Reserves resulting from valuation at fair value | Retained net profit | Net profit for the current year | TOTAL CAPITAL |
| | | I | II | III/1 | III/2 | IV | V | VI | VII | VIII |
| **A.1** | **Balance at the end of the previous reporting period as of 31/12/2023** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-84,535** | **35,875,544** | **15,831,489** | **74,783,643** |
| **A.2** | **Opening balance of the reporting period as of 01/01/2024** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-84,535** | **35,875,544** | **15,831,489** | **74,783,643** |
| **B.1** | **Changes in equity – transactions with owners** | **0** | **0** | **0** | **0** | **0** | **0** | **-10,667,670** | **0** | **-10,667,670** |
| | Disbursement of dividends to other legal and natural persons | 0 | 0 | 0 | 0 | 0 | 0 | -9,846,590 | 0 | -9,846,590 |
| | Disbursement of dividends to associated legal persons | 0 | 0 | 0 | 0 | 0 | 0 | -821,080 | 0 | -821,080 |
| **B.2** | **Total comprehensive income for the reporting period** | **0** | **0** | **0** | **0** | **0** | **-20,407** | **0** | **12,201,804** | **12,181,397** |
| | Entry of net profit/loss in the financial year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,201,804 | 12,201,804 |
| | Actuarial gains/losses, recognised under provisions for retirement benefits | 0 | 0 | 0 | 0 | 0 | -20,407 | 0 | 0 | -20,407 |
| **B.3** | **Changes in capital** | **0** | **0** | **0** | **0** | **0** | **8,519** | **15,822,970** | **-15,831,489** | **0** |
| | Allocation of the remaining portion of the net profit for the comparable reporting period to other capital components | 0 | 0 | 0 | 0 | 0 | 0 | 15,831,489 | -15,831,489 | 0 |
| | Other changes in capital | 0 | 0 | 0 | 0 | 0 | 8,519 | -8,519 | 0 | 0 |
| **C.** | **Closing balance of the reporting period as of 31/12/2024** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-96,423** | **41,030,844** | **12,201,804** | **76,297,370** |

# STATEMENT OF CHANGES IN CAPITAL FOR THE YEAR 2023

**Table 127: Statement of changes in equity for 2023 in EUR**

| | | Called-up capital | Capital reserves | Revenue reserves | | Revaluation reserves | Reserves resulting from valuation at fair value | Retained net profit or loss | Net profit or loss for the financial year | Total CAPITAL |
|---|---|---|---|---|---|---|---|---|---|---|
| | | I | II | | III | IV | V | VI | VII | VIII |
| | | Share capital | Capital reserves | Statutory reserves | Other revenue reserves | Revaluation reserves | Reserves resulting from valuation at fair value | Retained net profit | Net profit for the current year | TOTAL CAPITAL |
| | | I | II | III/1 | III/2 | IV | V | VI | VII | VIII |
| **A.1** | **Balance at the end of the previous reporting period as of 31/12/2022** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-45,756** | **36,750,580** | **9,769,285** | **69,662,254** |
| **A.2** | **Opening balance of the reporting period as of 01/01/2023** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-45,756** | **36,750,580** | **9,796,285** | **69,662,254** |
| **B.1** | **Changes in equity – transactions with owners** | **0** | **0** | **0** | **0** | **0** | **0** | **-10,667,670** | **0** | **-10,667,670** |
| | Disbursement of dividends to other legal and natural persons | 0 | 0 | 0 | 0 | 0 | 0 | -9,846,590 | 0 | -9,846,590 |
| | Disbursement of dividends to associated legal persons | 0 | 0 | 0 | 0 | 0 | 0 | -821,080 | 0 | -821,080 |
| **B.2** | **Total comprehensive income for the reporting period** | **0** | **0** | **0** | **0** | **0** | **-42,430** | **0** | **15,831,489** | **15,789,059** |
| | Entry of net profit/loss in the financial year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,831,489 | 15,831,489 |
| | Actuarial gains/losses, recognised under provisions for retirement benefits | 0 | 0 | 0 | 0 | 0 | -42,430 | 0 | 0 | -42,430 |
| **B.3** | **Changes in capital** | **0** | **0** | **0** | **0** | **0** | **3,651** | **9,792,634** | **-9,796,285** | **0** |
| | Allocation of the remaining portion of the net profit for the comparable reporting period to other capital components | 0 | 0 | 0 | 0 | 0 | | 9,796,285 | -9,796,285 | 0 |
| | Other changes in capital | 0 | 0 | 0 | 0 | 0 | 3,651 | -3,651 | 0 | 0 |
| **C.** | **Closing balance of the reporting period as of 31/12/2023** | **4,451,540** | **10,751,254** | **2,225,770** | **5,732,581** | **0** | **-84,535** | **35,875,544** | **15,831,489** | **74,783,643** |

# CASH FLOW STATEMENT

**Table 128:** Cash flow statement in EUR

| Item | | | Note | 2024 | 2023 |
|---|---|---|---|---|---|
| **A.** | | **Cash flows from operating activities** | | | |
| | a) | Profit or loss statement items | | 975,661 | 431,776 |
| | | Operating revenues (except for revaluation) and financial revenues from operating receivables | 1 | 37,769,410 | 38,828,902 |
| | | Operating expenses excluding depreciation (except for revaluation) and financial expenses from operating liabilities | 2 | -36,701,048 | -38,265,572 |
| | | Income tax and other taxes not included in operating expenses | 4 | -92,701 | -131,554 |
| | b) | Changes of net working assets (and accrued costs and deferred revenues, provisions and deferred tax receivables and liabilities) of the balance sheet operating items | | 8,198,529 | -5,321,670 |
| | | Opening minus closing operating receivables | 12 | 956,425 | 311,745 |
| | | Opening minus closing deferred costs and accrued revenues | 13 | 148,657 | -28,182 |
| | | Opening minus closing deferred tax receivables | 5 | -2,454 | -7,875 |
| | | Closing minus opening operating debts | | 7,257,062 | -5,618,371 |
| | | Closing minus opening accrued costs and deferred revenues and provisions | 17 | -161,161 | 21,013 |
| | **c)** | **Positive or negative cash flow from operating activities (a + b)** | | **9,174,190** | **-4,889,894** |
| **B.** | | **Cash flows from investing activities** | | | |
| | a) | Cash receipts from investing activities | | 2,106,002 | 16,253,502 |
| | | Cash receipts from interest and participation in profit of others relating to investing activities | 3 | 2,100,002 | 16,250,002 |
| | | Cash receipts from the disposal of tangible fixed assets | | 6,000 | 3,500 |
| | b) | Cash disbursements from investing activities | | -437,428 | -67,795 |
| | | Cash disbursements for the acquisition of intangible assets | | -90,000 | 0 |
| | | Cash disbursements for the acquisition of tangible fixed assets | 7 | -347,428 | -67,790 |
| | | Cash disbursements for the acquisition of financial investments | | 0 | -5 |
| | **c)** | **Positive or negative cash flow from investing activities (a + b)** | | **1,668,574** | **16,185,707** |
| **C.** | | **Cash flows from financing activities** | | | |
| | a) | Cash receipts from financing activities | | 0 | 0 |
| | b) | Cash disbursements from financing activities | | -12,334,141 | -13,505,173 |
| | | Cash disbursements for given interests from financing activities | 3 | -499,019 | -606,344 |
| | | Cash repayment of financial liabilities | 16, 17 | -1,167,452 | -2,231,159 |
| | | Cash disbursements of dividends and other profit shares paid | 17 | -10,667,670 | -10,667,670 |
| | **c)** | **Positive or negative cash flow from financing activities (a + b)** | | **-12,334,141** | **-13,505,173** |
| **D.** | | **Cash at the end of the period** | | **2,512,581** | **4,003,958** |
| | **x)** | **Cash flows in the period (sum of cash flows Ac, Bc and Cc)** | | **-1,491,377** | **-2,209,360** |
| | **y)** | **Opening balance of the cash** | | **4,003,958** | **6,213,318** |

# NOTES TO THE FINANCIAL STATEMENTS

## Reporting entity

In accordance with the Companies Act, Impol 2000, d. d. (hereinafter referred to as: Company), with head office in Slovenska Bistrica, Partizanska ulica 38, is classified as a large public limited company, and as such, subject to regular annual audit. The Company is classified under the activity code 70.100 – management of companies. The Company's share capital in the amount of EUR 4,451,540 EUR is divided into 1,066,767 ordinary registered no-par value shares that are not traded in the organised security market. The shares are owned by 815 shareholders.

The following section presents financial statements of Impol 2000, d. d. for the financial year that ended on December 31, 2024.

## Introductory note on reporting standards

The financial statements of Impol 2000, d. d. and the notes for 2024 were prepared in accordance with International Financial Reporting Standards (hereinafter referred to as: IFRS), as adopted by the European Union. By 2015, the company prepared financial statements in accordance with the Slovenian Accounting Standards and the notes by the Slovenian Institute of Auditors.

On the basis of requirements of the Companies Act (ZGD-1), the Impol Group, the parent company of which is Impol 2000, d. d., is bound to draw up a consolidated annual report according to the IFRS, since it is a so called large group. Therefore, the preparation of individual financial statements in compliance with IFRS, as adopted by the European Union, has also been (voluntarily) introduced by Impol 2000, d. d.

## Statement of compliance with the IFRS

The Board of Directors and the Executive directors hereby approve the financial statements for the financial year 2024.

The 2024 financial statements of Impol 2000, d. d. were drawn up in accordance with the International Financial Reporting Standards (IFRS), as they were adopted by the European Union, including the notes that were adopted by the International Financial Reporting Interpretations Committee (IFRIC) and that were also adopted by the European Union, and in accordance with the Slovenian Companies Act (ZGD-1).

On the statement of financial position date, there were no differences between the applied IFRS and the IFRS adopted by the European Union in accounting guidelines of Impol 2000, d. d. as regards the process of confirming standards in the European Union.

The financial statements have been drawn up on the basis of the going concern assumption. The applied accounting policies remain the same as in previous years.

**a) Amendment of existing accounting policies, introduction of new standards, and new notes applicable for the current accounting period**

The following amendments in the existing accounting standards, new standards, and new notes issued by the International Accounting Standards Board (IASB) and adopted by the European Union, apply for the current accounting period:

- **Amendments to IAS 1** – Presentation of Financial Statements – Classification of liabilities as current or non-current issued by IASB on 23 January 2020, and amendments to IAS 1 – Presentation of Financial Statements – Non-current liabilities with commitments issued by IASB on 31 October 2022. The amendments issued in January 2020 provide for a more general approach to the classification of liabilities under IAS 1 based on contractual arrangements in effect at the reporting date. The amendments issued in October 2022 clarify how the conditions to be met by an entity in the twelve months following the reporting period affect the classification of liabilities and provide that both amendments are to be applied for annual periods beginning on 1 January. 2024 or later.
- **Amendments to IAS 7** – Statement of cash flows and IFRS 7 – Financial instruments: disclosures – Supplier financial agreements issued by IASB on 25 May 2023. The amendments add disclosure requirements and guidance within existing disclosure requirements to provide qualitative and quantitative information about supplier financial arrangements. The amendments to the standard apply to annual periods beginning on or after 1 January 2024.
- **Amendments to IFRS 16** – Leases – Lease liability on sale and leaseback issued by IASB on 22 September 2022. The amendment to the standard contains a requirement that the seller-lessee determine the "lease payment" or "modified lease payment" so that the seller-lessee would not recognise a gain or loss related to the right-of-use retained by the seller-lessee. The new requirements do not preclude the seller-lessee from recognising in profit or loss in the statement of comprehensive income a gain or loss relating to the partial or full termination of the lease.

The adoption of the new standards, amendments to existing standards and notes did not result in significant changes or impacts on the financial statements of Impol 2000, d. d.

**b) Standards and amendments to existing standards issued by the International Accounting Standards Board and adopted by the European Union, but not yet applied**

The standards adopted by the European Union and notes, but not yet applied up to the date of the financial statements, are presented hereafter. The Company/Impol Group intends to take these standards and notes into account in drawing up financial statements after their implementation. The Company/Impol Group did not adopt any of the standards or notes specified below before the commencement of their application.

- **Amendments to IAS 21** – Effects of changes in exchange rates – Lack of currency convertibility issued by IASB on 15 August 2023. The amendments to the standard apply to annual periods beginning on or after 1 January 2025 and address the lack of currency convertibility. The amendments provide guidance on determining when a currency is convertible and how to determine an exchange rate when a currency is not convertible.

Impol 2000, d. d. decided not to adopt or apply these standards, amendments and notes until their entry into force. The Company/Impol Group assumes that the introduction of these new standards and amendments in the initial phase of application shall not significantly affect its financial statements.

**c) New standards, standard amendments and notes not yet adopted by the European Union**

Currently, the International Financial Reporting Standards as they were adopted by the European Union, do not differ significantly from the regulations adopted by the International Accounting Standards Board, with the exception of the following new standards, amendments of existing standards and new notes which were not yet confirmed for application in the European Union when the financial statements for the 2024 financial year were being drawn up/approved[1]:

- **Amendments to IFRS 10** – Consolidated financial statements and IAS 28 – Investments in associates and joint ventures – Sale or contribution of assets between the investor and its associate or joint venture. The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between investors and their associated company or joint venture. The main consequence of the amendments is for the company to recognise the entire profit or loss amount if the transaction includes business operations (regardless of the fact whether they are located in a subsidiary or not). For transactions with assets that do not represent operations, only part of the profit or loss is recognised even if the assets are located in a subsidiary. The EU has not yet approved the amendments/changes to the standard.

- **Amendments to IFRS 14** – Statutory deferred payment of invoices: The amendment to the standard applies to annual periods beginning on or after 1 January 2016. The European Commission has decided that it will not start the process of confirming this intermediate standard and that it will wait for the release of its final version. The objective of the standard is to enable companies that apply IFRS for the first time and that currently recognise statutory deferred payment of invoices in accordance with previous SSRNs to continue such recognition upon transition to IFRS. The EU has not yet approved the amendments/changes to the standard.

- **Amendments to IFRS 9 and IFRS 7** – Changes in the classification and measurement of financial instruments issued by IASB on 30 May 2024. The amendments clarify the classification of financial assets that have characteristics related to environmental, social and governance (ESG) aspects. The amendments also clarify the date of derecognition of a financial asset or financial liability and introduce additional disclosure requirements in respect of investments in equity instruments that are designated as measured at fair value through other comprehensive income and in respect of financial instruments with contingent characteristics.

- **Amendments to IFRS 9 and IFRS 7** – Nature-dependent electricity contracts issued by IASB on 18 December 2024. Requirements regarding one's own use in IFRS 9 are amended to include the factors that an entity shall consider when applying IFRS 9 to contracts for the purchase and delivery of electricity from renewable sources the production of which is dependent on nature. The requirements regarding the calculation of risk security in IFRS 9 are changed to allow a company that uses a nature dependent electricity contract from renewable sources with certain characteristics as a risk protection instrument to determine the variable range of planned electricity transactions as a protected item, if they are met, the scale as used for an instrument for risk protection. The amendments to IFRS 7 and IFRS 9 introduce disclosure requirements for electricity contracts that are nature-dependent and have certain characteristics.

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7** – Annual improvements to IFRS accounting standards - Volume 11 issued by IASB on 18 July 2024. They include clarifications, simplifications, corrections and amendments in the following areas: (a) calculation of risk security for first-time adopters of IFRSs (IFRS 1), (b) gain or loss on derecognition (IFRS 7), (c) disclosure of the deferred difference between fair value and transaction price (IFRS 7), (d) initial and credit risk disclosures (IFRS 7), (e) lessee derecognition of the lease liability (IFRS 9), (f) transaction price (IFRS 9), (g) determination of the "de facto agent" (IFRS 10), (h) cost method (IFRS 7).

- **Standard IFRS 18** – Presentation and disclosures in financial statement issued by IASB on 9 April 2024 will replace IAS 1 – Presentation of Financial Statements. The standard introduces three sets of new requirements to improve the reporting of companies' financial performance and gives investors a better basis for analysing and comparing companies. The main changes in the new standard compared to IAS 1 include: (a) the introduction of categories (business, investment, financing, income tax and discontinued operations) and the inclusion of interim totals in the profit or loss account, (b) the introduction of requirements for the improvement of consolidation and breakdown, (c) the introduction of disclosures on performance criteria set by management in the notes to the financial statements.

- **Standard IFRS 19** – Subsidiaries with no public liability: disclosures issued by IASB on 9 May 2024. The standard reduces the disclosure requirements for subsidiaries when applying IFRS accounting standards in financial statements. IFRS 19 is optional for subsidiaries that meet certain conditions, and set out the requirements for disclosure for subsidiaries that decide to use it.

[1] The specified dates of entry into force apply for IFRS as issued by the International Accounting Standards Board.

Impol 2000, d. d. estimates the potential impact of these amendments on its financial statements. Despite the above-mentioned facts, the Company estimates that the implementation of these new standards and amendments will not have a significant impact on its separate financial statements during the period of initial application.

## THE BASIS FOR DRAWING UP FINANCIAL STATEMENTS

Financial statements of Impol 2000, d. d. were drawn up on historical cost basis.
In accordance with the legislation, the company shall ensure independent auditing of these financial statements.

## FUNCTIONAL AND REPORTING CURRENCY

The financial statements in this report are in EUR (without cents), and EUR is also the functional currency of the company. Due to the rounding off of value data, there may be insignificant deviations from the sums given in the tables.

## Significant accounting judgements and estimates

The preparation of financial statements requires the management of the controlling company to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities of the Group as well as the reported income and expenses. Estimates and assumptions are based on previous experiences and many other factors which are considered in given circumstances as justified and based on which we can determine the carrying amount of assets and liabilities that are not clearly evident from other sources. Actual results can differ from these estimates. Estimates and assumptions must be reviewed on an ongoing basis. Revisions to accounting estimates are only recognised in the period in which the estimate was revised, if the revisions only applies to this period, or for the period of revision and future years, if the revision affects the current as well as future years.

**Estimates and assumptions are mostly present in the following estimates:**

**Estimate of useful life of depreciable assets**
For estimating the useful life of assets, the Company considers the expected physical wear, technical ageing, economical ageing, and the expected legal and other restrictions of use. The Company annually reviews the useful life of more significant assets. The applied depreciation method and useful life are evaluated at the end of each financial year, and if the expected pattern of using future economic gains arising from the depreciable assets changes significantly, the depreciation method shall be amended to fit the changed pattern. These changes are regarded as changes in accounting estimates.

**Impairment testing of assets**
Impairment testing of assets is performed by the management to ensure that the carrying amount does not exceed the recoverable amount. On every reporting date, the management estimates potential signs of impairment. Critical estimates were used for the following assessments of value:

- Investment in subsidiaries (Note 9),
- Investments in associates (Note 9),
- Financial receivables (Note 11),
- Estimate of the fair value of assets (Note 18).

All items in financial statements represent the costs or the settlement value. All assets and liabilities that are measured by fair value in financial statements are classified in a hierarchy of fair value based on the lowest level of inputs that are important for measuring the total fair value:

- level one includes quoted prices (unadjusted) on functioning markets for the same assets and liabilities,
- level two includes inputs that besides quoted prices from level one are also noted directly (i.e. prices) or indirectly (i.e. derived from prices) as assets or liabilities,
- level three includes inputs for the asset or liability not based on observable market data.

Impol 2000, d. d., classified all its financial instruments in level three (Note 18).

**Estimate of the net realisable value of the merchandise inventory**
At least at the end of the financial year, the company checks the net realisable value of inventories and the need for write-off of inventories. Costs of inventories are not reversible if inventories are damaged, partially or completely obsolete, or if their sales price is reduced. Costs of inventories are also not reversible if the estimated costs of completion or costs in connection with sales increase. Partial write-offs of inventories under their original value or costs up to the net recoverable value is in accordance with the policy that assets cannot be recognised at values higher than expected from their sale or utilisation. Inventories are usually partially written off to their net recoverable value under individual items.

**Estimate of the recoverable amount of receivables and assessment of expected credit losses in business receivables**
At least once annually, namely before preparing the annual statement of account, the suitability of recognised amounts of individual claims is assessed. If, based on the accounting data, the Board of Directors decides to recognise the receivables not settled within the agreed period as 'doubtful' and 'disputable', the adjustment of their value is charged against the revaluation operating expenses in a proportion defined in the resolution. Receivables older than 365 days shall be recognised as 'doubtful'. Unless otherwise decided by the Board of Directors, such receivables shall be subject to judicial proceedings (action or enforcement). Receivables already subject to a judicial proceeding are recognised as 'disputable' receivables. For doubtful and disputable receivables, an adjustment of their value shall be made which shall be charged against revaluation operating expenses.

**Estimate of the possibility to use deferred tax liabilities**
The Company has formed deferred tax liabilities in respect of the formulation of provisions and impairment of operating receivables. The Company checks the amount of recognised deferred tax liabilities at the end of the financial year. Deferred tax assets are recognised in case of a probable available future profit against which the deferred tax assets can be utilised.

**Estimate of formed provisions**
Within the requirements regarding certain post-employment and other benefits, the present value of retirement and jubilee benefits is recorded. They are recognised based on the actuarial assessment. The actuarial assessment is based on the assumptions and estimates valid at the time of the assessment and can differ from actual assumptions in the future due to certain changes (discount levels, assessment of turnover of staff, assessment of mortality, and assessment of wage growth).

The Company has not formed any provisions for judicial actions, since it does not have current obligations due to binding past events.

## SUMMARY OF RELEVANT INFORMATION ABOUT ACCOUNTING POLICIES

The accounting policies applied in the preparation of financial statements were the same as were applied in the preparation of financial statements for the financial year that ended on December 31, 2024. When presenting and valuing items in the consolidated financial statements, the Company takes into account the requirements of the accounting framework. In cases where the accounting standards allow for a choice, the accounting policies listed below are taken into account when displaying and valuing the items.

## TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currencies are converted to functional currencies at exchange rates at the dates of the transactions. Cash and liabilities denominated in foreign currencies at the end of the reporting period are converted to the functional currency according to the valid ECB exchange rate published by the Bank of Slovenia. Positive or negative foreign currency differences are differences between the amortised cost in the functional currency at the beginning of the period, adjusted by the amount of effective interest and payments during the period, and the amortised cost in foreign currency converted at the exchange rate at the end of the period. Non-cash assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date when the fair value was determined. Non-cash items measured at historical costs in foreign currency are translated into the functional currency by applying the exchange rate valid at the date of the transaction. Foreign exchange differences are recognised in the statement of profit or loss.

## SUBSIDIARIES

Subsidiaries are entities controlled by the parent company Impol 2000, d. d. Control exists when the controlling company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments of the Company in subsidiaries are measured at cost. If the loss of Impol 2000, d. d. is higher than its share, the carrying amount of the Company's share shall be reduced to zero and this share shall no longer be recognised in subsequent losses. Costs, which can be connected with purchasing a subsidiary, increase the value at cost of the capital investment. The subsidiary's participation in profit is recognised in the statement of profit or loss of Impol 2000, d. d. when the Company obtains the profit-sharing right. For more information see section "Presentation of the parent company Impol 2000, d. d. and the Impol Group".

## INVESTMENT IN ASSOCIATED COMPANIES

Associated companies are companies where Impol 2000, d. d. has a significant influence but does not control their financial and business policies. A significant influence exists if an entity owns 20 to 50 percent of voting rights in another entity. For more information see section "Presentation of the parent company Impol 2000, d. d. and the Impol Group".

Impol 2000, d. d. recognises Investment in associated companies at cost. Costs which the company can relate to the acquisition increase the cost of the investment.

## INTANGIBLE ASSETS

Intangible assets of Impol 2000, d. d. include other long-term deferred items (IT programmes, programme solutions). At initial recognition, they are valued at cost. The carrying amount of intangible assets with a finite useful life is reduced with depreciation. Later expenditure in connection with intangible assets are only capitalised if they increase future economic gain. All other costs are recognised in profit or loss as expenditure at the moment they arise.

Depreciation is calculated using the straight-line method, while considering the useful life of the intangible asset. Depreciation starts after the asset is made available for use.

Depreciation rates based on the estimated useful life of individual types of intangible fixed assets are presented in the table below.

**Table 129: Depreciation rates used for intangible fixed assets**

| Depreciation rates used in the Company | Depreciation rate in % | |
|---|---|---|
| | Lowest | Highest |
| Intangible assets | | |
| Computer software | 10.00% | 50.00% |

Each impairment is immediately recognised in the statement of profit or loss and is subsequently not reversed.

## TANGIBLE ASSETS

All tangible fixed assets of the Company are disclosed according to the cost model. Upon initial recognition they are measured at cost, reduced by the accumulated depreciation and accumulated impairment losses. Cost includes expenses which may be directly attributed to the acquisition of an individual asset.

Important parts of tangible fixed assets with different useful lives are calculated as individual tangible fixed assets.

Borrowing costs that are directly connected with purchasing, building or creating an asset in acquisition are recognised within the value at cost of this asset.

The positive or negative difference between the net sales value and the carrying amount of the disposed asset is recognised in the statement of profit or loss. The costs of replacement of a certain part of the tangible fixed asset are recognised in the carrying amount of this asset when it is probable that the future economic benefits related to the part of this asset will flow to the Company and the cost can be measured reliably.

All other costs (repairs, maintenance) for maintenance or renovation of future economic benefits are recognized in the statement of profit or loss as expensed, the moment they arise. Depreciation is calculated using the straight-line method, considering the useful life of individual tangible fixed assets and the residual value, while residual value is only determined for significant assets. Land is not subject to depreciation. Depreciation starts after the asset is made available for use.

Depreciation rates based on the estimated useful life of individual types of tangible fixed assets are presented in the table below.

**Table 130: Depreciation rates used for tangible fixed assets**

| Depreciation rates used in the Company | Depreciation rate in % | |
|---|---|---|
| | Lowest | Highest |
| Tangible fixed assets | | |
| Equipment | | |
| Production equipment | 10.00% | 20.00% |
| Furniture | 20.00% | 25.00% |
| Computer hardware | 50.00% | 50.00% |
| Motor vehicles | | |
| Personal vehicles | 20.00% | 20.00% |

## ASSETS UNDER LEASE

When signing a contract, it must be determined whether said contract includes lease pursuant to IFRS 16. According to this standard, a contract is a lease contract if it grants the right to use a certain asset for a certain period of time in return for payment.

For these types of contracts, the IFRS 16 standard specifies that at the beginning of the lease the lessee must recognise the right to use the asset (asset under lease) and the liability from the lease. The right to use the asset is amortised and interests are attributed to liabilities.

The asset with the right to use is recognised on the date of commencement of the lease, i.e. when the asset is available for use. The initial measurement of the asset encompasses the amount of the initial measurement of lease obligation (discounted current value of lease that has not yet been paid on that date), and the payment of leases that have been effectuated on the day of commencement of the lease or before, minus any received lease incentives and estimates of potential costs that will occur within the Company with the removal of the asset.

The assets are then measured according to their cost, minus the accumulated depreciation and losses due to impairment, and are then adapted for each consecutive measurement of lease obligation. The asset is depreciated from the beginning of the lease until the end of its useful life, or until the end of the duration of the lease, if this period is shorter than its useful life. If the contract is concluded for an undefined period or if it is automatically extended every year, the expected depreciation periods for each individual group of assets are used.

Signs of impairment are verified annually; in this case, the replaceable value of these assets must be determined. In the event of impairment, it must be recognised in the profit or loss statement pursuant to IAS 36.

The Company excludes from the right to use assets leases that last no longer than 12 months (short-term leases) and do not have the option to purchase, and leases where the leased asset is of small value. This takes into account the value of the asset when it is new.

## FINANCIAL INSTRUMENTS

In the financial instruments section of its statements, Impol 2000, d. d. discloses the following items:

- Non-derivative financial assets;
- Non-derivative financial liabilities.

In its accounts, the Company does not recognise derivative financial instruments.

Non-derivative financial instruments are initially recognised at their fair value.

Fair value is the amount at which an asset can be sold or a liability exchanged between knowledgeable, willing parties in an arm's length transaction. After initial recognition, the non-derivative financial instruments are measured using the method defined below.

Determination of the fair value of financial instruments takes into account the following hierarchy of determination levels:
- level one includes quoted prices (unadjusted) on functioning markets for the same assets and liabilities,
- level two includes inputs that besides quoted prices from level one are also noted directly (i.e. prices) or indirectly (i.e. derived from prices) as assets or liabilities,
- level three includes inputs for the asset or liability not based on observable market data.

Quoted prices are applied as the basis for determination of the fair value of financial instruments. If a financial instrument is placed on an organised market or if the market is estimated as not functioning, inputs from levels two and three are used for determining the fair value.

## NON-DERIVATIVE FINANCIAL ASSETS

Non-derivative financial assets of Impol 2000, d. d. include cash and cash equivalents, receivables and loans, and investments. Pursuant to the IFRS 9, the aforementioned assets can be divided into the following three groups:
- financial assets at fair value through profit or loss;
- financial assets measured at amortised value;
- financial assets at fair value through other comprehensive income.

The basis for the aforementioned division is represented by the business models, in the framework of which each individual financial asset is managed, as well as its contractual cash flows. Pursuant to IFRS 9, classifying and measuring financial assets in the financial statements is defined according to the chosen business model, in the framework of which financial assets are managed, and the characteristics of their contractual cash flows. Upon initial recognition, each of the financial assets is classified into one of the following business models:
- model with the purpose of acquiring contractual cash flows (measurement at amortised value),
- model with the purpose of selling and acquiring contractual cash flows (measurement at fair value through comprehensive income statement),
- other models (measurement at fair value through the profit or loss statement).

## FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets measured at fair value through the profit or loss statement are initially measured at fair value, while transaction costs are indicated in the profit or loss statement upon purchase. Financial instruments are classified in this group, which are intended for trading, and financial instruments measured by Impol 2000, d. d., at fair value. Profit or loss arising from these financial instruments are classified into the profit or loss statement. Dividends from financial instruments classified in this group are recognised as financial revenues in the profit or loss statement. Impol 2000, d. d. possesses no such assets.

## FINANCIAL ASSETS MEASURED AT AMORTISED VALUE

Financial assets measured at amortised value are measured at amortised cost using the effective interest rate. They are shown in the amount of outstanding capital, increased for the amount of outstanding interest and compensation, and decreased for the amount of impairment.

## FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets owned for trading, and financial assets measured at fair value through other comprehensive income, are measured at fair value after initial recognition. The fair value is based on the published market price on the reporting date which represents the best offer or, if unavailable, closing offer. Impol 2000, d. d. possesses no such assets.

## LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets that are not quoted in an active market. They are included in short-term assets, except with maturity longer than 12 months after the date of the financial statement, in which case they are classified as long-term assets. In the financial situation statement, loans and receivables are reported under business, financial and other receivables at amortised cost, considering the current interest rate. In addition to the aforementioned financial assets, the investments in subsidiaries and associated companies accounted pursuant to IFRS 27 according to their cost are also shown in the framework of separate financial statements of Impol 2000, d. d.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, bank deposits under three months and other short-term highly liquid investments with original maturity of three months or less. They are disclosed at cost. Overdrafts are included under short-term financial liabilities.

## NON-DERIVATIVE FINANCIAL LIABILITIES

Non-derivative financial liabilities include business, financial and other liabilities. Financial liabilities are initially recognised at fair value, increased by costs directly attributable to the transaction. After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities are classified under long-term liabilities, except with maturity shorter that 12 months after the date of the statement of financial position. Such liabilities are classified as short-term liabilities.

## INVENTORIES

Merchandise inventories of Impol 2000, d. d. are valued at cost or net realisable value, whichever is lower. Net recoverable value is the estimated selling price at the reporting date less sales expenses and other possible administrative expenses, which are usually connected with the sale.

Cost of merchandise inventories consists of the purchase price, import and other non-refundable purchase charges and direct purchase costs. The FIFO method is used for valuing inventories of merchandise and measuring use. The Company does not own any other inventories. The inventory impairment policy is described in section "Impairment".

## CAPITAL

Capital is an obligation towards the owners which falls due if the Company ceases to operates, whereby the size of the capital is adjusted considering the price of net wealth attainable at that point. Equity is defined with sums that have been invested by owners, and sums that arose during the course of the business operations of the company and which belong to the owners.

Total capital consists share capital, capital reserves, profit reserves, net profit carried over from previous years, reserves from fair value measurement, temporarily undistributed net profit of the financial year.

As of 31/12/2024, the share capital of Impol 2000, d. d., amounts to EUR 4,451,540 and is divided into 1,066,767 ordinary no-par value shares.

Capital reserves of Impol 2000, d. d. in the total amount of EUR 10,751,254 comprise of the paid-in share premium in the amount of EUR 97,090 and EUR 9,489,713, and a general capital revaluation adjustment of EUR 1,164,451.

In accordance with the Company Statute, statutory reserves represent ½ of the Company's share capital and amount to EUR 2,225,770.

In accordance with the resolution of the General Meeting held on 12/07/2024, dividends were paid out in the amount of EUR 10,667,670 or EUR 10.00 per share in 2024. The carrying amount of the share as of 31/12/2024 amounted to EUR 71.52 per share, and the net profit amounted to EUR 11.44 per share.

## PROVISIONS

Provisions are formed for a present obligation as a result of a past event and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

## PROVISIONS FOR SEVERANCE PAYS AND LONG-SERVICE BONUSES

In accordance with legal provisions, the collective agreement and internal rules, the company is committed to the payment of long-service bonuses to employees and severance pays upon retirement. For this purpose, long-term provisions are formed. There are no other retirement obligations. Provisions are formed in the amount of the expected future payments of jubilee and retirement benefits discounted on the date of the statement of financial position. The actuarial calculation is made for each employee, taking into account the costs of severance pays upon retirement and the cost of all expected long-service bonuses until retirement. Actuarial calculation is based on assumptions and assessments applicable at the time of the calculation that due to changes in the following year may differ from actual assumptions that will apply at that time. This mainly refers to discount rates, employee fluctuation estimates, mortality rates and wage growth estimates.

## GOVERNMENT GRANTS

Government grants are recognised at fair value, but only when there is an acceptable assurance that Impol 2000, d. d., will fulfil the conditions related to them and receive the grants. Government subsidies are recognised as revenue in the periods in which they are matched with the relevant costs that they are supposed to compensate. If the government grant relates to a specific asset, it is recognised as deferred revenues, which Impol 2000, d. d., recognises in the income statement proportionately over the period of the expected useful life.

## FINANCIAL LIABILITIES FROM LEASES

Financial liabilities from leases are recognised on the commencement date of the lease of asset. On the commencement date of lease, the lease liability is measured at current value of lease still due. These leases are discounted. At a later measurement of the financial liability from leases, it is increased for the value reflecting liability interests from lease, and reduced for the value of leases paid. In the event of an amendment of the lease conditions, the current value is measured again on the basis of revaluation of future leases or an amendment of lease (duration or price).

After the commencement date of lease, financial liabilities from leases are measured again using the new discount rate, if the duration of lease or the value of future leases have changed.

In the event of lease termination or reduction the profit or loss connected to partial or full termination of lease are recognised in the profit or loss statement.

Liabilities from lease are disclosed as a long-term liability, with the exception of liabilities that will be settled in a 12-month period and that are disclosed in the financial statement as short-term liabilities from lease.

## IMPAIRMENT

### Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows from that asset. A financial asset is impaired, if its carrying amount is higher than the estimated recoverable value or if there is objective evidence of the impairment. The replacement value represents the present value of the estimated future cash flows discounted at the original effective interest rate of this instrument. The impairment is recognised in the profit or loss statement.

A financial investment is assessed at each reporting date by the accounting department to determine its suitability. If a financial investment is losing value (e.g. due to unsuccessful operations of the entity where the Company has its capital participation, insufficient solvency etc.), it must be determined what kind of corrections have to be made to the initially recognised value of cost and debited to revaluation financial expenditures. The responsible person also has to order a partial or total cancellation of the financial investment as soon as reasons for this occur.

### Impairment of receivables and loans granted

Impairments of receivables are formed based on the assessment of recoverability time analysis. Here, in accordance with the provisions of IFRS 9, the impairment of receivables is formed on the basis of expected losses in relation to the risk that the receivables would not be repaid, taking into account historical, current and forward-looking information on repayments.

If it is estimated that when the carrying amount of the receivable exceeds its fair value (i.e. recoverable value), the receivable is impaired. Receivables that are assessed not to be collected within the regular deadline or in the whole amount are considered as doubtful. If proceedings were already brought before the court, receivables are considered as disputed. Impairment of loans granted is assessed for every individual loan. Impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The loss is recognized in the statement of profit or loss for the period (for more information see section "Estimate of the recoverable value of receivables").

When it comes to financial assets measured at fair value through other comprehensive income, the latter is measured according to its cost upon initial recognition, and is then increased for the cost of the business transaction arising from the purchase of said financial asset. Profit or loss arising from these financial instruments are never classified into the profit or loss statement.

When it comes to impairment of financial assets measured at amortised value, the amount of loss is measured as the difference between the carrying amount of a financial investment and the current value of expected future cash flows, discounted according to the initial effective interest rate. The value of said loss is recognised in the profit or loss statement. Should the grounds for the impairment of the financial investment cease to exist, the reversal of the impairment of the financial asset, which is stated at amortised cost, is recognised in the profit or loss statement.

In the event of financial assets measured at fair value through the profit or loss statement, profit or loss arising from these financial instruments are classified into the profit or loss statement.

### Impairment of financial investments in equity of subsidiaries

Financial investments into subsidiaries are calculated according to their cost in the financial statements of Impol 2000, d. d. At each reporting date, the Company reviews the carrying amount of the Company's non-financial assets in order to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable value of the asset or cash-generating unit is the value in use or its fair value, reduced by costs of disposal, whichever is higher. In assessing value in use, estimated future cash flows are discounted to their present value by using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable value. Impairment losses are recognised in the profit or loss statement.

## NON-FINANCIAL ASSETS

### Tangible and intangible assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable value. A cash-generating unit is the smallest group of assets that generate financial income that are to a greater extent independent from financial income from other assets and groups of assets. Impairment losses are recognised in the profit or loss statement. The recoverable value of the asset or cash-generating unit is the value in use or its fair value, reduced by costs of disposal, whichever is higher. In assessing value in use, estimated future cash flows are discounted to their present value by using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss of goodwill is not reversed.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the assets' recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation write-off, if no impairment loss had been recognised in the previous periods.

## INVENTORIES

Inventories are impaired if their carrying amount exceeds their estimated recoverable amount. Additionally, individual types of inventories are analysed by their age structure. Depending on the group of inventories, the amount of impairment loss according to their age is determined as a percentage of their value. Impairment also includes expert judgement on possible utilisation or sale of such inventories. At least at the end of the financial year, the company checks the net realisable value of inventories and the need for write-off of inventories. Costs of inventories are not reversible if inventories are damaged, partially or completely obsolete, or if their sales price is reduced. Costs of inventories are also not reversible if the estimated costs of completion or costs in connection with sales increase. Partial write-offs of inventories under their original value or costs up to the net recoverable value is in accordance with the policy that assets cannot be recognised at values higher than expected from their sale or utilisation. Inventories are usually partially written off to their net recoverable value under individual items.

## RECOGNITION OF REVENUES

Revenues are recognised in the financial statements if the increase of economic gain in the financial year is connected with an increase of an asset or a decrease of a liability, and if this increase can be reliably measured.

**Operating revenues**, which include revenues from contracts with customers or net profit from sales and other operating revenues, are recognised when it could reasonably be expected that they will result in remuneration, if this is not already realised upon occurring and they may be reliably measured. In connection with revenues from contracts with customers, the Company uses a five-step revenue recognition model in accordance with IFRS 15. The identification of the contract with customers is followed by the identification of separation enforcement obligations, the identification of the price, the division of the price according to separation enforcement obligations and, pursuant to the aforementioned steps, the recognition of revenues. The main principle is that recognition of revenues reflects the transfer of goods and services to a customer in the amount reflecting the indemnity that the Company expects to be entitled to. Operating revenues of Impol 2000, d. d. includes:

- Revenues from sale of merchandise measured by sales prices, stated on invoices or other documents, reduced by discounts granted at sale or later, even for the reason of earlier payment. Revenues is recognised in profit or loss after the Company has transferred the significant risks and rewards of ownership to the buyer.
- revenues from sale of services, except services that lead to financial revenues, are measured according to sales prices of completed services. The work completion percentage method at the financial statement date is applied;
- other operating income arising from the disposal of property, devices, equipment and intangible assets, reversal of provisions, settlement of written-of receivables and other.

Revenues from the sale of goods and services are recognised at the time of transferring control over goods or service to the buyer, which usually occurs:

- for commercial goods upon delivery of goods or when the buyer assumes goods (taking into account the valid parity);
- for services – at the moment when the service is provided and can be reliably measured, usually on a monthly basis in the case of contractual relationships with companies in the group/groups or when performing the service itself.

Sales revenues are recognised in an amount that reflects the transaction price, which is allocated to the individual performance obligation. The transaction price is the amount of compensation to which the Company expects to be entitled in exchange for the transfer of goods or services to the buyer, excluding amounts collected on behalf of third parties. The control of the goods and services depends on the terms of the sales contract, and the transfer occurs at the moment when the buyer takes over the goods or the service is performed.
A customer contract asset is a right to consideration in exchange for goods or services that have been transferred to the customer but have not yet been billed to the customer. In this case, the Company shows accrued revenues for goods and services delivered to customers among assets from contracts with customers.

A liability from contracts with customers is a liability to transfer goods or services to the customer in exchange for compensation received by the Company from the customer. Within the framework of liabilities from contracts with customers, the Company would thus show liabilities from approved volume discounts. Liabilities from contracts are recognised as revenues when the Company fulfils its performance obligation under the contract.

**Financial revenues** comprise interest income, investment income, dividend income and positive foreign exchange differences. Interest income is generally recognised at the time of occurrence using the agreed interest rates. Dividend income is recognised on the date that the shareholder's right to receive payment is established.

## RECOGNISING EXPENSES

Expenses are recognised in the financial statements if the decrease in economic benefit in the accounting period is connected to a decrease in assets or an increase in debts, and if said decrease can be reliably measured.

**Operating expenses** are, in principle, in the accounting period equal to costs that cannot be kept in the stocks of products and unfinished production and are consequently already recognised as operating expenses when they are incurred, as well as expenses from the cost of the goods sold. The cost of goods sold includes expenses related to the sale of goods when the cost of goods is not kept in inventories, since it is a trading activity. In addition to the cost of goods sold, operating expenses also include the costs of materials and services, labour costs, depreciation and write-offs, and other operating expenses.

Depreciation costs are the original costs associated with the strictly consistent transfer of the value of depreciable tangible fixed assets and depreciable intangible assets.

Write-offs include impairments, write-offs and losses on the sale of intangible assets and tangible fixed assets, as well as impairments or write-offs of receivables.

Labour costs are original costs related to accrued wages and similar amounts in gross amounts, as well as to duties calculated from this basis and not an integral part of gross amounts. Labour costs also include the costs of creating provisions for jubilee and retirement benefits for employees.

Other operating expenses arise in connection with the creation of provisions, concession fees, expenses, etc.

**Financial expenses** comprise borrowing costs (part of borrowing costs can be capitalised under property, devices and equipment) and negative foreign exchange differences.

## TAXES

Income tax comprises current and deferred tax.

Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year. Taxable profit differs from net profit reported for the financial year since it excludes income or expense items taxable or deductible in other financial years and other items that are never subject to taxation or deduction. The current tax liability is calculated using tax rates effective on the balance sheet date.

Deferred tax is disclosed entirely using the balance sheet liability method, which takes into account temporary differences occurring between the carrying amount of an asset or liability and its tax base in profit or loss. Deferred tax is determined using tax rates effective at the date of the statement of financial position that are expected to be used when the deferred tax liability is realised or the deferred tax liability is settled. Deferred tax receivables are recognised in the extent of the probability that there will be taxable profit available in the future that can be used to cover the deferred tax receivable.

## CASH FLOW STATEMENT

The cash flow statement for the part regarding operations is composed using the indirect method from the data of the statement of financial position on 31/12 of the financial year and the statement of financial position on 31/12 of the previous financial year and additional data necessary for adjusting inflows and outflows, and for a suitable breakdown of significant items. The part regarding investments and financing is drawn up using the direct method. Settled and received interest from operating receivables are distributed between cash flows from operating activities. Interest from loans and paid and received dividends are distributed between cash flows from financing.

## SEGMENT REPORTING

Because of the very similar nature of product groups, their production procedure and distribution, Impol 2000, d. d. as well as the Impol Group defined only one reporting segment. Presentation of data with segment reporting takes into account that aluminium business activities represent the main operating activities of the Group. Other activities have an insignificant effect on presenting financial information.

Impol 2000, d. d., reports on the sale by geographical areas. The defined geographical areas are Slovenia, European Union, other European countries and the rest of the world.

# NOTES TO INDIVIDUAL ITEMS OF FINANCIAL STATEMENTS

## 1. OPERATING REVENUES

**Table 131: Operating revenues in EUR**

| Operating revenues | Operating revenues generated with companies in the Group | Operating revenues generated with companies others | 2024 | 2023 |
|---|---|---|---|---|
| **Net sales revenues** | 15,465,683 | 22,179,230 | 37,644,912 | 38,651,840 |
| **Other operating revenues** | 6,000 | 159,799 | 165,799 | 204,733 |
| **TOTAL** | **15,471,683** | **22,339,029** | **37,810,712** | **38,856,573** |

**Table 132: Other operating revenues in EUR**

| Other operating revenues | 2024 | 2023 |
|---|---|---|
| **Revenues from the reversal of provisions** | 39,280 | 24,194 |
| **Other revenues associated with business effects (subsidies, grants, compensations, premiums, etc.)*** | 120,520 | 173,823 |
| **Revaluation operating revenue**** | 6,000 | 6,716 |
| **TOTAL** | **165,799** | **204,733** |

* Družba je v letu 2024 med drugimi poslovnimi prihodki pripoznala odobrena sofinancirana sredstva s strani Ministrstva za gospodarski razvoj in tehnologijo iz naslova projekta INDIGO (»Digitalna preobrazba gospodarstva«) v višini 55.117 EUR ter projekta »Zelena folija« v višini 55.784 EUR, preostali drugi prihodki pa se nanašajo na prejete odškodnine (2.268 EUR) in druge poslovne prihodke (poplačila po tožbah, vračila štipendij in drugo).

** Gre za prevrednotovalne prihodke (dobiček) iz naslova odprodaje osnovnega sredstva družbi Impol, d. o. o.

## Net sales revenues by the type of merchandise or service

**Table 133: Net sales revenues by the type of merchandise or service in EUR**

| Product, merchandise or service | 2024 | 2023 |
|---|---|---|
| **Revenues from services – domestic market** | 15,390,956 | 14,866,106 |
| **Revenues from sale of merchandise – domestic market** | 19,742,741 | 20,680,412 |
| **Revenues from sale of merchandise – foreign market** | 2,383,585 | 3,103,768 |
| **Revenues from services – foreign market** | 127,631 | 1,554 |
| **TOTAL** | **37,644,912** | **38,651,840** |

## Net sales revenues by operating segments

**Table 134: Net sales revenues by operating segments in EUR**

| Net sales revenues by operating segments | 2024 | 2023 |
|---|---|---|
| **Revenues from sales in Slovenia** | **35,133,696** | **35,546,517** |
| Revenue from sales in Slovenia – Group companies | 15,338,652 | 14,801,609 |
| Revenues from sales in Slovenia – Other companies | 19,795,045 | 20,744,908 |
| **Revenues from sales in EU** | **771,833** | **1,337,965** |
| Revenues from sales in the EU – Group companies | 127,031 | 1,104 |
| Revenues from sales in the EU – Other companies | 644,801 | 1,336,860 |
| **Revenues from sales in other European countries** | **1,739,384** | **1,767,358** |
| Revenues from sales in other European countries – other companies | 1,739,384 | 1,767,358 |
| **TOTAL** | **37,644,912** | **38,651,840** |

# 2. OPERATING EXPENSES

## Analysis of costs and expenses

**Table 135: Analysis of costs and expenses in EUR**

| | Costs of sale | Costs of general activities | Total 2024 | TOTAL purchases in 2024 from: Companies in the Group | Associated companies | Other companies | Total 2023 |
|---|---|---|---|---|---|---|---|
| **Cost of merchandise and materials sold** | 21,179,485 | 0 | 21,179,485 | 21,179,485 | 0 | 0 | 22,806,566 |
| **Costs of material** | 0 | 223,251 | 223,251 | 94,788 | 0 | 128,463 | 268,076 |
| **Costs of services** | 934,994 | 1,276,134 | 2,211,128 | 325,228 | 457,393 | 1,428,507 | 2,053,789 |
| **Labour costs** | 0 | 12,764,950 | 12,764,950 | 0 | 0 | 12,764,950 | 12,746,839 |
| **Depreciation** | 0 | 260,894 | 260,894 | 60,521 | 0 | 200,373 | 243,965 |
| **Revaluation operating expenses** | 0 | 169 | 169 | 0 | 0 | 169 | 773 |
| **Other operating expenses** | 0 | 322,147 | 322,147 | 115,869 | 0 | 206,278 | 389,754 |
| **TOTAL:** | **22,114,479** | **14,847,546** | **36,962,025** | **21,775,891** | **457,393** | **14,728,740** | **38,509,763** |

## Costs of merchandise and materials sold

The cost of the merchandise and materials sold refers to the purchased forged bars, hollow profiles, tension-levelled strips, sheet metal and other products by the subsidiary Impol, d. o. o., which is further sold by Impol 2000, d. d., in transit to merchants and end customers from Slovenia and to the former Yugoslavia, as well as merchants of other countries, as well as traders of other countries.

## Costs of material

**Table 136: Costs of materials in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Costs of energy** | 54,285 | 58,511 |
| **Costs of office supplies and professional literature** | 111,486 | 128,080 |
| **Other costs of materials** | 57,480 | 81,485 |
| **TOTAL** | **223,251** | **268,076** |

## Auditors cost

Except for the mandatory annual audit of separate and consolidated financial statements of Impol 2000, d. d., for the financial year of 2024, the audit firm did not carry out any other audit or non-audit services.

**Table 138: The amount (cost) spent for the auditor (according to ZGD-1, Point 2, Paragraph 4, Article 69) in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Auditing of the annual report** | 21,060 | 21,060 |
| **TOTAL** | **21,060** | **21,060** |

## Costs of services

**Table 137: Costs of services in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Costs of transport services** | 59,501 | 54,126 |
| **Costs of rents** | 8,075 | 18,459 |
| **Reimbursement of employee costs** | 202,380 | 170,344 |
| **Other costs of services** | 1,941,172 | 1,810,860 |
| **TOTAL** | **2,211,128** | **2,053,789** |

## Labour costs

**Table 139: Itemisation of labour costs in EUR**

| | 2024 | 2023 |
|---|---|---|
| **Costs of wages and salaries** | 8,971,264 | 8,784,185 |
| **Costs of pension insurance** | 810,799 | 778,399 |
| **Costs of other social security contributions** | 668,688 | 662,527 |
| **Other labour costs** | 2,314,199 | 2,521,727 |
| **TOTAL** | **12,764,950** | **12,746,839** |

**Table 140:** Remuneration of members of the Board of Directors and Supervisory Board and employees on individual contracts in EUR

| | 2024 | 2023 |
|---|---|---|
| Board of Directors members | 1,783,611 | 2,078,759 |
| Employees on individual contracts | 5,218,066 | 5,341,229 |
| **TOTAL** | **7,001,677** | **7,419,988** |

## Employee education structure as of 31/12/2024

**Table 141:** Education structure

| Education level | Number of employees as of 31/12/2024 | Number of employees as of 31/12/2023 |
|---|---|---|
| Doctoral Degree | 6 | 6 |
| Master's Degree | 4 | 4 |
| Bachelor's Degree | 49 | 50 |
| Higher education | 22 | 20 |
| College | 15 | 15 |
| Secondary School Degree | 19 | 19 |
| Qualified | 9 | 9 |
| Semi-qualified | 1 | 1 |
| Non- qualified | 3 | 3 |
| **Total** | **128** | **127** |

## Depreciation

**Table 142:** Depreciation in EUR

| | 2024 | 2023 |
|---|---|---|
| Depreciation of intangible fixed assets | 56,531 | 42,681 |
| Depreciation of tangible fixed assets | 102,574 | 99,494 |
| Depreciation of tangible fixed assets relating to the right to use assets | 101,789 | 101,789 |
| **TOTAL depreciation** | **260,894** | **243,965** |

## Other costs and expenses

**Table 143:** Other costs and expenses in EUR

| | 2024 | 2023 |
|---|---|---|
| Charges independent of operation | 268,611 | 281,676 |
| Grants | 53,521 | 108,077 |
| Other costs | 15 | 1 |
| **TOTAL** | **322,147** | **389,754** |

# 3. FINANCIAL REVENUES AND EXPENSES

## Financial revenues

**Table 144:** Financial revenues from financial investments and operating receivables in EUR

| | Total 2024 | Of which from companies in the Group | Of which from companies of others | Total 2023 |
|---|---|---|---|---|
| Financial revenues from participating interests – in profits, dividends | 12,100,000 | 12,100,000 | 0 | 16,250,000 |
| Financial revenues from loans – interests | 792 | 790 | 2 | 792 |
| Financial revenues from operating receivables – interests | 3,965 | 0 | 3,965 | 3,239 |
| Financial revenues from operating receivables – foreign exchange differences | 13 | 0 | 13 | 0 |
| **Total:** | **12,104,770** | **12,100,790** | **3,980** | **16,254,031** |

*Shares in profit refer to participation in profit of subsidiaries in 2024, i.e.:

- in accordance with the resolution of the General Meeting of Impol, d. o. o., held on 06/12/2024, Impol 2000, d. d. is entitled to the entire share of the accumulated profit, intended for distribution, i.e. in the amount of EUR 10,000,000.
- in accordance with the resolution of the General Meeting of Impol Servis, d. o. o., held on 6/12/2024, Impol 2000, d. d. is entitled to the entire share of the accumulated profit, intended for distribution, i.e. in the amount of EUR 300,000.
- in accordance with the resolution of the General Meeting of Impol Rondal, d. o. o., held on 06/12/2024, Impol 2000, d. d. is entitled to the entire share of the accumulated profit, intended for distribution, i.e. in the amount of EUR 1,600,000.
- in accordance with the resolution of the General Meeting of Alcad, d. o. o., held on 6/12/2024, Impol 2000, d. d. is entitled to the entire share of the accumulated profit, intended for distribution, i.e. in the amount of EUR 200,000.

## Financial expenses

**Table 145: Financial expenses from financial investments and operating liabilities in EUR**

| | Total 2024 | Of which from companies in the Group | to others | Total 2023 |
|---|---|---|---|---|
| **Financial expenses from (excluding bank loans) – interests** | 635,293 | 635,293 | 0 | 610,824 |
| **Financial expenses from other financial liabilities – interests** | 10,918 | 0 | 10,918 | 11,489 |
| **Financial expenses from leases – interests (operating lease)** | 12,656 | 6,567 | 6,088 | 14,937 |
| **Financial expenses from operating liabilities – interests** | 22 | 0 | 22 | 115 |
| **Financial expenses from operating liabilities – foreign exchange differences** | 64 | 0 | 64 | 433 |
| **Total** | **658,953** | **641,861** | **17,093** | **637,798** |

## 4. INCOME TAX

**Table 146: Income tax in EUR**

| Income tax | 2024 | 2023 |
|---|---|---|
| **Revenues determined in accordance with accounting regulations** | 49,915,482 | 55,110,604 |
| **Revenue adjustment for tax purposes – decrease** | 12,119,640 | 16,261,501 |
| **Revenue adjustment for tax purposes – increase** | 0 | 0 |
| **Revenues recognised for tax purposes** | 37,795,842 | 38,849,103 |
| **Expenses determined under accounting regulations** | 37,620,978 | 39,147,561 |
| **Expense adjustment for tax purposes – decrease** | 438,223 | 446,483 |
| **Expense adjustment for tax purposes – increase** | 34,648 | 0 |
| **Expenses recognised for tax purposes** | 37,217,402 | 38,701,077 |
| **Difference between deductible revenues and expenses** | 578,440 | 148,025 |
| **Change of the tax base when amending tax base when amending accounting policies, error corrections and revaluations** | -14,463 | -23,041 |
| **Increase in tax base for predetermined tax relief** | 605,001 | 812,500 |
| **TAX BASE** | 1,168,978 | 937,485 |
| **Decrease in tax base and tax relief (up to the maximum amount of the tax base)** | 736,456 | 203,645 |
| **TAX BASE** | **432,522** | **733,840** |
| **TAX 22%** | 95,154 | 139,429 |

The applicable income tax rate in Slovenia in 2024 was 22% (in 2023: 19%). According to the balance on 31/12/2024, in the statement of financial position, the Company shows among short-term operating receivables for EUR 52,836 of receivables due to overpaid income tax.

The effective tax rate with deferred taxes considered for 2024 was 0.75% (2023: 0.82%). The said rate is mainly due to the received shares in the profit by subsidiaries, which are exempted from the tax base in accordance with the applicable tax law and the fulfilment of this (100% exemption from taxable revenues and as a 5% increase in the tax base for the amount of exempt revenues).

## CbCR REPORTING

Since in 2024 the total consolidated revenues of the Impol Group reached or exceeded EUR 750,000,000 (the same applies for 2023), the so called country-by-country reporting (CbCR) will be carried out. The reporting company for the international group of companies is the company Impol 2000, d. d.

## Minimum tax

At the end of 2023, the Minimum Tax Act (ZMD) was passed, which aims to ensure a global minimum taxation of large international and domestic groups with an effective tax rate of 15%. The minimum tax rules from the law apply to the Group's financial years from 1 January 2024 onwards. It is a separate system from corporate income tax, with countries' own rules for determining the base and effective tax rate. Groups that have the obligation to pay the minimum tax are groups whose annual revenues, which are reported in the consolidated financial statements of the umbrella parent entity, amount to EUR 750 million or more in at least two of the four financial years.

In the Impol Group, we calculated for the first time in 2024 the surcharge and the domestic surcharge for the Slovenian part of the Group. In accordance with the ZMD, we used a temporary CBCR Safe Dock, which is allowed during the transitional period of entry into force of the law. The liability for (domestic) top-up tax for the financial year 2024 is zero.

# 5. DEFERRED TAXES

## TREND IN DEFERRED TAX FOR IMPOL 2000, D. D.

**Table 147:** Trend in deferred tax for Impol 2000, d. d. in EUR

| | Deferred taxes from deductible temporary differences due to the differences in provisions for jubilee and retirement benefits | Total |
|---|---|---|
| **Deferred tax receivables for tax as of 31/12/2023** | **34,149** | **34,149** |
| **Deferred tax receivables for tax as of 01/01/2024** | **34,149** | **34,149** |
| **Deductible temporary differences (+)** | 2,454 | 2,454 |
| **Deferred tax receivables for tax as of 31/12/2024** | **36,603** | **36,603** |

Deferred tax receivables were formed from deductible temporary differences due to the differences in provisions for jubilee and retirement benefits. The considered deductible temporary differences will in the future result in a reduction of the taxable profit shown in the Company's profit or loss statement. The 22% rate is applied in the calculation, as will be the applicable rate of profit tax for Slovenia in 2025.

**Table 148:** Change in deferred tax receivables in EUR

| Changes in deferred-tax assets and liabilities were recognised in: | 2024 | 2023 |
|---|---|---|
| **Profit or loss account (+ / -)** | 2,454 | 7,875 |
| **TOTAL** | **2,454** | **7,875** |

Impact on the net operating result of Impol 2000, d. d, from deferred taxes, amounted to EUR 2,454, which increased the net profit for 2024.

The total tax expense in 2024 amounted to EUR 92,700 and includes a current tax of EUR 95,154 and the negative effect of changes in deferred taxes of EUR -2,454. During the comparative period of 2023, the total tax expense was EUR 131,554.

As of 31/12/2024, Impol 2000, d. d., has for EUR 501,190 unused tax relief from investment in research and development for which it does not have deferred tax receivables. The amount of unprecedented deferred receivables for tax is EUR 2024 EUR 110.262 (2023: EUR 0).

As of 31/12./2024, Impol 2000, d. d., does not disclose any such taxable temporary differences that would result in deferred tax liabilities, i.e. amounts of income tax that would have to be settled in future periods.

**Table 149:** Effective tax rate calculation

| | 2024 | 2023 |
|---|---|---|
| **Profit or loss before taxes** | **12,294,504** | **15,831,489** |
| Income tax | 95,154 | 139,429 |
| Deferred taxes | -2,454 | -7,875 |
| **Total income tax** | **92,700** | **131,554** |
| **Effective tax rate** | **0.75%** | **0.82%** |

## Net earnings per share

Basic earnings per share are calculated by dividing net earnings attributable to shareholders by the weighted average of the number of regular shares during the year, excluding the average number of own shares.

**Table 150:** Net earnings per share in EUR

| | 2024 | 2023 |
|---|---|---|
| **Profit or loss relating to the owners of the controlling entity** | 12,201,804 | 15,831,489 |
| **Weighted average of the number of regular shares** | 1,066,767 | 1,066,767 |
| **Net earnings per share (in EUR)** | **11.44** | **14.84** |
| | | |
| **Regular shares as of 01/01** | 1,066,767 | 1,066,767 |
| **Effect of own shares** | 0 | 0 |
| **Weighted average of the number of regular shares as of 31/12** | **1,066,767** | **1,066,767** |

Because the Company does not have any preference shares, nor bonds which could be converted into shares, the adjusted earnings per share equals the basic earnings per share.

## 6. INTANGIBLE ASSETS AND LONG-TERM DEFERRED COSTS AND ACCRUED REVENUES

The intangible assets shown mostly relate to software owned by Impol 2000, d. d., and are free of encumbrances. Cost of intangible fixed assets with zero present value, which are still being utilised, amounts to EUR 208,764. The Company does not report intangible assets with an indefinite useful life.

**Table 151:** Trend in intangible assets in 2024 in EUR

| Description | Long-term property rights | Long-term property rights acquired | Total |
|---|---|---|---|
| **Cost as of 31/12/2023** | **624,089** | **0** | **624,089** |
| **Opening balance adjustments** | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **624,089** | **0** | **624,089** |
| **Direct increases – acquisitions** | 0 | 90,000 | 90,000 |
| **Transfer from investments in progress** | 60,000 | -60,000 | 0 |
| **Cost as of 31/12/2024** | **684,089** | **30,000** | **714,089** |
| **Value adjustment as of 31/12/2023** | **411,157** | **0** | **411,157** |
| **Opening balance adjustment** | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **411,157** | **0** | **411,157** |
| **Depreciation during the year** | 56,531 | 0 | 56,531 |
| **Value adjustment as of 31/12/2024** | **467,688** | **0** | **467,688** |
| **Carrying amount as of 31/12/2024** | **216,401** | **30,000** | **246,401** |
| **Carrying amount as of 31/12/2023** | **212,932** | **0** | **212,932** |

**Table 152:** Trend in intangible assets in 2023 in EUR

| Description | Long-term property rights | Total |
|---|---|---|
| **Cost as of 31/12/2022** | **624,089** | **624,089** |
| **Opening balance adjustments** | 0 | 0 |
| **Cost as of 01/01/2023** | **624,089** | **624,089** |
| **Cost as of 31/12/2023** | **624,089** | **624,089** |
| **Value adjustment as of 31/12/2022** | **368,476** | **368,476** |
| **Opening balance adjustment** | 0 | 0 |
| **Value adjustment as of 01/01/2023** | **368,476** | **368,476** |
| **Depreciation during the year** | 42,681 | 42,681 |
| **Value adjustment as of 31/12/2023** | **411,157** | **411,157** |
| **Carrying amount as of 31/12/2023** | **212,932** | **212,932** |
| **Carrying amount as of 31/12/2022** | **255,613** | **255,613** |

## 7. TANGIBLE FIXED ASSETS

**Table 153: Tangible fixed assets in 2024 in EUR**

| Description | Production machinery and equipment | Other machinery and equipment | Equipment and other tangible fixed assets being acquired | Total equipment | Total |
|---|---|---|---|---|---|
| **Cost as of 31/12/2023** | **739,009** | **706,316** | **0** | **1,445,326** | **1,445,326** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **739,009** | **706,316** | **0** | **1,445,326** | **1,445,326** |
| **Direct increases – acquisitions** | 0 | 0 | 344,239 | 344,239 | 344,239 |
| **Transfer from investments in progress** | 1,881 | 345,554 | -347,435 | 0 | 0 |
| **Transfer between companies in the Group – acquisition** | 0 | 0 | 3,196 | 3,196 | 3,196 |
| **Transfer between companies in the Group – sales (-)** | 631,023 | 0 | 0 | 631,023 | 631,023 |
| **Decreases – exclusions, other decreases (-)** | 0 | 32,956 | 0 | 32,956 | 32,956 |
| **Cost as of 31/12/2024** | **109,867** | **1,018,914** | **0** | **1,128,781** | **1,128,781** |
| **Value adjustment as of 31/12/2023** | **674,297** | **587,478** | **0** | **1,261,775** | **1,261,775** |
| **Opening balance adjustment** | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **674,297** | **587,478** | **0** | **1,261,775** | **1,261,775** |
| **Depreciation during the year** | 936 | 101,637 | 0 | 102,574 | 102,574 |
| **Direct increase** | 0 | 7 | 0 | 7 | 7 |
| **Transfer between companies in the Group – sales (-)** | 631,023 | 0 | 0 | 631,023 | 631,023 |
| **Decreases – exclusions, other decreases (-)** | 0 | 32,956 | 0 | 32,956 | 32,956 |
| **Value adjustment as of 31/12/2024** | **44,211** | **656,166** | **0** | **700,376** | **700,376** |
| **Carrying amount as of 31/12/2024** | **65,657** | **362,749** | **0** | **428,405** | **428,405** |
| **Carrying amount as of 31/12/2023** | **64,712** | **118,839** | **0** | **183,551** | **183,551** |

With the application of the IFRS 16 – Lease standard, the assets under lease in the balance sheet from 1/1/2019, are no longer recognised among tangible fixed assets, but are instead recognised separately under “assets under lease” - see Note 8.

**Table 154: Tangible fixed assets in 2023 in EUR**

| Description | Production machinery and equipment | Other machinery and equipment | Equipment and other tangible fixed assets being acquired | Total equipment | Total |
|---|---|---|---|---|---|
| **Cost as of 31/12/2022** | **739,009** | **673,462** | **1,130** | **1,413,601** | **1,413,600** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2023** | **739,009** | **673,462** | **1,130** | **1,413,601** | **1,413,600** |
| **Direct increases – acquisitions** | 0 | 0 | 67,792 | 67,792 | 67,792 |
| **Transfer from investments in progress** | 0 | 68,922 | -68,922 | 0 | 0 |
| **Transfer between companies in the Group – acquisition** | 0 | 0 | 0 | 0 | 0 |
| **Decreases – sales (-)** | 0 | 25,979 | 0 | 25,979 | 25,979 |
| **Decreases – exclusions, other decreases (-)** | 0 | 10,088 | 0 | 10,088 | 10,088 |
| **Cost as of 31/12/2023** | **739,009** | **706,316** | **0** | **1,445,326** | **1,445,326** |
| **Value adjustment as of 31/12/2022** | **671,133** | **526,472** | **0** | **1,197,605** | **1,197,605** |
| **Opening balance adjustment** | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2023** | **671,133** | **526,472** | **0** | **1,197,605** | **1,125,839** |
| **Depreciation during the year** | 3,164 | 96,330 | 0 | 99,495 | 99,495 |
| **Direct increase** | 0 | 2 | 0 | 2 | 2 |
| **Decreases – sales (-)** | 0 | 25,979 | 0 | 25,979 | 25,979 |
| **Decreases – exclusions, other decreases (-)** | 0 | 9,348 | 0 | 9,348 | 9,348 |
| **Value adjustment as of 31/12/2023** | **674,297** | **587,478** | **0** | **1,261,775** | **1,261,775** |
| **Carrying amount as of 31/12/2023** | **64,712** | **118,839** | **0** | **183,551** | **183,551** |
| **Carrying amount as of 31/12/2022** | **67,877** | **146,989** | **1,130** | **215,996** | **215,996** |

Disclosed tangible assets are the property of Impol 2000, d. d. and encumbrance free. The cost of intangible fixed assets, which currently amount to zero and are still being utilised as of 31/12/2024, amounts to EUR 520,787.

# 8. ASSETS UNDER LEASE

**Table 155: Trend in right to use assets in the first half of 2024 in EUR**

| Description | Right to use immovable property – operating lease – companies within the Group | Total right to use immovable property – operating lease | Right to use equipment – operating lease – other companies | **Total right to use equipment – operating lease** | Total right to use – operating lease | Right to use equipment – financial lease – other companies | Total right to use equipment – financial lease | Total right to use |
|---|---|---|---|---|---|---|---|---|
| **Cost as of 31/12/2023** | **302,607** | **302,607** | **178,045** | **178,045** | **480,652** | **97,881** | **97,881** | **578,533** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2024** | **302,607** | **302,607** | **178,045** | **178,045** | **480,652** | **97,881** | **97,881** | **578,533** |
| **Cost as of 31/12/2024** | **302,607** | **302,607** | **178,045** | **178,045** | **480,652** | **97,881** | **97,881** | **578,533** |
| **Value adjustment as of 31/12/2023** | **60,521** | **60,521** | **99,644** | **99,644** | **160,165** | **97,881** | **97,881** | **258,046** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2024** | **60,521** | **60,521** | **99,644** | **99,644** | **160,165** | **97,881** | **97,881** | **258,046** |
| **Depreciation (+)** | 60,521 | 60,521 | 41,268 | 41,268 | 101,789 | 0 | 0 | 101,789 |
| **Value adjustment as of 31/12/2024** | **121,042** | **121,042** | **140,912** | **140,912** | **261,954** | **97,881** | **97,881** | **359,835** |
| **Carrying amount as of 31/12/2024** | **181,565** | **181,565** | **37,133** | **37,133** | **218,698** | **0** | **0** | **218,698** |
| **Carrying amount as of 31/12/2023** | **242,086** | **242,086** | **78,401** | **78,401** | **320,487** | **0** | **0** | **320,487** |

**Table 156: Trend in right to use assets in the first half of 2023 in EUR**

| Description | Right to use immovable property – operating lease – companies within the Group | Total right to use immovable property – operating lease | Right to use equipment – operating lease – other companies | **Total right to use equipment – operating lease** | Total right to use – operating lease | Right to use equipment – financial lease – other companies | Total right to use equipment – financial lease | Total right to use |
|---|---|---|---|---|---|---|---|---|
| **Cost as of 31/12/2022** | **264,460** | **264,460** | **178,045** | **178,045** | **442,505** | **97,881** | **97,881** | **540,386** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Cost as of 01/01/2023** | **264,460** | **264,460** | **178,045** | **178,045** | **442,505** | **97,881** | **97,881** | **540,386** |
| **Direct increase (+)** | 302,607 | 302,607 | 0 | 0 | 302,607 | 0 | 0 | 302,607 |
| **Decreases (-)** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Other decreases (-)** | 264,460 | 264,460 | 0 | 0 | 264,460 | 0 | 0 | 264,460 |
| **Cost as of 31/12/2023** | **302,607** | **302,607** | **178,045** | **178,045** | **480,652** | **97,881** | **97,881** | **578,533** |
| **Value adjustment as of 31/12/2022** | **211,568** | **211,568** | **58,376** | **58,376** | **269,944** | **97,881** | **97,881** | **367,825** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Value adjustment as of 01/01/2023** | **211,568** | **211,568** | **58,376** | **58,376** | **269,944** | **97,881** | **97,881** | **367,825** |
| **Depreciation (+)** | 60,521 | 60,521 | 41,268 | 41,268 | 101,789 | 0 | 0 | 101,789 |
| **Decreases (-)** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Other decreases (-)** | 211,568 | 211,568 | 0 | 0 | 211,568 | 0 | 0 | 211,568 |
| **Value adjustment as of 31/12/2023** | **60,521** | **60,521** | **99,644** | **99,644** | **160,165** | **97,881** | **97,881** | **258,046** |
| **Carrying amount as of 31/12/2023** | **242,086** | **242,086** | **78,401** | **78,401** | **320,487** | **0** | **0** | **320,487** |
| **Carrying amount as of 31/12/2022** | **52,892** | **52,892** | **119,669** | **119,669** | **172,561** | **0** | **0** | **172,561** |

*Upon transferring to the new IFRS 16 – Lease standard within Impol 2000, the latter has made the decision in 2019 to choose the possibility of using the standard retroactively, with a cumulative effect of the beginning of use of the standard and measurement of assets amounting to calculated lease liabilities.

A 3% annual interest rate is applied for calculating the current value of liabilities from leases for all leases. The right to use the asset is amortised and interests are attributed to liabilities.

## Assets under financial lease

As of 31/12/2024, Impol 2000, d. d., does not report assets under financial lease among its assets.

# 9. LONG-TERM FINANCIAL INVESTMENTS

**Table 157: Long-term financial investments in EUR**

| | Cost of long-term financial investments as of 31/12/2024 | Of which long-term financial investments in companies in the Group as of | Value adjustment as of 31/12/2024 | Carrying amount 31/12/2024 | Carrying amount 31/12/2023 |
|---|---|---|---|---|---|
| | | + | - | | |
| **Investments in shares and participating interest** | 141,334,666 | 141,334,666 | 0 | 141,334,666 | 141,334,666 |
| **TOTAL long-term financial investments except for loans** | **141,334,666** | **141,334,666** | **0** | **141,334,666** | **141,334,666** |
| **Long-term loans granted** | 51,000 | 51,000 | 0 | 51,000 | 51,000 |
| **TOTAL long-term loans** | **51,000** | **51,000** | **0** | **51,000** | **51,000** |
| **TOTAL long-term investments** | **141,385,666** | **141,385,666** | **0** | **141,385,666** | **141,385,666** |

LFI –– long-term financial investments

## Trend in investments in subsidiaries and associated companies

**Table 158: Trend in investments in subsidiaries and associated companies in EUR**

| Long-term financial investment in the company: | Cost as of 01/01/2024 | Decrease in 2024 (liquidation*) | Cost as of 31/12/2024 | Cost adjustment due to impairment | | | Carrying amount | | Ownership as of 31/12/2024 |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Value adjustment as of 01/01/2024 | Decrease in 2024 (liquidation*) | Value adjustment as of 31/12/2024 | 31/12/2024 | 01/01/2024 | % |
| | + | - | + | - | - | - | = | = | |
| **Impol Servis, d. o .o.** | 245,037 | 0 | 245,037 | 0 | 0 | 0 | 245,037 | 245,037 | 100% |
| **Impol, d. o. o.** | 73,988,863 | 0 | 73,988,863 | 0 | 0 | 0 | 73,988,863 | 73,988,863 | 100% |
| **Impol-FinAl, d. o. o.** | 1,000,000 | 0 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 1,000,000 | 100% |
| **Rondal, d. o. o.** | 100,000 | 0 | 100,000 | 0 | 0 | 0 | 100,000 | 100,000 | 100% |
| **Impol-TLM, d. o. o.** | 63,773,766 | 0 | 63,773,766 | 0 | 0 | 0 | 63,773,766 | 63,773,766 | 100% |
| **Alcad, d. o. o.** | 2,227,000 | 0 | 2,227,000 | 0 | 0 | 0 | 2,227,000 | 2,227,000 | 100% |
| **Total subsidiaries** | **141,334,666** | **0** | **141,334,666** | **0** | **0** | **0** | **141,334,666** | **141,334,666** | |
| **Impol Brasil Aluminium LTDA** | 34,648 | 34,648 | 0 | 34,648 | 34,648 | 0 | 0 | 0 | - |
| **Total associated companies** | **34,648** | **34,648** | **0** | **34,648** | **34,648** | **0** | **0** | **0** | |
| **TOTAL** | **141,369,314** | **34,648** | **141,334,666** | **34,648** | **34,648** | **0** | **141,334,666** | **141,334,666** | |

Long-term financial investments in capital are entirely classified in the Group for financial investments in subsidiaries and associated companies and are measured at cost. As the controlling company, Impol 2000, d. d. is responsible for preparation of consolidated financial statements for the companies presented above.

*On September 2024, the associated company Impol Brasil Aluminum LTDA, in which Impol 2000, d. d. 50% owned, had officially closed. For the past five years, the company has not shown any turnover. Nor were any claims, debts or assets of the company recognised at the time of closure. Impol 2000, d. d. fully depreciated the investment of EUR 34,648 already in the financial year 2015, with the full amount of the depreciation being recognised as chargeable to the profit or loss account of that year. The exclusion of the investment in question in the current year had no impact on the operating result as its carrying amount was already zero.

A financial investment in the equity of the subsidiary Impol, d. o. o., namely 97.54% of the ownership share in this Company was pledged until including 2024 in the form of the given guarantee for the obligations of Impol, d. o. o., to banks. In 2024, Impol, d. d. was fully repaid by all obligations to banks for which the guarantee by Impol 2000, d. d., was given.

The presentation of subsidiaries and the equity and operating results of the companies in question for 2024 is given in the business part of the annual report.

## Gibanje danih dolgoročnih posojil

**Table 159:** **Trend in long-term loans granted in EUR**

| | Loans granted to Group companies | Total |
|---|---|---|
| **Balance of long-term loans granted as of 01/01/2024** | 51,000 | 51,000 |
| **New loans (+)** | 0 | 0 |
| **Balance of long-term loans granted as of 31/12/2024** | **51,000** | **51,000** |

Gre za dolgoročno posojilo, dano družbi v skupini v Sloveniji. Posojilo je zavarovano z menicami in se obrestuje po priznani obrestni meri, ki velja za posojila med povezanimi osebami, povečani za pribitek za ročnost. V plačilo zapade 31. 12. 2026.

## 10. MERCHANDISE INVENTORIES

As of 31/12/2024, Impol 2000, d. d. does not report merchandise inventories.

## 11. SHORT-TERM FINANCIAL INVESTMENTS

As of 31/12/2024, Impol d. d. does not report short-term financial investments. Impol, d. d. did not possess these investments during 2024 or at the end of the past reporting period.

## 12. SHORT-TERM OPERATING RECEIVABLES

**Table 160:** **Short-term operating receivables in EUR**

| | Short-term operating receivables | Short-term operating receivables to companies: | | Value adjustment due to impairment (to other companies) | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|---|---|
| | | in the Group | Other | | | |
| | = | + | + | - | = | |
| **Short-term operating receivables from customers** | 3,955,180 | 704,552 | 3,250,628 | 5,773 | 3,949,407 | 4,661,104 |
| **of which already matured on 31/12/2024** | 351,699 | 6,177 | 345,523 | 0 | 351,699 | 1,537,912 |
| **Short-term advances and securities granted** | 1,298 | 0 | 1,298 | 0 | 1,298 | 25,585 |
| **Short-term receivables related to financial revenues** | 17,144 | 4,813 | 12,331 | 0 | 17,144 | 26,811 |
| **Short-term receivables from state institutions** | 370,191 | 0 | 370,191 | 0 | 370,191 | 211,099 |
| **Other short-term operating receivables** | 42,676 | 0 | 42,676 | 0 | 42,676 | 411,921 |
| **TOTAL** | **4,386,488** | **709,365** | **3,677,123** | **5,773** | **4,380,715** | **5,336,520** |

*In Slovenia, the Company's trade receivables are secured through Coface PKZ zavarovalnica, d. d. Slovenia in the amount of EUR 2,568,302 in accordance with the balance as of 31/12/2024 (balance as of 31/12/2023: EUR 2,898,422). According to the balance as of 31/12/2024, among short-term receivables to the state, the Company shows, among other things, receivables from profit tax for EUR 52,836.

**Table 161:** **Short-term operating receivables from customers in the domestic and foreign market in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term operating receivables in the domestic market** | 3,833,108 | 4,345,997 |
| **Short-term operating receivables in the foreign market** | 116,298 | 315,107 |
| **TOTAL** | **3,949,407** | **4,661,104** |

Trade debtors abroad are converted into the local currency at the exchange rate of the ECB published by the Bank of Slovenia. Exchange rate difference arising until the date of settlement of the receivable or until the financial statement date are classified as the financial income or expenses item.

## Analysis of outstanding trade receivables in EUR

**Table 162: Analysis of outstanding trade receivables in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2024** | 351,699 | - |
| **Matured in 2023** | 0 | 1,537,912 |
| **TOTAL receivables from customers already due** | **351,699** | **1,537,912** |

## Trend in value adjustment of current operating receivables due to impairment

**Table 163: Trend in value adjustment of short-term operating receivables due to the impairment in EUR**

| | 2024 | Of which value adjustment for short-term receivables from other companies | 2023 |
|---|---|---|---|
| **Balance as of 01/01/2024** | **5,773** | **5,773** | **5,773** |
| **Decrease in value due to settlement of receivables (-)** | 0 | 0 | 0 |
| **Decrease in value due to write-offs of receivables (-)** | 0 | 0 | 0 |
| **Balance as of 31/12/2024** | **5,773** | **5,773** | **5,773** |

**Table 164: Short-term receivables related to financial revenues in EUR**

| | 31. 12. 2024 | 31. 12 2023 |
|---|---|---|
| **Short-term receivables for interests related to financial revenues from operating receivables from other companies (customers) (+)** | 12,331 | 22,788 |
| **Short-term receivables for interests related to financial revenues from loans granted to companies in the Group (+)** | 4,813 | 4,023 |
| **TOTAL** | **17,144** | **26,811** |

On 31/12/2024, the Company had no disclosed receivables from members of the Board of Directors, the Executive Directors and internal owners.

## 13. CASH

**Table 165: Cash in EUR**

| | 31. 12. 2024 | 31. 12 2023 |
|---|---|---|
| **Cash in hand and immediately cashable securities** | 597 | 489 |
| **Cash in banks and other financial institutions** | 2,511,984 | 4,003,469 |
| **TOTAL cash** | **2,512,581** | **4,003,958** |

The Company has no short-term deposits under three months, but as of 31/12/2024 the so-called over-night deposit in the amount of EUR 1,651,359 EUR has been formed, which is included in the credit balance shown at banks and other financial institutions.

## Other short-term assets

**Table 166: Other short-term assets in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term deferred costs or expenses** | 28,169 | 62,402 |
| **Short-term deferred income** | 41,186 | 148,848 |
| **VAT from advances received** | 2,319 | 9,082 |
| **TOTAL other short-term assets** | **71,674** | **220,332** |

Short-term deferred costs or expenses mainly refer to the costs of professional literature, IT licenses, membership fees and other.

In the case of short-term accrued revenues, for which the Company has not yet issued a claim to the line ministry until and including 31 December 2024 in the amount of EUR 41,186, it is a matter of co-financing a public tender for the 2023 "Green Foil" project, co-financed by the Ministry of Economic Development and Technology. The total amount of approved funds in the framework of the mentioned project, to which the Company was originally entitled, amounted to EUR 118,851. In 2023 and 2024, the Company has already issued claims in the total amount of EUR 75,165 (2023: EUR 41,186 EUR, 2024: EUR 33,979), and unused funds in the amount of EUR 2,500 remained after the conclusion of the project.

## 14. CAPITAL

**Table 167: Capital in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Capital** | **76,297,369** | **74,783,643** |
| **Called-up capital** | 4,451,540 | 4,451,540 |
| **Share capital** | 4,451,540 | 4,451,540 |
| **Capital reserves** | 10,751,254 | 10,751,254 |
| **Revenue reserves** | 7,958,351 | 7,958,351 |
| **Statutory reserves** | 2,225,770 | 2,225,770 |
| **Other revenue reserves** | 5,732,581 | 5,732,581 |
| **Reserves resulting from valuation at fair value** | -96,423 | -84,535 |
| **Retained net profit or loss** | 41,030,844 | 35,875,544 |
| **Net profit or loss for the financial year** | 12,201,804 | 15,831,489 |

The share capital of Impol 2000, d. d., amounts to EUR 4,451,540 and is divided into 1,066,767 registered no-par value shares, namely into:

- 23,951 no-par value shares of the first issue,
- 1,029,297 no-par value shares of the second issue,
- 13,519 no-par value shares of the third issue.

The shares are held by named persons, are of the same class and are transferable. The central share register is kept by KDD.

Capital reserves of Impol 2000, d. d., include paid-in capital surplus and the general revaluation adjustment.

Statutory reserves were formed in previous years on the basis of the Company's Statute, namely in the amount of 15% of the Company's net profit for the business year, until the latter reached ½ of the Company's share capital.

In 2024, the amount of other profit reserves did not change compared to the situation in 2023.

The change in reserves resulting from fair value valuation in 2024 is presented in the table.

**Table 168: Trend in reserves from fair value measurement in EUR**

| | Balance as of 31/12/2023 | Balance as of 01/01/2024 | Formation (+/-) | Reversal (-/+) | Balance as of 31/12/2024 |
|---|---|---|---|---|---|
| **Actuarial gains/losses, recognised under provisions for retirement benefits** | -84,535 | -84,535 | -20,407 | 8,519 | -96,423 |
| **TOTAL** | **-84,535** | **-84,535** | **-20,407** | **8,519** | **-96,423** |

In 2024, Impol 2000, d. d. paid out dividends in the amount of EUR 10,00 gross per share or in a total amount of EUR 10,667,670.

The net profit of the financial year 2024 amounted to EUR 12,201,804 and remained entirely unused for purposes from Article 230 ZGD-1.

### Disclosure regarding distributable profit

**Table 169: Distributable profit in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Net profit or loss for the accounting period** | 12,201,804 | 15,831,489 |
| **Retained net profit** | 41,030,844 | 35,875,544 |
| **Distributable profit** | **53,232,647** | **51,707,032** |

At the regular annual General Meeting of Impol 2000, d. d., in 2025, the Board of Directors will propose that the balance sheet profit as of 31/12/2024 be divided in the amount of EUR 8.00 gross/share:

**Table 170: Use of the distributable profit in EUR**

| | |
|---|---|
| **Dividends to shareholders in the amount of EUR 8.00/share** | 8,534,136 |
| **Undistributed accumulated profit/loss for 2024 (to the retained profit/loss)** | 44,698,511 |

The remaining distributable profit in the amount of EUR 44,698,511 would remain undistributed upon the proposal of the management.

## 15. PROVISIONS AND RECEIVED GOVERNMENT GRANTS

**Table 171: Provisions and received government grants in EUR**

| | Provisions for long-service bonuses | Provisions for severance pays upon retirement | Total provisions for retirement, jubilee benefits and severance pays upon retirement | Received government grants | Total |
|---|---|---|---|---|---|
| **Balance as of 31/12/2023** | **98,158** | **296,822** | **394,979** | **113,827** | **508,806** |
| **Opening balance adjustments** | 0 | 0 | 0 | 0 | 0 |
| **Balance as of 01/01/2024** | **98,158** | **296,822** | **394,979** | **113,827** | **508,806** |
| **Formation (+)** | 18,967 | 54,514 | 73,481 | 35,021 | 108,502 |
| **Utilisation (-)** | 4,756 | 18,987 | 23,743 | 145,923 | 169,666 |
| **Reversal (–)** | 5,948 | 9,589 | 15,537 | 2,925 | 18,462 |
| **Balance as of 31/12/2024** | **106,420** | **322,760** | **429,180** | **0** | **429,180** |

**Table 172: Trend in provisions for jubilee and retirement benefits in EUR**

| | Provisions for retirement benefits | Provisions for jubilee benefits | TOTAL |
|---|---|---|---|
| **Balance as of 31/12/2023** | **296,821** | **98,158** | **394,979** |
| **Changes (conversions, adjustments) to the opening balance** | | | 0 |
| **Balance as of 01/01/2024** | **296,821** | **98,158** | **394,979** |
| **Interest costs (+)** | 8,259 | 2,659 | 10,918 |
| **Past and present service costs (+/-)** | 16,260 | 1,191 | 17,451 |
| **Payout of benefits (-)** | -18,987 | -4,756 | -23,743 |
| **Actuarial profit/loss (IPI) (+/-)** | | 9,168 | 9,168 |
| **Actuarial profit/loss (other comprehensive income) (+/-)** | 20,407 | | 20,407 |
| **Balance as of 31/12/2024** | **322,760** | **106,420** | **429,180** |

Provisions for pensions, long-service bonuses and severance pays upon retirement to other companies were first allocated in 2015. Provisions for severance pays upon retirement and long-service bonuses were allocated in the amount of the estimated future payments for severance pays and long-service bonuses, discounted to the end of the reporting period. Labour costs and costs of interest are recognised in the statement of profit or loss, while the conversion of such provisions or unrealised actuarial profit or loss due to retirement benefits is recognised in other comprehensive income from capital.

Calculation of provisions for post-employment benefits and other long-term employee benefits is based on actuarial model, which takes into account the following assumptions:

- annual discount rate, derived from data on the yield of government bonds of the Republic of Slovenia (for 2024, we increased the annual discount factor, from 3.00 to 3.04 percent);
- Currently valid amounts of jubilee and retirement benefits from internal rules;
- 20% employee turnover depending primarily on age;
- 5% mortality based on last available mortality tables of the local population.

It is estimated that no provisions, other than the above stated, need to be formed.

### Received government grants

In 2022, Impol 2000, d. d., as the leading consortium partner signed a consortium agreement with the Ministry of Economic Development and Technology for the implementation of the INDIGO project. It is about co-financing the costs of the public tender for the "Digital transformation of the economy". The project ended in 2024. In this regard, Impol 2000, d. d will receive state aid in the estimated amount of EUR 223,442, of which EUR 168,325 was already drawn state aid to cover co-financed costs in 2022 and 2023 (in 2023 for EUR 112,456, in 2022 for EUR 55,869), and the difference of EUR 55,117 was used in 2024 for the coverage of co-financed costs. According to the original approved funds, the amount of EUR 425 was not used from the INDIGO project, for which the annulment of state aid was recognised.

In 2023, Impol 2000, d. d., as the leading consortium partner signed another consortium agreement with the Ministry of Economic Development and Technology for the implementation of the project "Green foil". It is about co-financing the costs of the public call for incentives for research and development as part of Recovery and resilience plans. The project lasted until the end of 2024. In this regard, Impol 2000, d. d. received state aid in the estimated amount of EUR 116,351, of which EUR 60,567 was already drawn state aid to cover co-financed costs in 2023, and the difference in the amount of EUR 55,784 in 2024. According to the original approved funds, the amount of EUR 2,500 was not used from "Green foil" project, for which the annulment of state aid was recognised.

The remaining amounts of the formed or of the used state subsidies in the amount of EUR 35,021 refer to partial exemption from the payment of contributions due to the employment of disabled people and older people over 60 years of age.

## 16. LONG-TERM FINANCIAL AND OPERATING LIABILITIES

**Table 173:** Long-term financial and operating liabilities in EUR

| | Total debt as of 31/12/2024 | The part falling due in 2025 | 31/12/2024 | 31/12/2023 |
|---|---|---|---|---|
| | + | - | = | |
| **Long-term financial liabilities** | 58,548,625 | 97,978 | 58,450,646 | 229,477 |
| **Long-term operating liabilities** | 0 | 0 | 0 | 0 |
| **TOTAL long-term financial and operating liabilities** | **58,548,625** | **97,978** | **58,450,646** | **229,477** |
| | | | | |
| **Long-term financial liabilities to companies in the Group (excluding liabilities from leases)** | 58,319,148 | 0 | 58,319,148 | 0 |
| **Long-term financial liabilities from leases – operating lease – companies in the Group** | 186,975 | 60,467 | 126,508 | 186,975 |
| **Long-term financial liabilities from leases – operating lease – other companies** | 42,502 | 37,511 | 4,991 | 42,502 |
| **TOTAL long-term financial and operating liabilities** | **58,548,625** | **97,978** | **58,450,646** | **229,477** |

**Table 174:** Maturity of long-term financial and operating liabilities in EUR

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2025** | X | 97,978 |
| **Matured in 2026** | 67,297 | 67,297 |
| **Matured in 2027** | 64,201 | 64,201 |
| **Matured in 2028** | 0 | 0 |
| **Due in 2029 or later** | 58,319,148 | 0 |
| **Total long-term financial and operating liabilities** | **58,450,646** | **229,477** |

# TREND IN LONG-TERM FINANCIAL LIABILITIES

## Long-term loans

**Table 175: Trend in long-term financial liabilities due to liabilities (loans and other liabilities) in EUR**

| | Interest rate in % | Maturity date | Debt as of 01/01/2024 | New loans | Repayment in the current year (-) | Debt as of 31/12/2024 | Part of long-term debt falling due in the following year | Long-term debt balance as of 31/12/2024 | Debt as of 31/12/2023 |
|---|---|---|---|---|---|---|---|---|---|
| **Long-term financial liabilities to companies in the Group – loan** | 3.461 | 30/12/2029 | 0 | 58,319,148 | 0 | 58,319,148 | 0 | 58,319,148 | 0 |
| **TOTAL long-term financial liabilities** | | | **0** | **58,319,148** | **0** | **58,319,148** | **0** | **58,319,148** | **0** |

At the end of 2024, a company in the Group approved a long-term loan to Impol 2000, d. d. to cover open liabilities from a long -term loan that was due in late 2024. The loan is calculated at the established interest rate, increased by 1 percentage point and maturity percentage, and secured with a bill of exchange. It is due in 2029.

## Liabilities from leases

**Table 176: Trend in long-term financial liabilities from leases in EUR**

| | Debt as of 31/12/2023 | Debt as of 01/01/2024 | Debt as of 31/12/2024 | Part of long-term debt falling due in the following year | Long-term debt balance as of 31/12/2024 |
|---|---|---|---|---|---|
| | | | + | - | = |
| **Long-term financial liabilities from leases – operating lease – companies in the Group** | 186,975 | 186,975 | 186,975 | 60,467 | 126,508 |
| **Long-term financial liabilities from leases – operating lease – other companies** | 42,502 | 42,502 | 42,502 | 37,511 | 4,991 |
| **TOTAL** | **229,477** | **229,477** | **229,477** | **97,978** | **131,498** |

**Table 177:** Maturity of long-term financial liabilities from leases as of 31/12/2024 in EUR

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2025** | x | 97,978 |
| **Matured in 2026** | 67,297 | 67,297 |
| **Matured in 2027** | 64,201 | 64,202 |
| **Matured in 2028** | 0 | 0 |
| **TOTAL long-term financial liabilities from leases** | **131,498** | **229,477** |

**Table 178:** Future minimum lease payments and their present value

| | Future minimum lease payments | Present net value of future lease payments |
|---|---|---|
| **Up to 1 year** | 103,467 | 97,994 |
| **1 to 5 years** | 135,508 | 131,498 |
| **Over 5 years** | 0 | 0 |
| **TOTAL** | **238,976** | **229,493** |

In 2024, the Company did not capitalise borrowing costs (nor in 2023).

## 17. SHORT-TERM LIABILITIES

**Table 179:** Short-term financial and operating liabilities in EUR

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term operating liabilities to suppliers on the domestic market to companies in the Group** | 9,495,058 | 2,041,816 |
| **Short-term operating liabilities to suppliers on the domestic market to associated companies** | 122,674 | 90,299 |
| **Short-term operating liabilities to suppliers on the domestic market to other companies** | 265,525 | 249,329 |
| **Short-term operating liabilities to suppliers on the foreign market to other companies** | 13,154 | 6,649 |
| **Short-term operating liabilities based on advance payments to companies in the Group** | 1,581,016 | 693,349 |
| **Short-term operating liabilities based on advances to other companies** | 174,961 | 148,965 |
| **Other short-term operating liabilities to companies in the Group** | 314,578 | 472,447 |
| **Other short-term operating liabilities to others** | 1,663,667 | 2,521,787 |
| **TOTAL short-term operating liabilities** | **13,630,633** | **6,224,641** |
| **Short-term part of long-term financial liabilities (excluding liabilities from lease) – companies in the Group** | 0 | 63,319,148 |
| **Short-term part of long-term financial liabilities (excluding liabilities from lease) to other companies** | 0 | 1,066,667 |
| **Short-term part of long-term financial liabilities from leases – operating lease – companies in the Group** | 60,467 | 58,682 |
| **Short-term part of long-term financial liabilities from leases – operating lease – other companies** | 37,527 | 42,119 |
| **Short-term financial liabilities (other than lease liabilities) – Group companies** | 0 | 5,000,000 |
| **TOTAL short-term financial liabilities** | **97,994** | **69,486,616** |
| **TOTAL short-term financial and operating liabilities** | **13,728,627** | **75,711,258** |

## Short-term financial liabilities

Short-term financial liabilities consist only of liabilities for leases maturing in 2025. In 2024, liabilities from loans were fully repaid or new long-term loan agreements have been concluded for those loans.

**Table 180:** **Short-term financial liabilities (without leases) in EUR**

| | Debt as of 01/01/2024 | New loans in current year (+) | Repayments in the current year (-) | Short-term debt balance as of 31/12/2024 | Short-term debt balance as of 31/12/2023 |
|---|---|---|---|---|---|
| **Short-term financial liabilities to companies in the Group – loan** | 68,319,148 | 5,000,000 | 73,319,148* | 0 | 68,319,148 |
| **Short-term financial liabilities to other companies – purchase of a business share** | 1,066,667 | 0 | 1,066,667 | 0 | 1,066,667 |
| **TOTAL** | **69,385,815** | **5,000,000** | **74,385,815** | **0** | **69,385,815** |

*Of which the amount of EUR 58,319,148 was settled by concluding a new long-term loan contract, which is due in 2029.

**Table 181:** **Short-term financial liabilities from leases in EUR**

| | Debt as of 31/12/2023 | Debt as of 01/01/2024 | Transfer of the short-term portion of long-term liabilities from leases | Decrease in liabilities/offset with lease in the current year (-) | Short-term debt balance as of 31/12/2024 |
|---|---|---|---|---|---|
| **Short-term financial liabilities from leases – operating lease – companies in the Group** | 58,682 | 58,682 | 60,467 | 58,682 | 60,467 |
| **Short-term financial liabilities from lease – operating lease – other companies** | 42,119 | 42,119 | 37,511 | 42,103 | 37,527 |
| **TOTAL** | **100,802** | **100,802** | **97,978** | **100,786** | **97,994** |

## Short-term operating liabilities

**Table 182:** **Short-term operating liabilities in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Short-term business liabilities to suppliers – companies in the Group** | 9,495,058 | 2,041,816 |
| **Short-term operating liabilities to suppliers – associated companies** | 122,674 | 90,299 |
| **Short-term operating liabilities to suppliers – other companies** | 278,679 | 255,978 |
| **TOTAL short-term liabilities to suppliers** | **9,896,411** | **2,388,093** |
| **-of which already matured on the financial statement date** | 9,474,333 | 2,040,496 |
| **Short-term operating liabilities for advances** | 1,755,977 | 842,315 |
| **TOTAL short-term liabilities for advances** | **1,755,977** | **842,315** |
| **Short-term liabilities to employees** | 1,574,271 | 1,610,072 |
| **Short-term liabilities to government** | 39,199 | 88,134 |
| **Short-term liabilities from interest – Group companies** | 314,578 | 165,648 |
| **Short-term liabilities from interest – other companies** | 0 | 21 |
| **Other short-term operating liabilities – Group companies** | 0 | 306,798 |
| **Other short-term operating liabilities – other companies** | 50,198 | 823,560 |
| **TOTAL other short-term operating liabilities** | **1,978,245** | **2,994,234** |
| **TOTAL SHORT-TERM OPERATING LIABILITIES** | **13,630,633** | **6,224,641** |

**Table 183: Analysis of outstanding liabilities to suppliers in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Matured in 2024** | 9,474,333 | x |
| **Matured in 2023** | 0 | 2,040,496 |
| **Matured in 2022 or before** | 0 | 0 |
| **TOTAL outstanding liabilities to suppliers** | **9,474,333** | **2,040,496** |

## Other short-term liabilities

**Table 184: Other short-term liabilities in EUR**

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Accrued deferred costs or expenses** | 362,590 | 441,623 |
| **Short-term deferred revenues** | 12,331 | 22,788 |
| **TOTAL OTHER SHORT-TERM LIABILITIES** | **374,921** | **464,411** |

Accrued expenses or costs in the amount of EUR 14,742 refer to audit costs from 2024, and in the amount of EUR 347,848 they refer to unused annual leaves of employees after the balance on 31/12/2024.
Short-term deferred revenues are formed from charged (still unpaid) late operating interest. At the time of settlement, revenues will also be recorded.

# 18. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Impol 2000, d. d. faces the following risks in its business process.

**Table 185: Risks**

| Risk area | Risk description | Risk management method | Exposure |
|---|---|---|---|
| **Liquidity risk** | Lack of liquid assets for the settlement of operating or financing liabilities. | Pre-agreed credit lines and preparation of inflow and outflow schedules. | Moderate to high |
| **Interest rate risk** | Risk associated with changes in the terms and conditions of financing and borrowing. | Monitoring of the ECB's and FED's policies, security with appropriate financial instruments – interest rate swaps (at the level of Impol, d. o. o.), transition from the fixed to a floating interest rate. | Moderate |
| **Credit risk** | Risk of customer failure to settle their liabilities. | Securing trade receivables – primarily receivables from foreign debtors – through "Prva kreditna zavarovalnica" and foreign insurance firms, monitoring of customer credit ratings, limiting maximum exposure to individual customers. Transactions with customers located in high-risk markets are only performed on the basis of advance payments or prime bank guarantees. | Moderate to high |

## Liquidity risk

When it comes to liquidity risk management, we examine whether the Company is able to settle its running operating liabilities and whether it is generating a sufficiently large cash flow to settle its financing liabilities.

Floating weekly and monthly scheduling of cash flows allows the Company to determine liquid asset requirements. Potential cash shortages are covered by bank credit lines and other forms of financing, whereas short-term surpluses are invested in liquid short-term financial investments.

## Interest rate risk

Impol 2000, d. d., currently has no loans with variable interest rate except in financial liabilities from leases, for this reason it is not exposed to the interest rate change risk. Despite the above, the Company shows the effects that a hypothetical change in interest rates on an annual basis would have on the Company's profit, taking into account the state of financial liabilities as of 31/12/2024.

## Analysis of the sensitivity to changes in interest rates

**Table 186: Short-term and long-term financial liabilities at a fixed interest rate in EUR**

| | Impol 2000, d. d. | |
|---|---|---|
| | 31/12/2024 | 31/12/2023 |
| **Financial liabilities** | 0 | 1,066,667 |

**Table 187: Short-term and long-term financial liabilities at a variable interest rate in EUR**

| | Impol 2000, d. d. | |
|---|---|---|
| | 31/12/2024 | 31/12/2023 |
| **Financial liabilities** | 58,548,641 | 68,649,426 |

## Value of financial receivables:

**Table 188: Impact of the operating result changes on the interest rate changes in EUR**

| | Impol 2000, d. d. | |
|---|---|---|
| | 31/12/2024 | 31/12/2023 |
| **Increase of IR by 50 bp** | -292,743 | -343,247 |
| **Increase of IR by 100 bp** | -585,486 | -686,494 |
| **Decrease of IR by 50 bp** | 292,743 | 343,247 |
| **Decrease of IR by 100 bp** | 585,486 | 686,494 |

Interest rate changes on the reporting date for 50 or 100 basis points would increase/ decrease the net profit or loss for the amounts from the above table. Sensitivity analysis of the profit or loss in case of the indebtedness at a variable interest rate assumes that all other variables remain unchanged. During the calculation, liabilities according to variable interest rate are reduced for the entire amount of receivables (loans granted) according to the variable interest rate.

## CREDIT RISK

The credit control process encompasses customer credit rating which is carried out regularly by Coface PKZ zavarovalnica d. d., in Slovenia and by foreign insurance companies as well as our customer solvency monitoring system. By regularly monitoring of open and matured trade debtors, the age structure of receivables and average payment deadlines, we maintain our credit exposure within acceptable limits given the strained conditions on the market. In 2024, receivables from customers decreased compared to 2023, and the same applies to the share of overdue receivables from customers.

65% of receivables from all customers are secured at the Coface PKZ insurance company, for this reason sales limits are being monitored on a daily basis. If we take into consideration only trade receivables without companies in the Impol Group, the insurance coverage percentage is even higher and reaches almost 80% this type of receivables.

## Carrying amounts and fair values of financial instruments

Classification of financial instruments according to their fair value as of 31/12/2024:

**Table 189: Carrying amounts and fair values of financial instruments in EUR**

| | Carrying amount | Fair value | Fair value level |
|---|---|---|---|
| **Long-term investments in subsidiaries** | 141,334,667 | 141,334,667 | 3 |
| **Long-term loans granted to Group companies** | 51,000 | 51,000 | 3 |
| **Short-term operating receivables** | 4,380,715 | 4,380,715 | 3 |
| **Cash and cash equivalents** | 2,512,581 | 2,512,581 | 3 |
| **Long-term financial liabilities to companies in the Group** | 58,450,646 | 58,450,646 | 3 |
| **Short-term financial liabilities related to leases** | 97,994 | 97,994 | 3 |
| **Short-term operating liabilities** | 13,630,633 | 13,630,633 | 3 |

## 19. CONTINGENT LIABILITIES

A lawsuit against the Company in the total amount of EUR 100,000 in connection with economical disputes ha been pending for several years. The court of first instance rejected the plaintiff's claim in its entirety, but the plaintiff appealed against the first instance verdict. In this regard, the Company assessed that the claim was not justified, and therefore did not create provisions for these purposes. On 11/01/2024, the Company received the judgement of the court of second instance, which rejected the plaintiff's appeal in its entirety. The case is hereby legally closed.

## 20. TRANSACTIONS WITH ASSOCIATES

The parent company Impol 2000, d. d., has a significant volume of business with companies in the Impol Group, since as the holding company of the Group it performs the following key activities for other companies in the Group:

- strategic management;
- functions associated with intellectual property;
- procurement strategy;
- sales strategy;
- strategic marketing;
- development of products and services;
- management services (financing, IT services, HR services).

With this kind of organization of managing processes we enable a single system of operation and a balanced development of individual business functions in the entire Impol Group. Consequently, divisions and thus companies are provided with an efficient support in achieving the objectives of the Impol Group. As far as procurement is concerned, Impol 2000, d. d. purchases goods and services from subsidiaries, whereby the majority of the purchases is represented by forged bars, hollow profiles, tension-levelled strips, sheet metal and other products by the subsidiary Impol, d. o. o., which is further sold by Impol 2000, d. d., in transit to merchants and end customers from Slovenia and to the former Yugoslavia, as well as merchants of other countries, as well as traders of other countries.

Transactions with associated parties are carried out under comparable market conditions, which Impol 2000, d. d. concludes with third, unrelated parties.

Transactions with subsidiaries are defined within the framework of internal contracts, whereby the arm's length principle is applied to pricing in accordance with the principle of transfer prices. Impol 2000, d. d. and the Impol Group regulate this area with the Rules on transfer prices. The Rules apply to all companies in the Group in Slovenia and are drawn up in accordance with the ZDDPO-2, Rules SLO, ZDavP-2 and POM. The Rules are drawn up also in accordance with OECD guidelines regarding transfer prices, which apply to the entire Impol Group. At the end of the year, a set-off or adjustment of EBT markups of companies in the Impol Group is performed in accordance with the concluded contracts, namely by forming prices with these affiliated companies in accordance with the independent market principle.

**Table 190: Receivables to companies in the Group as of 31/12/2024 in EUR**

| | Long-term financial investments | Long-term loans granted | Short-term operating receivables | Total |
|---|---|---|---|---|
| **Impol, d. o. o.** | 73,988,863 | 0 | 0 | 73,988,863 |
| **Impol FT, d. o. o.** | 0 | 0 | 118 | 118 |
| **Impol PCP, d. o. o.** | 0 | 0 | 408 | 408 |
| **Impol-TLM, d. o. o.** | 63,773,766 | 0 | 34,159 | 63,807,925 |
| **Impol-FinAl, d. o. o.** | 1,000,000 | 0 | 0 | 1,000,000 |
| **Stampal SB, d. o. o.** | 0 | 0 | 89,977 | 89,977 |
| **Alcad, d. o. o.** | 2,227,000 | 0 | 0 | 2,227,000 |
| **Kadring, d. o. o.** | 0 | 0 | 320 | 320 |
| **Rondal, d. o. o.** | 100,000 | 0 | 579,571 | 679,571 |
| **Impol Servis, d. o. o.** | 245,037 | 0 | 0 | 245,037 |
| **Štatenberg, d. o. o.** | 0 | 51,000 | 4,813 | 55,813 |
| **Total** | **141,334,666** | **51,000** | **709,365** | **142,095,031** |

**Table 191:** Liabilities to companies in the Group as of 31/12/2024 in EUR

| | Long-term financial liabilities | Short-term financial liabilities | Short-term operating liabilities | Total |
|---|---|---|---|---|
| **Impol, d. o. o.** | 58,445,656 | 60,467 | 11,211,143 | 69,717,266 |
| **Impol PCP, d. o. o.** | 0 | 0 | 51,336 | 51,336 |
| **Impol Infrastruktura, d. o. o.** | 0 | 0 | 15,310 | 15,310 |
| **Impol LLT, d. o. o.** | 0 | 0 | 31,905 | 31,905 |
| **Impol-FinAl, d. o. o.** | 0 | 0 | 25,777 | 25,777 |
| **Kadring, d. o. o.** | 0 | 0 | 7,196 | 7,196 |
| **Rondal, d. o. o.** | 0 | 0 | 9,500 | 9,500 |
| **Impol Servis, d. o. o.** | 0 | 0 | 24,768 | 24,768 |
| **Unidel, d. o. o.** | 0 | 0 | 13,716 | 13,716 |
| **Total** | **58,445,656** | **60,467** | **11,390,652** | **69,896,775** |

**Table 192:** Liabilities to associates in EUR as of 31/12/2024 in EUR

| | Short-term operating liabilities | Total |
|---|---|---|
| **Simfin, d. o. o.** | 122,674 | 122,674 |
| **Total** | **122,674** | **122,674** |

**Table 193:** Revenues generated with companies in the Group in 2024 in EUR

| | Net revenues from the sale of services | Other operating revenues | Total operating revenues | Financial revenues from participating interests | Financial revenues from loans granted | Total financial revenues |
|---|---|---|---|---|---|---|
| **Impol, d. o. o.** | 14,648,179 | 6,000 | 14,654,179 | 10,000,000 | 0 | 10,000,000 |
| **Impol FT, d. o. o.** | 1,919 | 0 | 1,919 | 0 | 0 | 0 |
| **Impol PCP, d. o. o.** | 5,421 | 0 | 5,421 | 0 | 0 | 0 |
| **Impol R in R, d. o. o.** | 1,756 | 0 | 1,756 | 0 | 0 | 0 |
| **Impol LLT, d. o. o.** | 2,572 | 0 | 2,572 | 0 | 0 | 0 |
| **Impol-TLM, d. o .o.** | 127,031 | 0 | 127,031 | 0 | 0 | 0 |
| **Impol-FinAl, d. o. o.** | 4,117 | 0 | 4,117 | 0 | 0 | 0 |
| **Stampal SB, d. o. o.** | 120,716 | 0 | 120,716 | 0 | 0 | 0 |
| **Alcad, d. o. o.** | 0 | 0 | 0 | 200,000 | 0 | 200,000 |
| **Kadring, d. o. o.** | 262 | 0 | 262 | 0 | 0 | 0 |
| **Rondal, d. o. o.** | 552,540 | 0 | 552,540 | 1,600,000 | 0 | 1,600,000 |
| **Impol Servis, d. o. o.** | 1,168 | 0 | 1,168 | 300,000 | 0 | 300,000 |
| **Štatenberg, d. o. o.** | 0 | 0 | 0 | 0 | 790 | 790 |
| **Total** | **15,465,683** | **6,000** | **15,471,683** | **12,100,000** | **790** | **12,100,790** |

**Table 194:** Expenses generated with companies in the Group in 2024 in EUR

| | Cost of merchandise and materials sold | Costs of services | Costs of material | Other operating expenses | Depreciation relating to the right to use | Total operating expenses | Financial expenses from interests | Financial liabilities from rights to use | Total financial expenses |
|---|---|---|---|---|---|---|---|---|---|
| **Impol, d. o. o.** | 21,179,485 | 97,385 | 43,726 | 0 | 60,521 | 21,381,117 | 635,293 | 6,567 | 641,861 |
| **Impol FT, d. o. o.** | 0 | 653 | 110 | 0 | 0 | 763 | 0 | 0 | 0 |
| **Impol PCP, d. o. o.** | 0 | 0 | 0 | 42,078 | 0 | 42,078 | 0 | 0 | 0 |
| **Impol Infrastruktura, d. o. o.** | 0 | 51,731 | 0 | 0 | 0 | 51,731 | 0 | 0 | 0 |
| **Impol LLT, d. o. o.** | 0 | 0 | 0 | 26,152 | 0 | 26,152 | 0 | 0 | 0 |
| **Impol-FinAl, d. o. o.** | 0 | 0 | 0 | 35,882 | 0 | 35,882 | 0 | 0 | 0 |
| **Stampal SB, d. o. o.** | 0 | 255 | 0 | 0 | 0 | 255 | 0 | 0 | 0 |
| **Alcad, d. o. o.** | 0 | 2,270 | 0 | 0 | 0 | 2,270 | 0 | 0 | 0 |
| **Kadring, d. o. o.** | 0 | 97,339 | 17,560 | 0 | 0 | 114,899 | 0 | 0 | 0 |
| **Rondal, d. o. o.** | 0 | 0 | 0 | 11,756 | 0 | 11,756 | 0 | 0 | 0 |
| **Impol Servis, d. o. o.** | 0 | 30,874 | 1,903 | 0 | 0 | 32,777 | 0 | 0 | 0 |
| **Unidel, d. o. o.** | 0 | 44,721 | 31,490 | 0 | 0 | 76,210 | 0 | 0 | 0 |
| **Total** | **21,179,485** | **325,228** | **94,788** | **115,869** | **60,521** | **21,775,891** | **635,293** | **6,567** | **641,861** |

**Table 195:** Expenses generated with associated companies in 2024 in EUR

| | Costs of services | Total operating expenses |
|---|---|---|
| **Simfin, d. o. o.** | 457,393 | 457,393 |
| **Total** | 457,393 | 457,393 |

## Remuneration of members of the Board of Directors and Supervisory Board in 2024

**Table 196:** Remuneration of members of the Board of Directors and Supervisory Board in EUR

| **Position** | Fixed portion of remuneration | Variable part of remuneration | Remuneration for management and other bonuses | Reimbursement of expenses | Insurance premiums | Other payments | Total remuneration |
|---|---|---|---|---|---|---|---|
| **The Board of Directors and Executive Directors** | 424,339 | 230,169 | 1,122,084 | 4,633 | 2,385 | 0 | 1,783,611 |

The table shows remuneration for 2024. The Company had no matured receivables from members of the Board of Directors and employees on individual contracts. In 2024, there were no approved loans or advance payment given to members of the Board of Directors or Executive Directions nor were obligations assumed on their behalf.

# EVENTS AFTER THE REPORTING DATE

Due to general price increases, the minimum wage rose. Inflation in Slovenia impacted the raise of minimum wage, which increased from EUR 1,253.90 to EUR 1,277,72, meaning a 1.9% increase. The payment system of the entire Impol Group was adjusted accordingly.

Mr. Dejan Košir was reconfirmed as the Workers' Council representative for a period of two years.

In the period from the end of 2024 until the date of approval of the financial statements, no other events occurred that would in any way affect the presented financial statements of Impol 2000, d. d., for the financial year 2024.

# SIGNATURE OF THE ANNUAL REPORT FOR 2024 AND ITS COMPONENTS

The President and members of the Board of Directors and the Executive Directors of Impol 2000, d. d. are familiar with the content of all components of the Annual Report of Impol 2000, d. d. for 2024 and with the entire Annual Report of Impol 2000, d. d. for 2024. We agree with the content and confirm it with our signature.

Jernej Čokl
(Board of Directors President)

Vladimir Leskovar
(Board of Directors Vice President)

Janko Žerjav
(Board of Directors Member)

Andrej Kolmanič
(Board of Directors Member)

Dejan Košir
(Board of Directors Member)

Andrej Kolmanič
(Chief Executive Officer)

Irena Šela
(Executive Director of Finance and IT)

# MANAGEMENT TEAM

True success
is created by
people who
believe in what
they do.

08

# THE BOARD OF DIRECTORS

Jernej Čokl

Board of Directors President

Vladimir Leskovar

Board of Directors Vice President

Janko Žerjav

Board of Directors Member

Andrej Kolmanič

Board of Directors Member

Dejan Košir

Board of Directors Member

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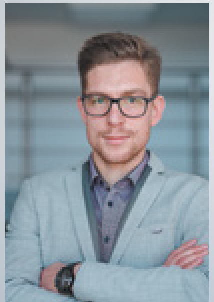

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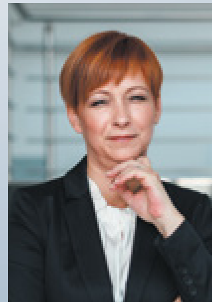

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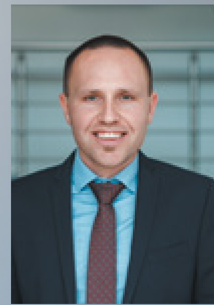

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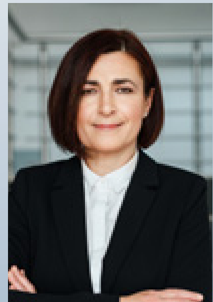

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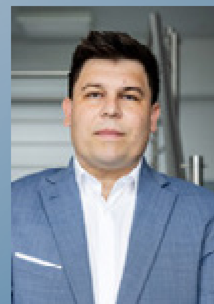

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# ANNUAL REPORT 2024

Annual Report of the Impol Group and of
Impol 2000, d. d. for 2024 Design and implementation:
Avokado Creative, d. o. o., and Kadring, d. o. o.
Photos: Impol | Slovenska Bistrica, April 2025