

zabka group

Annual Report 2025

# Leadership through disciplined growth and innovation



# Leadership through disciplined growth and innovation

Every decision we make is guided by our ambition to deliver the Ultimate Convenience Ecosystem – simplifying life for our customers and empowering our franchisees and agents to succeed.

By combining operational excellence, data-driven insights and a passion for responsible entrepreneurship, we continuously expand our retail network and digital channels while upholding governance, transparency and sustainable value creation. Our journey is defined by a bold vision and our people's engagement, as we strive to set new standards for convenience, growth and authenticity across every community we serve.



## About this report

Zabka Group SA (the 'Company') is a public limited liability company incorporated and existing under the laws of the Grand Duchy of Luxembourg, with its registered office at 2, rue Jean Monnet L-2180 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B263068. This Annual Report outlines the practices undertaken by the Zabka Group (the 'Group') as part of its operational activities for the year 2025 and includes the consolidated financial data and a sustainability statement which voluntarily includes the European Sustainability Reporting Standards (ESRS). The organisational structure of the Zabka Group comprises the following: Zabka Group SA as the holding company, Zabka Polska sp. z o.o. and its subsidiaries all of which are registered under Polish legislation, and Zabka International S.à r.l. registered under Luxembourg law and holding participations in Romanian and foreign companies. The Group is the Ultimate Convenience Ecosystem with a mission to create value by simplifying people's everyday lives. The ecosystem includes Europe's leading convenience retailer with over 12,300 stores in Poland and Romania, plus 24/7 autonomous Zabka Nano Stores. The Group also offers an advanced, continually evolving digital customer offering. Its Maczfit operation delivers restaurant-quality prepared meals to consumers seeking convenient and healthy food, while Dietly is a leading online Direct to Customer (D2C) meal solutions marketplace. The Group's eGrocery business is operated under two brands: Jush! and delio. A detailed description of the Zabka Group's activities can be found on the corporate website at [www.zabkagroup.com](http://www.zabkagroup.com). Since 17 October 2024 the Company's shares have been listed on the Warsaw Stock Exchange (WSE). As of the date of this Report the largest shareholder in the Company's share capital was Heket Topco S.à r.l., which is controlled by CVC Capital Partners, and holds a 37.62% stake. The report includes certain financial metrics defined as Alternative Performance Measures ("APMs") as defined by the ESMA Guidelines on Alternative Performance Measures (ESMA/2015/1415). The use of APMs is intended to provide additional insight into the Group's underlying operating performance and financial position by supplementing IFRS-reported figures. All APMs used are clearly defined in the **Glossary** and reconciliations to the closest IFRS measures is provided in the **Financial Review**. Their inclusion enhances transparency and comparability with industry peers and supports a more informed assessment of the Group's performance. This Report may contain forward-looking statements which are inherently associated with risks and are uncertain. These statements can often be identified by the words or phrases such as 'anticipate', 'believe', 'estimate', 'expect', 'plan', 'potential', although it is not an exhaustive list of examples. Zabka Group does not make any representation that factors anticipated in the forward-looking statements will materialise. Therefore such forward-looking statements represent, in each case, only one of many possible scenarios and no reliance should be placed on them. Forward-looking statements included in this Report have been prepared based on circumstances, assumptions and expectations relevant as of the publication date of this Report and we do not commit to updating these statements after the Report's publication.

Due to rounding, certain numbers, percentages and amounts representing changes over time periods presented throughout this Report may not add up precisely to the totals provided. This PDF document is not the binding version of the Annual Report of the Zabka Group. The official version of the Annual Report of the Zabka Group, containing the audited Consolidated Financial Statements and the Auditor's report thereto are included in the report package which can be found on the corporate website at [zabkagroup.com](http://zabkagroup.com). In any case of discrepancies between the following version and the report package, the report package prevails.

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# Introduction and management report



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## Our performance

### Revenue

PLN **27.2bn**

+14%

2024: PLN 23.8bn

### Sales to End Customers

PLN **31.1bn**

+14%

2024: PLN 27.3bn

### Sales value of own brand products supporting a sustainable lifestyle

PLN **2.1bn**

+17%

2024: PLN 1.8bn

### Żabka Polska's business partners by spend familiarised with Code of Conduct

**91.8%**

+10pp

2024: 82%

### Adjusted EBITDA

PLN **4.1bn**

+16%

2024: PLN 3.5bn

### Adjusted EBITDA margin

**13.1%**

+0.2pp

2024: 12.8%

### Polish deposit-refund system implemented on voluntary basis

**~100%** PL stores

2024: deposit system pilot run, Romanian system deployed for Froo

### 2025 ESG KPIs portfolio results

**15/19** ESG KPIs

ahead of the target

2024: 11/18 ESG KPIs

### Adjusted Net Profit

PLN **1,003m**

+41%

2024: PLN 714m

### Net debt to Adjusted EBITDA post-rent

**1.0x**

-0.5x

2024: 1.5x

### MSCI ESG Rating received

**AAA** level  
(TOP 10% globally)

2024: Other ESG Ratings received

### 5th EcoVadis ESG Rating

**Platinum** Medal  
(TOP 1% globally)

2024: 4th Platinum Medal

### Reported Net Profit

PLN **1,057m**

+78%

2024: PLN 593m

### Like for like growth

**5.3%**

2024: 8.3%

Żabka at a glance

# Delivering everyday convenience at scale

## Overview

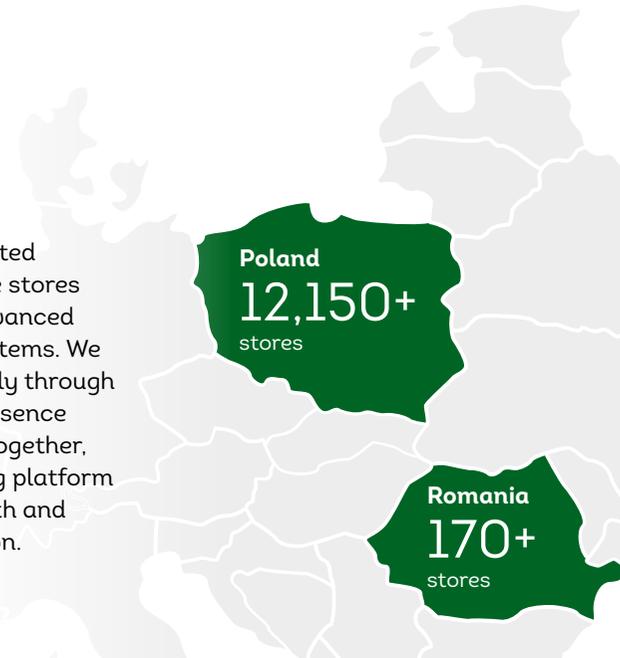
Żabka is one of the largest and most accessible convenience ecosystems in Europe, with more than 12,300 stores and approximately 4.3 million daily transactions.

Around 18 million consumers live within 500 metres of a Żabka store, demonstrating our unique proximity and everyday relevance. Our purpose is to provide fast, simple and responsible convenience solutions for busy consumers through a scalable, technology-driven model that integrates physical and digital channels.



### Where we operate

We operate a highly interconnected network of multiple convenience stores across Poland, supported by advanced logistics, data and AI-driven systems. We are also expanding internationally through Romania, creating a growing presence in Central and Eastern Europe. Together, these two markets form a strong platform for long-term, sustainable growth and continued business diversification.



### Our approach on sustainability

Sustainability is integrated in our strategy, governance and operations. We focus on responsible growth, climate and circularity, more conscious product choices, inclusive organisational culture and positive social impact. Our approach is transparent and data-led, supported by structured performance measurement, effective risk and opportunity management and continuous improvement. Through our activities we focus on creating a lasting value for customers, franchisees and agents, employees, partners and society.

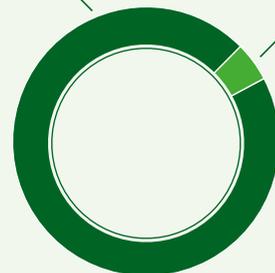
### Sales to End Customers by segment

**Ultimate Convenience**  
(Polish stores)

**PLN 29.6bn**

**New Growth Engines (Digital Businesses & Romania)**

**PLN 1.5bn**



### Key facts

**1,394**

stores opened in 2025

**~18m**

consumers within 500 metres of a store

**4.3m**

daily transactions

**PLN 31.1bn**

Sales to End Customers in FY 2025

**PLN 4.1bn**

Adjusted EBITDA in FY 2025, with a margin of 13.1%

**Network operating every waking hour**

**AI-powered technology backbone supporting scale, efficiency and personalisation**

**Żabka app as a leading digital gateway to our Convenience Ecosystem**

Żabka at a glance continued

# Our customers are at the heart of our convenience ecosystem



Ultra-modern physical convenience stores open every waking hour.

żabka

żappka

Leading consumer app, providing a digital gateway to our convenience ecosystem.



Wide range of ready-to-eat meal plans with Direct to consumer home delivery.



Dietly

Online Direct to consumer meal marketplace.



QMS, coffee and street food available on the go.

żabka café

froo

Ultra-modern physical convenience stores open every waking hour in Romania.



QMS, coffee and street food available on the go in Romania.

froo bistro

everyday services

Full suite of convenient services in store.



Unmanned autonomous stores open 24/7.

Nano

Modern anywhere convenience

Modern on-the-go convenience

żabka jush!

eGrocery offering rapid delivery of essential products.



delio

Same-day delivery of supermarket-style product range.



# Highlights of 2025



Żabka Ads – launch of retail media in stores.

By end of year we had 5,800 screens installed across 4,000+ stores reaching 27m consumers, becoming a major player in retail media.



Future Retail Award for Żabka Polska in the Digital Leader Award category.



Retailer of the Year in the Small Format/Convenience category.



Highest ESG rating in the international MSCI ESG Review.

This result puts us in the top 10% of companies in the Retail & Staples industry researched in the MSCI universe.

January

February

March

April

May

June

Enhanced Żappka app.

App users can now buy public transport tickets and book a taxi through a new partnership with FreeNow.



Gallup Exceptional Workplace Award winner for the third consecutive year.

We are the only Polish business and one of very few worldwide to win this award three times running.



New logistics centre featuring low-emissions solutions opened in Kąty Wrocławskie.

The building holds a BREEAM New Construction Excellent certification.

Żabka Group issues PLN 1 billion worth of sustainability-linked bonds.

The largest bond issue on the Warsaw Stock Exchange in 2025.



100th Froo store opened in Romania

At the anniversary of the first store opened in this country, we are expanding our footprint and growing outside of Poland as well.

Highlights of 2025 continued



zábka jush!

Zábka Jush! expands its reach – now available in Wrocław.

Jush! is now available in Poland's three largest cities.

→ See page 19

# PLN 3.5bn

Zábka Group continues to reduce debt interest payments.

We have announced a new agreement for credit facilities equivalent to PLN 3.5 billion, extending maturity to 2031, giving us lower credit margins compared with previous arrangements.



Awarded EQUAL-SALARY certification again – confirming our commitment to equal pay.

→ See page 113



New own brand GOOD MOOD launched – offering tasty sweet snacks at competitive price points.



July

August

September

October

November

December



Enhanced Zábka Group strategy announced.

- » Over 1,300 new stores annually in Poland and Romania in 2025–2028, reaching around 16,000 locations by 2028 – 1,500 more than assumed at the IPO
- » New capital allocation policy, including dividend readiness
- » Potential for future share buybacks

→ See page 22



Zábka Group hosts its first-ever Investor Day!

Our Management Committee shared our new strategy with investors and analysts.



Double Silver winners at the Corporate & Financial Awards 2025.

- » Best printed report – International
- » Best printed CSR or ESG report

## Our investment case

# In a league of our own, delivering dynamic growth and long-term value



1.

## 25+ years of continued growth

For more than 25 years, we have delivered sector-leading growth, demonstrably outperforming market expectations. Our new expansion plan – opening more than 1,300 new stores every year in Poland and Romania through to and including 2028 – combined with the resilience and agility of our business model, means we are on track to more than double end-customer sales between 2023 and 2028. Our pipeline of attractive locations, innovative retail formats and a scalable platform, with our recent entry into Romania, can all fuel continuing growth.

2.

## Leading European convenience through innovation

We are proud to be Europe's largest convenience chain, with over 12,300 stores and ambitious plans to reach around 16,000 locations in Poland and Romania by 2028. Our scale, proven franchisee and agent model, and digital innovation distinguish us in the modern convenience segment. Our deep local insights and relentless operational excellence enable us to strengthen our position and deliver consistent store performance, making Żabka and Froo the best choice for customers, franchisees and agents.



3.

## Driving growth and shareholder returns

We are committed to rewarding our shareholders' trust with robust returns. At the same time, our aim is to continue reinvesting to achieve outstanding growth with regular profit sharing, delivering stable, best-in-class returns. According to our capital allocation policy published in 2025, the Board of Directors intends to recommend the distribution of 50% of 2025 net profit as dividend and 50-70% in subsequent years, subject to market dynamics and investment opportunities. Our strong market position and cash flow generation also give us scope for potential share buy-backs.



## Committed to being a responsible business

Responsibility is integral to our culture and strategy. We have made robust ESG commitments in every part of our operations – from product and packaging innovation to franchisee and business partner support. Our business model balances shareholder value creation with ongoing investment in responsible growth, ensuring we remain a trusted partner for our communities and other stakeholders, achieving a positive societal impact.



## Interview with Tomasz Suchański, the Group CEO

# Scaling with purpose, innovating with discipline

### It's been a year since Żabka debuted on the Warsaw Stock Exchange in October 2024 – how do you assess our performance and delivery against the guidance we set?

The listing on the Warsaw Stock Exchange didn't change our ambition matched with resilience, which are embedded in our DNA – it expanded the stage on which we could demonstrate what determined, disciplined growth truly looks like.

Even amid a demanding external environment, we accelerated some of our boldest initiatives, including expanding our network at a record pace. And while these conditions certainly tested us, we proved that we can work effectively through them – adapting, responding, and continuing to deliver on what we set out to achieve.

We stayed focused on what we can influence: cost discipline, efficient roll-out, smart capital allocation and continuously improving the customer experience. Thanks to our agility and data-driven mindset, we navigated uncertainty without losing momentum.

This performance reflects the strength of our team and the ambition that continues to propel Żabka forward.

### How does Żabka balance investment in expansion with the decision to announce capital allocation policy in October 2025?

At Żabka, growth and shareholder returns go hand in hand. Growth isn't an aspiration – it's our track record, and it will remain our trajectory. Our mindset, anchored in discipline and ambition, is what allows us to scale fast while consistently generating strong cash flows.

Our approach is straightforward: Sustainable growth is our priority, and strong, consistent returns are the outcome. We allocate capital only where it reinforces our strategic pillars – expanding our network in Poland, building our footprint in Romania in a disciplined way, and investing in digital and operational excellence. All of this we fund ourselves, thanks to the strength of our model.

The capital allocation policy announced in October 2025 fits this philosophy. It reflects confidence in the durability of our cash generation and the resilience of our balance sheet – without altering our growth agenda. We trust we can deliver returns to our shareholders at a sustainable level that keeps flexibility high, cost discipline intact and opportunities within reach.

This balance defines Żabka: building the business for the long term while delivering predictable, responsible returns to our shareholders.

“ We drive growth through disciplined innovation – scaling what works, and innovating where it matters. This allows us to combine dynamic expansion with shareholder returns. ”

**Tomasz Suchański**  
CEO of Żabka Group



Interview with Tomasz Suchański, the Group CEO continued

### What were the most significant aspects of our expansion in Poland and Romania this year?

Our performance in 2025 demonstrates our philosophy in action. Nowhere is this more evident than in the acceleration of our network roll-out. Mid-year, we raised our full-year openings guidance to more than 1,300 stores across Poland and Romania, and we didn't just meet that ambition: we exceeded it.

In Poland, our roll-out gained speed while closures remained exceptionally low – a strong signal that our growth is anchored in quality. Prime location availability remained strong, franchisee interest remained high, and our focus on cost control and unit economics kept execution sharp.

Romania added another growth engine. Froo started to gain real traction, with maturing stores delivering stronger economics and customer traffic already reaching levels comparable to Poland. That's an outstanding outcome this early in our journey and we achieved it without the full suite of traffic-building levers we have in our core market. This performance reinforces our confidence and supports our long-term ambitions, grounded in direct market insight and the structural potential we see in Romania.

### What aspects of the business model helped Żabka navigate a challenging environment in 2025 and position for the future?

First, our scalable format. Many years of disciplined location selection and our finely tuned operating playbooks give us consistency at scale and the ability to open where unit economics are strongest.

Second, our integrated platform. One end-to-end system—from supply chain and category management to data and digital—allows us to adapt ranges, secure availability and move fast. It is also a backbone of our business collaboration offer, helping our franchisees and agents to be successful entrepreneurs from day one.

Ultimately, customer satisfaction is driven by superior engagement with franchisees and agents.

Third, our balanced growth engine. A large, resilient core complemented by disciplined expansion in new markets and our digital initiatives gives us multiple, controlled avenues for future growth without stretching our business model. Together, these strengths give us durability through economic cycles, and allow us to protect cash generation capacity.

### Which digital or sustainability initiatives in 2025 stand out as game-changers for you?

Innovation is in our DNA. And on the digital side the first standout is our retail media capability. In 2025 we proved that contextual campaigns, weather responsive or locally targeted, can speak to customers without adding friction to their retail experiences. It's a simple idea with real operating discipline behind it, and it opens a high-margin, scalable revenue stream that complements our core offer.

The second standout is the continued development of our core Digital Customer Offering business lines. As we keep investing in DCO, it is already gaining strong momentum and showing improved margin dynamics, reinforcing our confidence in its long-term value creation. This year marked the first full cycle of our new app bringing these businesses together on a single platform, enabling us to create clearer, more seamless customer journeys across both the physical and digital parts of our ecosystem.

On the sustainability front, I believe our two most important achievements were that we delivered solid results against most of our ESG KPIs and that the quality of our external disclosures was recognised locally and internationally. Sustainability for us is a strategic choice and one of our four growth enablers. Our approach allowed us to implement some challenging sustainability initiatives, for example the deposit scheme in our Polish operations. In addition, our Group-wide ESG practices were awarded an AAA score when assessed and rated by MSCI.

### How do you see consumer trends shaping Żabka's priorities for 2026?

Our core customer base is evolving: becoming more aware, more convenience-driven and more determined than ever to make every retail experience count. Mission shopping remains strong, and food-to-go continues to define our format. Customers expect clarity about the value we add and we deliver on this, making their everyday lives easier and giving them back what matters most: their time.

Against this backdrop, our priorities are clear. We are fine tuning our product range to what customers truly need – from the accelerating protein trend to value-driven brands like Good Mood – and pushing further with store-level hyper-personalisation to ensure that every Żabka outlet reflects its local community more and more precisely. We back this with practical, data-led decisions that help franchise partners run stronger stores and keep every customer experience fast, simple and reliable.



## Management Committee

# Experienced leaders focused on delivering for our stakeholders

**Wojciech Krok,**  
Managing Director,  
Żabka Future

Wojciech is leading the acceleration of our digital convenience ecosystem and also responsible for ensuring optimal technology for our multi-directional development.

**Anna Grabowska,**  
Managing Director,  
Żabka International

Anna is responsible for the development and implementation of our international expansion strategy, as well as for new markets entry.

**Tomasz Blicharski,**  
Group Chief Strategy  
& Development Officer

Tomasz focuses on developing and implementing our strategy in every area of our operations. He is also in charge of our Value Creation Plan and our ESG agenda.

**Tomasz Suchański,**  
CEO of Żabka Group  
and President of the  
Management  
Committee

Tomasz's many years of experience and deep understanding of the mechanisms that govern our industry allow him to effectively oversee all Żabka Group activities.

**Marta Wrochna-  
Łastowska,**  
Group Chief Financial  
Officer

Marta heads the areas of internal and external financial and non-financial (ESG) reporting. She's also responsible for budgeting and control, treasury and financing, working capital management, as well as internal auditing and risk management.

**Adam Manikowski, PhD**  
CEO of Żabka Polska  
business unit

Adam is in charge of the store network in Poland and the teams supporting its operations, including units responsible for expansion, franchise development, adaptation, supply chain, product range, and communication.

**Jolanta Bańczerowska,**  
Group Chief People  
Officer

Jolanta is responsible for implementing our People Strategy, developing our Company culture and ensuring all Żabka teams have the competences they need.

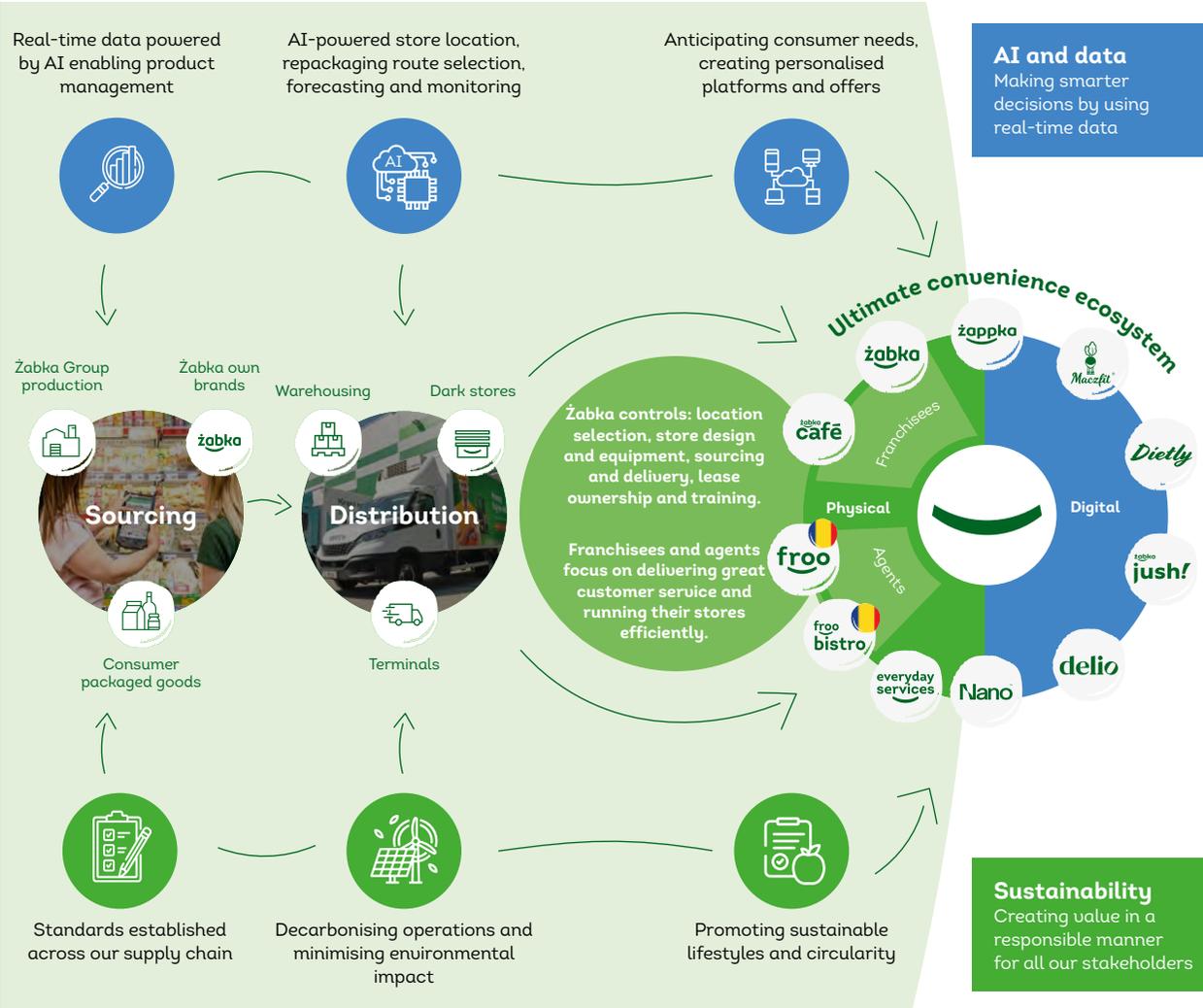


## Our business model

# The Żabka Way – Agile by design, powered by AI and with sustainability at the core [SBM-1]

### Inputs

- Global talent**  
Fully committed people with right mindset and skills enable our growth and boost our capacity to innovate.  
89th  
Percentile of best employers as per Gallup Institute
- Data & tech**  
State-of-the-art technology and analytics unlock our growth and operational excellence.  
10m  
Digital active shoppers
- Committed partners**  
An absolute commitment to partnerships that drive shared success.  
10,585  
Number of franchisees and agents
- Stores and distribution networks**  
Logistics capabilities tailored to our business model and enabled by tech backbone.  
12,339  
Total number of stores
- Financial capital**  
We utilise equity, debt and generated cash to fund our superior strategy.  
PLN 1,740m  
Free cash flow
- Natural resources**  
We deploy sustainable sourcing standards and optimise processes to reduce our environmental impact.  
137,548 MWh  
total energy consumption



### Outputs

- Customers**  
Proximity & experience  
68  
Your Opinion Index
  - Franchisees & agents**  
Attractive and predictable revenue profile  
17.0%  
Franchisees margin CAGR 2023-2025
  - Communities**  
Community engagement  
71,300  
Jobs retained in the economy
  - Business partners**  
Long-term partnerships  
240  
Retail-media campaigns
  - Employees & co-workers**  
Purpose and development  
1st  
EQUAL-SALARY recertification
  - Investors**  
FCF yield  
7.9%\*
  - Planet**  
Decarbonisation  
3,592,616 tCO<sub>2</sub>e  
Total GHG emissions (location-based)
- \* Calculated as company defined Free Cash Flow incl. Property Fund / average market capitalization for 2025

## Our business model in action

# The Żabka Way – Turning smart innovations into outstanding performance

### Innovative products

Our ambition is to surprise our customers with new products whenever they enter our store. In 2025 we introduced ultra-fresh Maczfit's best sellers, delivered daily to Żabka stores. We pay close attention to

food trends to help differentiate our proposition – for example, fusions of flavour and form (pizza pastas, lasagne soup) and healthier options (e.g. high-protein offer), which help to deliver our good nutrition ambitions. Functional packaging supports customer satisfaction and perception (e.g. pinsa on-the-go multi-use packaging).



### Store layout

Our stores are carefully designed to facilitate immediate shopping missions and we're constantly working to make them even more customer-friendly.

Street food ovens, now installed in all Żabka stores, allow us to serve hot, crispy, on-demand street food created with customers' changing needs in mind, whether they want toast for breakfast or pizzas to share at a party. We're also introducing new categories, such as donuts and bagels, to boost sales.

Some high-potential locations in big cities were equipped with piston coffee machines to be able to serve a high-quality,

Italian roasted coffee for coffee enthusiasts. We've successfully trialled the use of special confectionery display cases in some stores with dedicated packed pastry assortment.



### Promotion

We look for distinctive approaches to promotions in our stores – for example Meal-deal offers on various products help to increase cross-sell on food and drink categories, especially street food. Through Żappka, coupons are available for almost all products in Żabka stores. In 2025 we introduced the Foodziki loyalty programme, through which we introduced a raffle with 120cm food-shaped plush toys to encourage customers to put more in their basket.



### Retail media

In 2025 we introduced retail media screens in Żabka stores. They deliver marketing content tailored to each store location and customer profile. Onscreen information can be changed in line with seasonal trends and even daily weather conditions – promoting hot chocolate in winter and ice cream in summer for example.

The screens not only help us improve customer engagement, they also enable a new high-margin revenue stream through partnerships with suppliers and external brands who want to use this dynamic new advertising medium.



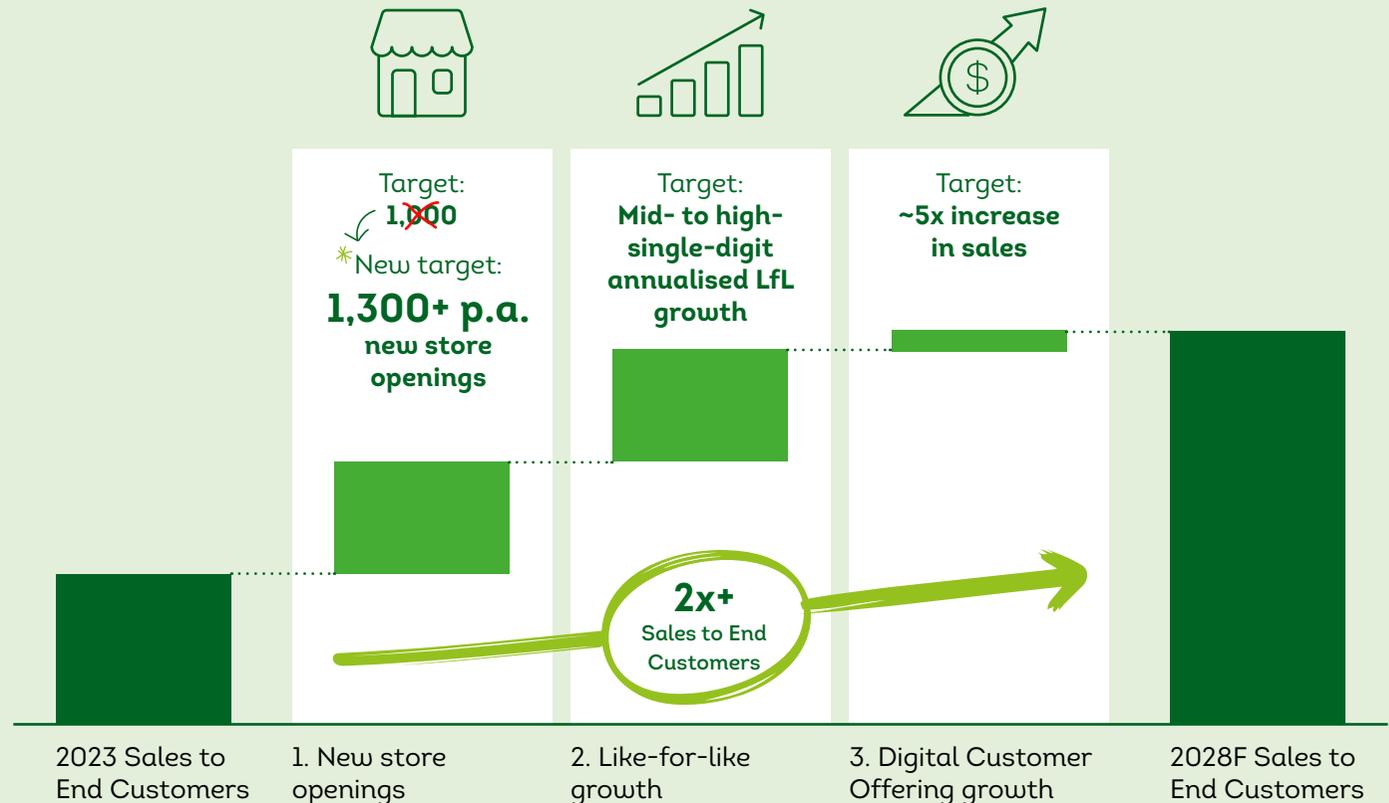
## Our strategy and aspirations

# Expansion and Like-for-like growth in Poland and Romania, strengthened by fast-scaling digital businesses and robust cash flow



“ This year’s performance demonstrates that we are firmly on track to achieve our long-term ambition of more than doubling Sales to End Customers between 2023 and 2028. Building on that momentum, new capital allocation policy further showcases the strength of our cash generation capacity. ”

**Tomasz Blicharski**  
Group Chief Strategy & Development Officer



## Our strategy

# Accelerating our store network expansion with confidence



## New store openings

### Progress in 2025

# 1,394

new stores opened this year, 228 more YoY

# 1,300+

Revised full-year targets for store openings reflecting accelerating momentum.

We have continued to grow on the back of robust demand across Poland and Romania, coupled with our AI model safeguarding our expansion.

This has brought the total network size to...

# 12,339

As of 31st December 2025 in Poland and Romania

# 1,276

Stores opened in Poland

# 118

Stores opened in Romania

### Key

Expectations for 2025 exceeded



Expectations for 2025 met



Expectations for 2025 partially met



Expectations for 2025 not met



→ To see the risks applicable to this pillar, please see the risk section on page 51

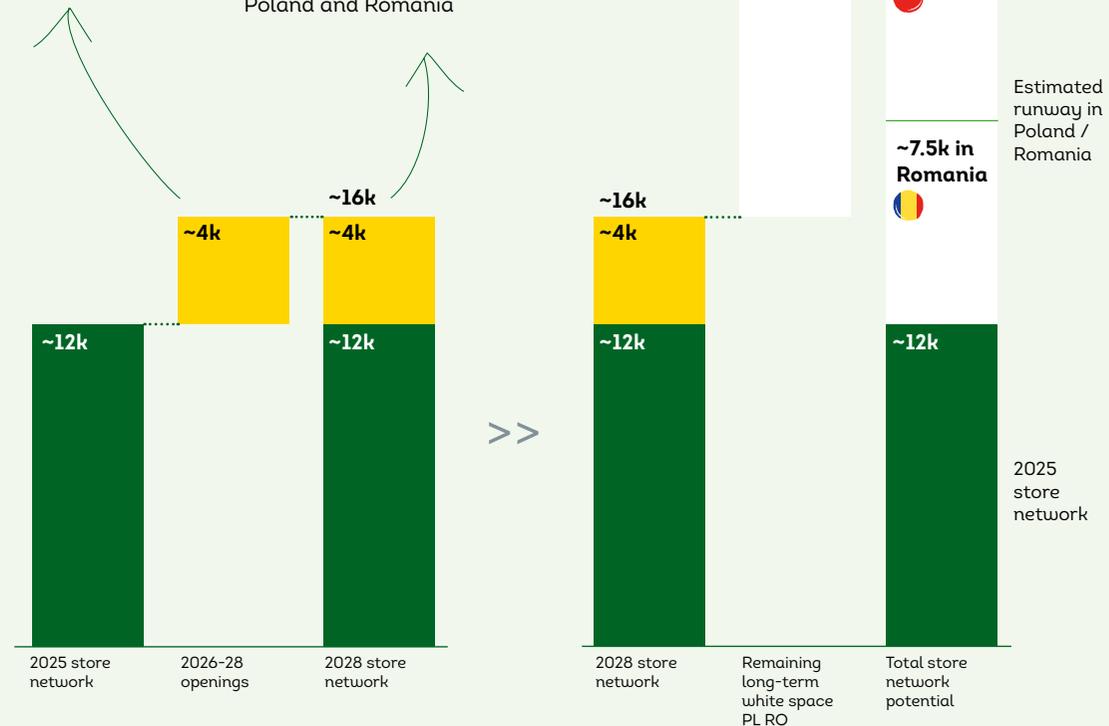
## Our targets

# FY26-28 1,300+

Stores opened annually in Poland and Romania

# By FY28 16,000

Achieve total store count of approx. 16,000 stores across Poland and Romania



White space demonstrates our current assessment of a total number of modern convenience stores which can operate in a given market.

## Strategy in action: New store openings

# Acceleration in Poland and Romania on the back of ample store network headroom

We accelerate openings' pace

# 1,394

New stores opened this year - a 20% increase on 2024



Strong growth in the Romanian market



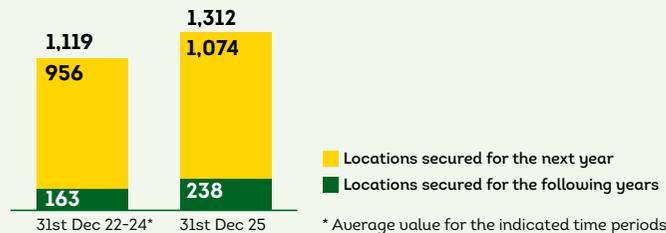
# 188%

YoY increase in number of opened stores



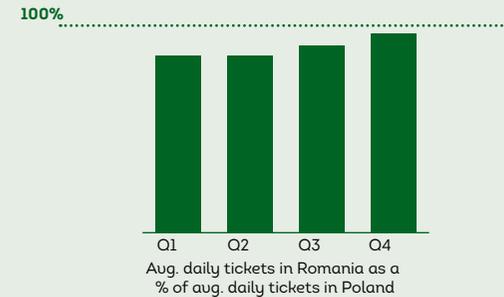
Poland

High availability of prime locations in near-term pipeline...



Romania

We have a strong conviction in Romania expansion as traffic catches up to Polish operations...



...with a format that resonates with the customers and has good traction and high share of QMS sales

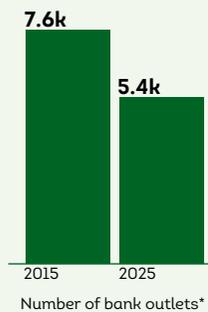
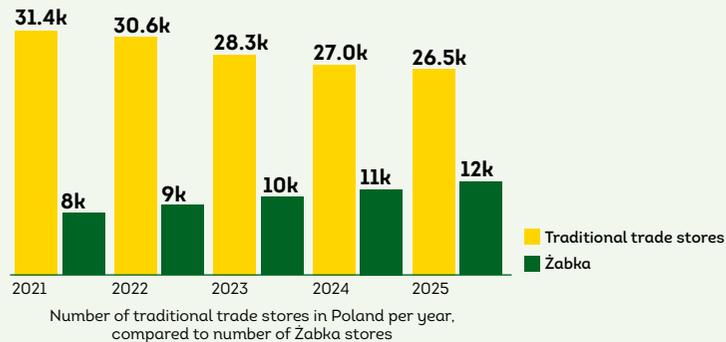
# 35%+

QMS share as a % of tickets

Froo has quickly earned a reputation as a modern, innovative and customer-focused retail concept. Froo's distinctive brand identity reflects its offer to customers - a single shopping destination for whatever they need, whenever they need it.

Since its launch in Romania, Froo has opened a new store every three days on average - including city-centre and residential locations in Bucharest, Pitești and Constanța.

...supported by expansion pools for Żabka to tap into



\* 'Polska bankowość w liczbach' report from 2015, bankier.pl and company analysis based on 2025 PMR estimation.

## Our strategy

# An evolving customer value proposition fuelling Like-for-like growth



## Like-for-like growth

### Progress in FY25

# 5.3%

Our Like-for-like growth in 2025 was in line with the guidance range of mid-to-high single digit. It demonstrates that our value proposition not only resonates with customers and meets their everyday needs, but is also effective in changing conditions and provides a solid foundation for further growth.

## Mid-single digit

Our revised 2025 guidance toward the lower end of the range reflects easing inflation and markedly worse weather compared with the prior year. The seasonally strongest months – late spring and summer period – were impacted by temperatures 2–3°C lower than a year earlier and by higher rainfall. This combination reduced footfall and dampened impulse-driven visits across our stores. As a result, like-for-like performance in the crucial third quarter declined, with weather-related effects estimated at 1–2pp.

### Key

Expectations for 2025 exceeded



Expectations for 2025 met



Expectations for 2025 partially met



Expectations for 2025 not met



→ To see the risks applicable to this pillar, please see the risk section on page 51

## Lfl growth underpinned by initiatives that drive traffic and basket size

### Street food as a part of QMS

Street food platform launched – setting the stage for even greater QMS growth ahead.

### All stores

Equipped with street food ovens

### Digital active shoppers 10m

Żabka active shoppers as of Dec 2025

### Ongoing product innovation

Relentless innovation with hundreds of new products launched every year to spark discovery and keep our stores front of mind for millions of customers.

### 622 new products

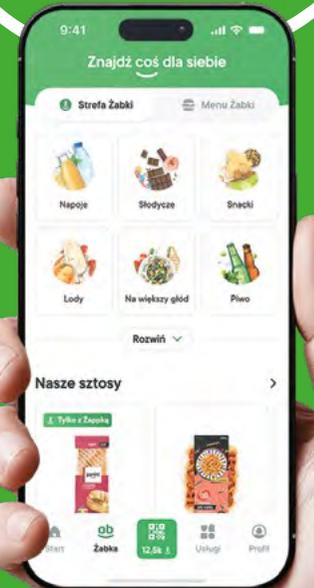
Exclusive to Żabka, introduced in 2025

### Expanded range of everyday services

Strategic roadmap of new services roll-out, designed to elevate customer traffic and unlock cross-selling opportunities to spark discovery, and keep our stores a top destination.

### 20+ services

Available in the stores





## Strategy in action: Like-for-like growth

# Continued Like-for-like growth supported by targeted customer traffic and basket-value drivers

### Street food

Driving growth through four key initiatives:

1. Largest-ever franchisee incentive programme focused on food service.
2. Self-checkout integrated with a dedicated gastronomy ecosystem and app connectivity.
3. Enhanced in-store presentation with heated cabinets and dedicated freezers.
4. Range innovation: new coffee flavours, relaunch of classic Polish street food, upgraded hot dogs, expanded pizza and finger-food ranges.



### Hyper-personalised store segments

Improved fit for local needs:

1. AI-driven ecosystem: Tailored range from store segment to individual shelf.
2. Context-based segmentation: Offers designed for local communities and shopping missions.
3. Smart space allocation: Category & Shelf Share models optimise navigation and shelf efficiency.
4. Dynamic planograms: Individual layouts for each store, based on data and shopper behaviour.
5. Integrated system: Segmentation sets direction, optimisation defines structure, planograms guide execution.
6. Strategic impact: One of our most ambitious transformation projects, driving relevance and efficiency.



### Salesperson PRO

In 2025 we introduced a streamlined active selling model, featuring simplified product recommendations, seasonally tailored ranges and clear daily/monthly sales targets for every store.



### Good Mood



**Good Mood – a brand that brings a smile, with value in mind.**

Sweets, snacks and drinks under the Good Mood label delight customers with delicious taste, colourful design and competitive price. When developing Good Mood products, we focus on customer experience of product and packaging, with no compromise on quality.

Good Mood is about the pleasure of the experience with well- thought-out recipes and covers most popular snack categories on the market.

**Cocoa**

Used in the Good Mood brand products is Rainforest Alliance-certified



It's the accumulation of a number of small steps that leads to real progress and tangible success.



## Our strategy

# Synergy-led profit growth from our Digital Convenience portfolio

 **DCO growth**

### Progress in 2025

**25%**

DCO sales growth

**5x**

Our objective is to achieve a fivefold increase in sales to end customer across the 2023-2028 horizon.

**On track**

Delivering sustainable EBITDA growth

#### Key

Expectations for 2025 exceeded

Expectations for 2025 met

Expectations for 2025 partially met

Expectations for 2025 not met

→ To see the risks applicable to this pillar, please see the risk section on page 51



Maczfit strengthened its vertical integration with Żabka in 2025 through the successful launch of internally developed fresh products, including salads, oatmeals and smoothies. To support continuing scale-up, new production facilities are currently under construction, with upgrades to production and e-commerce platforms scheduled for launch in 2026. The business maintained strong momentum throughout the year, achieving double-digit growth for both volume and revenue.

**delio jush!**

These brands are run by Li+E



Jush! and delio continue to scale rapidly, delivering nearly 55% YoY revenue growth and extending reach with a recent entry into Wrocław. This means Jush! is now live in the three biggest cities in Poland. We also increased delio's supermarket range to 10,000+ SKUs and launched a full eGrocery proposition, strengthening its competitiveness in a fast-developing market. In parallel, our strategic partnership with Wolt is helping to open additional customer acquisition channels.

*Dietly*

Dietly continued to strengthen its position as a leading marketplace for third-party D2C providers, while expanding and scaling its White Label app solutions that support partners in their digital transformation. The platform also advanced its food-waste-reduction features to improve operational efficiency and customer retention, and began integrating its supply chain following the acquisition of a Cool Logistics - a company from the Group - laying the groundwork for end-to-end fulfilment.



**Nano**

Nano's strategy focuses on developing and expanding its fully autonomous store network to serve a base of repeat customers. As technology matured along with increased excellence of our processes and efficient cost control as well as increasing customer adoption, we have seen Nano migrating towards ready to scale business on the back of excellent 3-4 year paybacks on capital expenditure.



## Strategy in action: Digital Customer Offering

# Unlocking new-business potential by opening new revenue streams and generating synergies that strengthen and accelerate our core business



### High margin opportunity, driving Like-for-likes

Żabka has built one of Poland's leading retail media networks with nearly 6,000 screens installed over 4,000 stores. With this scale, we are able to reach as much as 27m customers, making it an attractive venue of promoting our own products, as well as collaborate with external partners.

As one of the largest and most data-driven out of home platforms in the country, we are uniquely targeting gen Zers, who are over represented among Żabka customers.

This footprint enables real-time, hyper-targeted campaigns that can directly support LfL growth through dynamic, store-level marketing – all managed through a dedicated platform that integrates Żabka's full suite of digital advertising assets.




### Filling a niche with a purely synergistic offer

Izidrop is an e-commerce logistics service built on Żabka's existing logistics infrastructure. The model is designed to benefit from strong operational synergies, leveraging reverse routes and an extensive Pick up/Drop off network.

These meaningful cost benefits allow us to provide competitively priced parcel deliveries, for customers who are either more price sensitive, or are not in a rush to deliver the package as quickly as possible – for example, upon returning unwanted e-commerce purchases back to sellers.

The service is being rolled out in partnerships, most notably with Allegro Delivery, to enable high-volume, efficiently priced deliveries across thousands of locations.



## Socio-economic impact

### Impact

We use a proven methodology to continually assess and understand our contribution to the socio-economic development of Poland, Romania and Luxembourg.

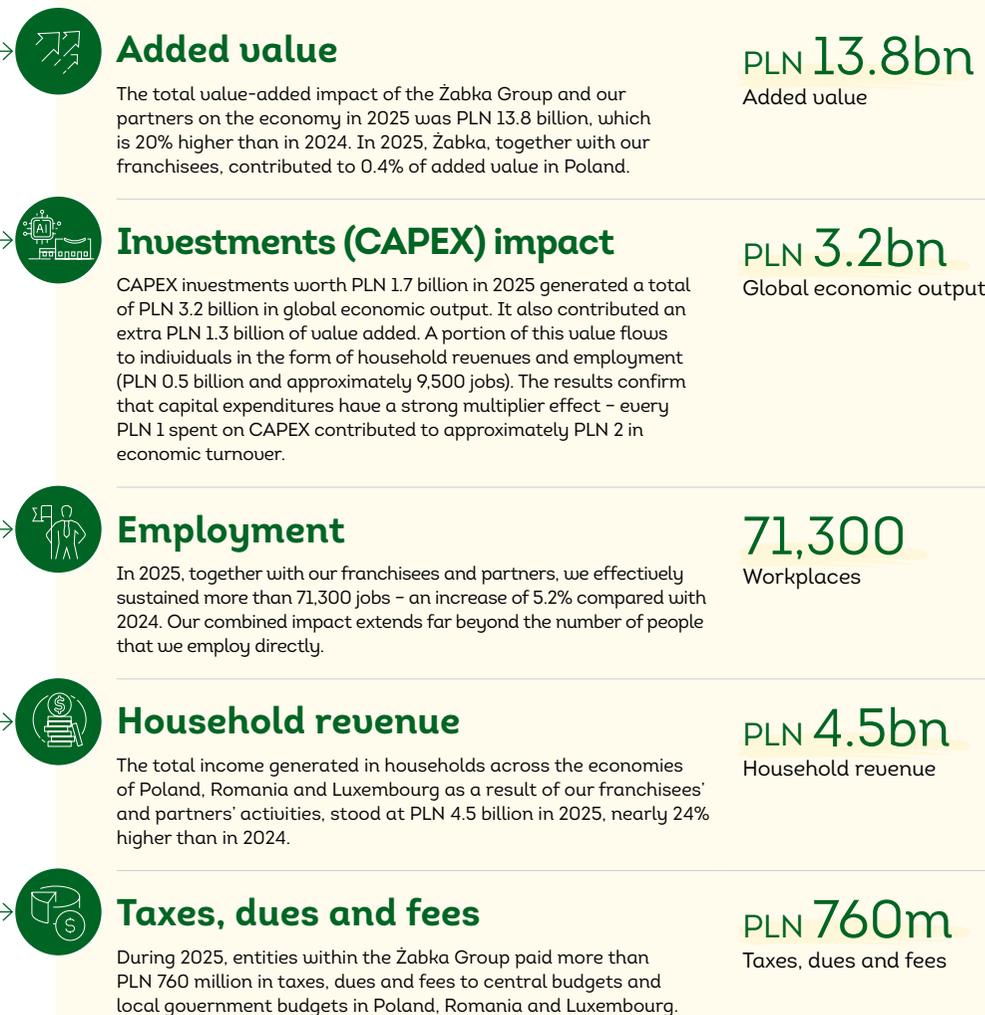


Luxembourg

Poland

Romania

### Value



➤ **More information on our socio-economic impact and the underlying model assumptions is available on our website**

## Capital allocation policy

# Strong underlying performance and accelerated deleveraging unlocking potential for sustainable distribution of returns

Superior growth prospects, supported by disciplined capital expenditure, underpin growing cash generation allowing for sustainable capital returns to shareholders.

1.

We have followed a long-term Value Creation Plan for many years. This has guided us and driven our strong performance. Benefiting from our superior cash generation capacity we managed to deleverage faster than initially planned, achieving comfortable and efficient capital structure.

2.

Looking ahead, we are confident that increasing surplus of operating cash generation, combined with strictly controlled CAPEX that declines over time (relative to topline growth) will further enhance dividend headroom.

3.

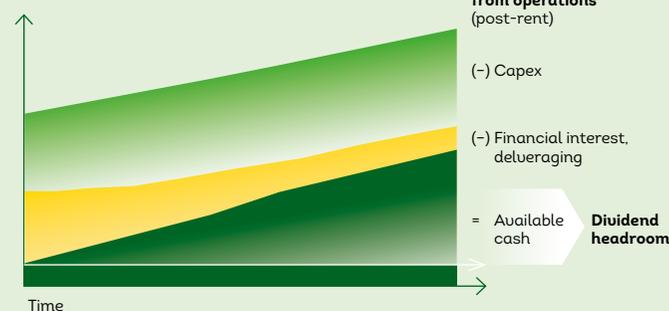
Overall, this provides comfortable environment for a progressively rising dividend payout, while retaining flexibility for value-accretive M&A opportunities.

### Leverage ratio\*

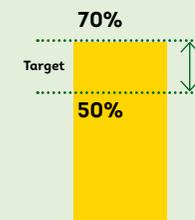


\* Leverage ratio = Net Debt pre-IFRS 16 / Adj. EBITDA post-rent

### Surplus cash generation over time



### Target dividend payout ratio\*



\* Of current year net profit

## New capital allocation policy

- i **Focus on growth**  
The primary focus of our Group's operations and capital allocation is growth, with an increased target of 1,300+ new store openings per year in Poland and Romania (during the 2025–2028 period).
- ii **Targeted leverage at 1.0x**  
Medium- and long-term plan should take into account the need to maintain a modest net leverage and retain appropriate liquidity to ensure operational flexibility.
- iii **M&A optionality**  
Maintain potential for allocation of capital to mergers and acquisitions that can enhance strategic capabilities or extend our geographic footprint, while keeping an organic expansion as the core of our growth strategy; significant capital allocations to investments such as mergers and acquisitions in any given year may limit the capital available for other purposes in that year, including shareholders' payouts.
- iv **Dividend distribution**  
Surplus of capital is intended to be returned to shareholders through dividends and share buy-back programmes may be also introduced.

## Formal assumptions supporting the policy

We aim to maintain Net Debt to Adjusted EBITDA post-rent ratio at 1.0x to keep a prudent and appropriate level of liquidity headroom.

BoD intends to recommend to the General Meeting the payment of a dividend in an amount representing 50% of the Group's consolidated net profit achieved in 2025, and in the following years an amount representing from 50% to 70% of our consolidated net profit achieved in each year.

We assume there may be an incremental dividend payment based on one-off earnings. Alternatively, in case of additional investments (including M&A), we may temporarily limit dividend payments.

## Financial review and external environment

# Exceptional cash generation creating headroom for dividend or share buybacks

### What would you consider to be the biggest achievements in 2025?

I am particularly proud of the efficiency improvements delivered alongside the dynamic growth of our business. Our continued focus on product margin enhancement, disciplined cost control and the benefits of scale enabled us to exceed our communicated Adjusted EBITDA target range. In 2025, we materially improved our Adjusted EBITDA margin to 13.1%, outperforming the 12-13% corridor set for the year.

We also delivered a strong outperformance at the bottom line, increasing our Adjusted net profit margin to 3.2%, well above the 3.0% guidance. This decisive improvement in profitability underscores our commitment to sustainable value creation and was further reinforced by successful refinancing initiatives, which materially reduced interest costs and strengthened our financial flexibility.

### How would you summarise the financial performance in 2025?

Despite a more challenging external environment in 2025, we met all guided metrics and delivered solid operational performance. Revenue increased by 14.1%, supported by robust LfL growth and the continuing strength of newly opened stores.

Despite colder weather compared to 2024, our agile, customer-centric model enabled us to maintain momentum across key convenience categories, proving the resilience of our business model. Full-year LfL growth in Poland reached 5.3%, aligning with our mid-single-digit target and reflecting of the strength of our differentiated offer and precisely tailored format.

### Żabka has announced the new capital allocation policy. Could you elaborate on the strategic considerations behind this decision?

Our new capital allocation policy marks an important new chapter for the Group, demonstrating that we can return capital to shareholders while simultaneously sustaining the high pace of growth that defines our strategy. Our continued emphasis on efficiency is clearly reflected in Adjusted Net Profit, which increased by 40.6% to PLN 1,003 million, compared with PLN 714 million in 2024. Supported by strong underlying fundamentals, attractive growth prospects, and a successfully deleveraged balance sheet—with Net Debt reduced to 1.0x Adjusted EBITDA post-rent—the Group has built sufficient financial capacity to deliver sustainable returns to shareholders.

“ Disciplined execution and a strong focus on operational efficiency supported solid improvements in profitability and outperformance versus guidance. Our operational efficiency in Poland and strengthening economics in Romania ensure that growth comes without a trade-off to profitability. ”

Marta Wrochna-Łastowska  
Group Chief Financial Officer

## Macroeconomic environment



Poland's economy grew by 3.6% in 2025, while inflation fell faster than anticipated. These factors triggered base interest rate cuts, which, combined with steadily growing real wages, have been beneficial for the consumers' disposable income and purchasing power, leading to an improvement in consumer sentiment.

However, with geopolitical volatility currently at an all-time-high following several years of turbulence and uncertainty, we believe that consumers are more cautious than macroeconomic data might suggest, and more prone to save rather than spend money.

GDP growth of 3.6% in 2025 was supported by base interest cuts of 175 bps. These allowed for investment to pick up, fuelled by cheaper credit availability as well as for internal demand to grow. Additionally, public investments were further supported by increased usage of the funds provided by the EU in the RRF programme.

Following the Russian invasion of Ukraine in 2022 and a few years of severe turmoil in the commodity markets, energy prices rose and became relatively high in 2022 and 2023, but then stabilized through 2024 and 2025. As of September 2025, household electricity prices have been unfrozen, resulting in a price spike during the last quarter of the year, albeit within a reasonably stable range. The overall Polish energy mix continues to move towards using more renewable sources, which has helped to mitigate the impact of fossil fuels-based energy prices.

Inflation deceleration from the peaks observed in 2023 continued throughout 2025, falling faster than the predictions assumed. Although the average inflation rate in 2025 was similar to 2024 (3.7% vs 3.6% respectively),

the situation was more stable last year. Stronger PLN also reduced the inflationary pressures and reduced the cost of imports. All these factors positively impacted consumer sentiment.

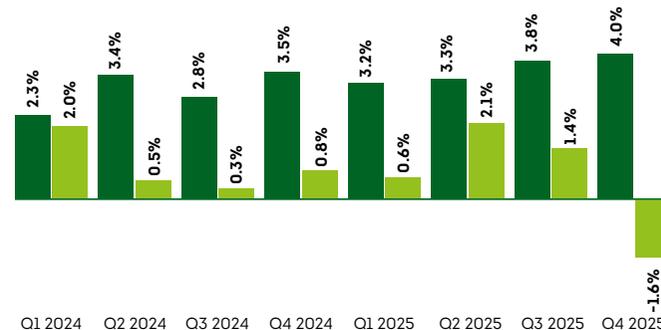
Real wages in 2025 increased at a slower pace than in 2024, when they were rebounding after a period of high inflation. In 2025, the average real wage and salary growth was 4.5%, compared with 9.5% in 2024. Together with a low unemployment rate of approximately 5%, this led to Polish consumers enjoying higher disposable incomes, which partially were directed towards savings, with record levels of deposits observed in 2025.

Consumer sentiment stabilised further in 2025 at -12.5 in 2025, compared with -14 in 2024 – Polish consumers rate their current financial situation and capacity for larger expenses favourably, expecting further improvement in the future. All these factors supported the spending levels, albeit increased spending did not manifest in all market segments equally – durable goods benefitted significantly more from increased share of wallet than grocery retail.



Romania entered 2025 with notably weak momentum, as real GDP expanded by 0.7% to 1.1% amid fiscal consolidation, persistent inflation and a contraction in real wages that pushed consumer sentiment into negative territory. The removal of electricity price caps and VAT hikes drove inflation to peak at 9.9% in August, impacting households' purchasing power and domestic demand. At the same time, record public investment (7.2% of GDP in 2025 and set to climb toward 8% in 2026) alongside a sharp acceleration in EU fund absorption has continued to anchor infrastructure development and cushion the slowdown. Romania also remains a leading destination for foreign direct investment, with investor sentiment buoyed by progress toward potential OECD accession in 2026. With inflation already falling and expected to return to target and the prospect of rate cuts from mid-2026, analysts see scope for a gradual recovery, projecting GDP growth to reach 2.1% by 2027, provided fiscal discipline holds and external risks remain contained.

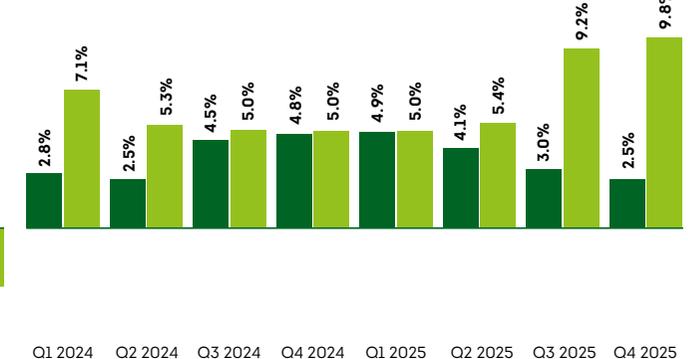
### Gross Domestic Product Year-on-year growth in 2024-25



#### Key

■ Poland ■ Romania

### Consumer Price Index in 2024-2025



## Polish competitive environment

Poland's grocery market remains structurally diversified, and includes several different formats that reflect distinct consumer missions, from weekly planned shopping to high-frequency top-ups and food-to-go occasions. This makes it one of Europe's most competitive retail environments.

Modern convenience remains one of the strongest growth engines, and Żabka has a clear scale advantage and market-leading position, with more than 12,300 locations. The channel has shown the highest growth rate over the last few years, supported by rising demand for proximity, frictionless missions and rapid-access essentials. We anchor this segment with a high number of stores across the country. More than 18 million consumers have a Żabka within 500 metres of their homes.

Traditional trade remains significant, however declining, as the only downward trending channel. Its vast, fragmented base is increasingly challenged by discounters and convenience formats, particularly in urban areas – the segment had lost appx. 5k outlets between 2021 and 2025.

Small-chained stores form the largest physical network. Despite dominating in terms of number of outlets, this format is now growing at a moderate rate, reflecting its established role in serving everyday top-up missions and neighbourhood retail demand. However, it lacks the scalability of discounters or convenience.

Forecourts and supermarkets demonstrate significant momentum. Forecourts benefit from mobility-driven missions, while supermarkets are supported by multi-mission flexibility.

Discounters remain a dominant force, growing market share rapidly. Their predictable value proposition, national reach and strong price-quality perception continue to attract households migrating from traditional trade and supermarkets.



Format	Segment growth (2021-2025 CAGR)	Number of stores (2025)	
Modern convenience	19%	12.6k	<b>żabka</b> group Carrefour Express SPAR
Traditional trade	-5%	26.5k	Independent players
Small chains	5%	29.2k	ABC Groszek Odido
Forecourt	10%	6.8k	ORLEN Shell BP
Hypermarkets	2%	~450	Kaufland E.Leclerc Carrefour Auchan
Supermarkets	7%	8.1k	POLOmarket Lewiatan Carrefour
Discounters	15%	9.1k	Biedronka Lidl Netto Aldi Dino

\* Source: Company analysis based on 2025 PMR estimation

## Romanian competitive environment



Romania's grocery retail market has entered a structural modernisation phase. It is shifting from a fragmented traditional base toward more efficient, mission-driven formats – consequently reshaping consumer behaviour and opening new growth avenues across proximity-led channels.

Traditional trade remains the largest channel, yet its share has been steadily decreasing. The format is structurally exposed to consolidation and modernisation – an opportunity for organised retail expansion, like Froot. Romania mirrors the early stages of the Polish grocery market transformation, where Żabka's format progressively captured missions previously served by fragmented traditional stores.

Modern convenience is increasingly driving market expansion, growing quickly and gaining share despite its early stage of development. In contrast, other major formats, including traditional trade, forecourts and large formats, remain in a single-digit growth range. Small chain stores and discounters continue to deliver strong momentum, with both expanding and gaining market share. Together with modern convenience, these formats are capturing the bulk of incremental growth, reflecting a decisive consumer shift.

Hypermarkets and supermarkets remain relevant, but their growth is noticeably slower than that of emerging proximity formats. Both formats are maintaining a stable market share, illustrating the limits of planned, weekly mission retail shopping, and are exposed to consolidation, with intense M&A activity in the past years.

This early stage market transformation creates a substantial white space opportunity for Froot. With modern convenience still underpenetrated and no clear scale leader, the channel is poised for accelerated consolidation and growth. Froot is well positioned to capture a disproportionate share of future expansion.

## Resilient growth trajectory Sales to End Customers

Sales to End Customers (StEC) is defined as the combined sales generated by both reporting segments: Ultimate Convenience (Żabka stores) and New Growth Engines (NGE). While not directly equivalent to consolidated revenue, StEC serves as a key performance indicator that reflects the underlying commercial strength of the Group's business model. It is widely used by investors and analysts to assess performance across the grocery retail sector.

For Żabka stores, StEC are calculated as the total value of receipts from cash registers. In 2025, StEC from Żabka stores reached PLN 29,600 million, representing a 13.1% YoY increase, supported primarily by the continued expansion of the store network and Like for like ("Lfl") growth.

New Growth Engines, that comprises digital business and our activity in Romania, have been expanding rapidly since their launch in 2021, growing from PLN 136 million to PLN 1,534 million in 2025, recording a compound annual growth rate (CAGR) of 83% over the period 2021-2025. This impressive growth was driven by the expansion of DCO, which saw a 25% increase in StEC in 2025, reaching PLN 772 million, and the ongoing development of the Romanian business, which generated PLN 762 million in StEC in 2025 us PLN 491 million in 2024.

As presented in the Consolidated Financial Statements, operating segments were indicated according to IFRS 8, i.e. Ultimate Convenience, New Growth Engines and Corporate Functions. There are no additional significant European Sustainability Reporting Standards (ESRS) sectors.

PLN m	2025	2024	Year-on-year ch
<b>Sales to End Customers</b>	<b>31,135</b>	<b>27,277</b>	<b>14.1%</b>
Sales to End Customers at Żabka stores (Ultimate Convenience)	29,600	26,167	13.1%
New Growth Engines	1,534	1,109	38.3%

## Drivers of Sales to End Customer Growth

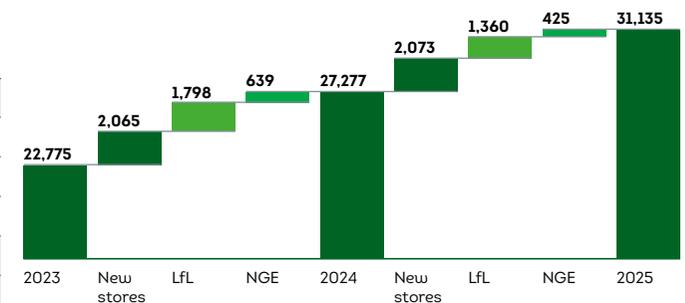
PLN m	2025	2024
<b>Number of stores (1 January)</b>	<b>11,069</b>	<b>10,014</b>
New stores	1,394	1,166
Closures	124	111
% of all stores	1.0%	1.0%
<b>Number of stores (31 December)</b>	<b>12,339</b>	<b>11,069</b>
<b>Lfl</b>	<b>5.3%</b>	<b>8.3%</b>
<b>Sales to End Customers</b>	<b>31,135</b>	<b>27,277</b>
% Growth	14.1%	19.8%

In 2025, Żabka Group opened 1,394 new stores, firmly outperforming our guidance of over 1,300 openings for the full year, and closed 124 (1.0% of all stores), resulting in a net increase of 1,270 stores and bringing the total number of stores to 12,339 locations as at year-end.

Lfl dynamics in 2025 demonstrated strong performance reaching 5.3%. This was driven by differentiated product assortment and a format precisely tailored to meet customers' needs. Despite facing significantly colder weather compared to 2024, which presented notable challenges, the adaptability and customer-focused approach enabled us to deliver impressive growth in key convenience categories, proving resilience of the business model.

Sales to End Customers have been driven by three key growth factors: (i) store expansion, (ii) strong Lfl growth and (iii) development of NGE.

### Sales to End Customers growth by drivers (PLN m)



Store expansion in 2025 resulted in a year-on-year increase in Sales to End Customers by PLN 2,073 million, while Lfl growth and New Growth Engines contributed PLN 1,360 million and PLN 425 million, respectively. The overall growth in Sales to End Customers in 2025 was 53.7% attributable to store expansion, 35.2% to Lfl growth and the remaining 11.0% was driven by NGE.

## Sales to End Customers to Revenue reconciliation

PLN m	2025	2024	Year-on-year ch
<b>Sales to End Customers</b>	<b>31,135</b>	<b>27,277</b>	<b>14.1%</b>
Store inventory change	1,045	925	12.9%
Regional sales and other adjustments	13	(28)	(147.6%)
<b>Sales of goods, products and services</b>	<b>32,193</b>	<b>28,174</b>	<b>14.3%</b>
Franchisee margin	(5,040)	(4,377)	15.2%
<b>Revenue</b>	<b>27,153</b>	<b>23,797</b>	<b>14.1%</b>

Above, we are presenting the reconciliation between consolidated revenue and Sales to End Customers, ensuring transparency and consistency with statutory financial measures.

The most significant adjustment between StEC and consolidated revenue relates to the franchisee margin, which is not included in statutory revenue. Additionally, StEC includes regional sales that are not recognised as Żabka Group revenue, as they reflect products sourced independently by franchisees from external suppliers. Furthermore, under the Group's accounting policy, revenue is recognised at the point of delivery to franchisees. This creates timing differences between the Group's recognised revenue and the sales made by franchisees to end customers, which are reflected in inventory changes at Żabka stores. The inventory changes also include store-level inventory shrinkage and associated losses.

## Franchisee margin

PLN m	2025	2024	Year-on-year ch
<b>Sales to End Customers at Żabka stores</b>	<b>29,600</b>	<b>26,167</b>	<b>13.1%</b>
Franchisee margin	(5,040)	(4,377)	15.2%
% of Sales to End Customers at Żabka stores	17.0%	16.7%	0.3pp

The franchisee margin, representing earnings of franchisees from operating Żabka Polska stores and selling products to customers, increased by 15% in 2025, while the franchisee margin as a percentage of Sales to End Customers rose from 16.7% to 17.0%. This increase was primarily driven by a more favourable category mix, with a higher contribution from higher-margin products, as well as the double-digit increase in the minimum wage. The effectiveness of our franchisee-focused initiatives is evidenced by a lower churn rate, with voluntary churn slightly decreasing from 8.1% in 2024 to 7.8% in 2025, and a consistently strong Net Promoter Score.

## Robust profitability improvement

### Key elements of the Consolidated Income Statement and selected Non-IFRS Profitability Metrics (APMs)

PLM m				% of StEC	
	2025	2024	Year-on-year ch	2025	2024
<b>Sales to End Customers</b>	<b>31,135</b>	<b>27,277</b>	<b>14.1%</b>		
<b>Revenue</b>	<b>27,153</b>	<b>23,797</b>	<b>14.1%</b>	<b>87.2%</b>	<b>87.2%</b>
Cost of sales	(22,053)	(19,406)	13.6%	(70.8%)	(71.1%)
<b>Gross Profit on sales</b>	<b>5,100</b>	<b>4,391</b>	<b>16.1%</b>	<b>16.4%</b>	<b>16.1%</b>
Gross Profit margin	16.4%	16.1%	0.3pp		
Marketing costs	(316)	(267)	18.1%	(1.0%)	(1.0%)
General and administrative costs	(582)	(461)	26.1%	(1.9%)	(1.7%)
Costs of technology, innovation and development	(336)	(286)	17.6%	(1.1%)	(1.0%)
Other costs	9	(14)	(168.9%)	0.0%	(0.1%)
<b>Reported EBITDA</b>	<b>3,876</b>	<b>3,363</b>	<b>15.3%</b>	<b>12.4%</b>	<b>12.3%</b>
Depreciation and amortisation	(1,890)	(1,704)	10.9%	(6.1%)	(6.2%)
<b>Operating profit (EBIT)</b>	<b>1,986</b>	<b>1,659</b>	<b>19.8%</b>	<b>6.4%</b>	<b>6.1%</b>
Financial income and costs	(880)	(856)	2.9%	(2.8%)	(3.1%)
<b>Profit before tax</b>	<b>1,106</b>	<b>804</b>	<b>37.6%</b>	<b>3.6%</b>	<b>2.9%</b>
Income tax expense	(49)	(211)	(76.7%)	(0.2%)	(0.8%)
<b>Net Profit</b>	<b>1,057</b>	<b>593</b>	<b>78.3%</b>	<b>3.4%</b>	<b>2.2%</b>
Net Profit margin	3.4%	2.2%	1.2pp		
<b>ETR</b>	<b>4.4%</b>	<b>26.2%</b>	<b>(21.8pp)</b>		

## Alternative Performance Measures (APMs)

PLM m				% of StEC	
	2025	2024	Year-on-year ch	2025	2024
<b>Adjusted EBITDA</b>	<b>4,066</b>	<b>3,505</b>	<b>16.0%</b>	<b>13.1%</b>	<b>12.8%</b>
Adjusted EBITDA margin	13.1%	12.8%	0.2pp		
<b>Adjusted Net Profit</b>	<b>1,003</b>	<b>714</b>	<b>40.6%</b>	<b>3.2%</b>	<b>2.6%</b>
Adjusted Net Profit margin	3.2%	2.6%	0.6pp		

## Revenue

In 2025, our Revenue increased by 14.1%, reaching PLN 27,153 million. This performance was driven by the same fundamental factors supporting our Sales to End Customers – in particular, the continued expansion of our store network, solid like-for-like growth and the ongoing development of businesses within our New Growth Engines (NGE).

## Cost of sales

The cost of sales represents the value of goods and products sold, logistics and distribution costs (including primarily external services and salaries), and operating and maintenance costs of stores (including repair and renovation, energy and utility costs).

## Gross profit on sales

In 2025, our gross profit increased by 16.1%, reaching PLN 5,100 million. Our gross profit margin rose from 16.1% in 2024 to 16.4% in 2025, primarily attributable to several factors. These include:

- » accelerated growth enhanced Żabka Group's purchasing power, enabling more competitive procurement and contributing to higher gross margins;
- » improved profitability in the DCO segment, primarily due to stronger performance in eGrocery;
- » effective pricing and promotional strategies, including active price segmentation and diversification;
- » Like-for-like sales growth outpacing CPI inflation; and
- » operational leverage, particularly in store operations, energy, logistics and field force costs, supported by the normalisation of energy prices.

## Marketing, general, administrative and technology costs

Marketing costs, as well as technology, innovation, and development expenditures, increased in 2025; however, each remained broadly stable at approximately 1% of Sales to End Customers, in line with 2024 levels. These funds were deployed efficiently: our marketing campaigns effectively strengthened customer awareness of the new QMS offering, while continued investment in technology enhanced our AI capabilities and supported the development of key IT applications.

General and administrative costs increased to 1.9% of Sales to End Customers in 2025, up from 1.7% in 2024. This increase is mostly attributable to the recognition of expenses related to share-based incentive schemes, as well as the increasing component of the Romanian expansion.

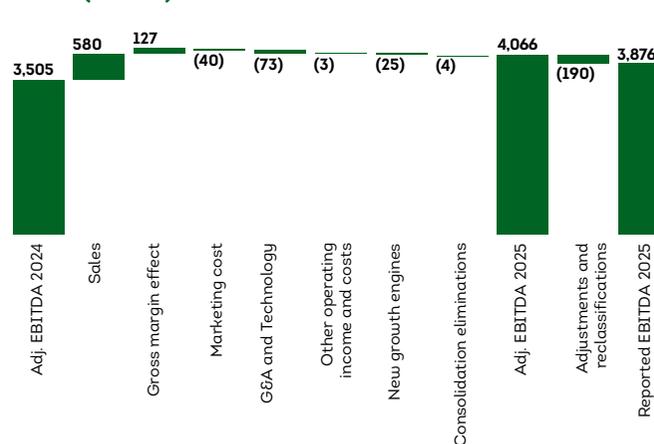
## EBITDA and Adjusted EBITDA

Our 2025 Adjusted EBITDA amounted to PLN 4,066 million, with a margin of 13.1% as a percentage of Sales to End Customers, up from 12.8% achieved in 2024. The increase in Adjusted EBITDA margin was primarily attributed to Ultimate Convenience sales growth (driven by store expansion and LfL increase), supported by cost efficiencies focused on logistics optimisation and energy cost savings, partially offset by increasing Franchisee costs.

## EBITDA and Adjusted EBITDA reconciliation

PLN m	2025	2024
<b>Reported EBITDA</b>	<b>3,876</b>	<b>3,363</b>
Adjustments	190	142
<b>Adjusted EBITDA</b>	<b>4,066</b>	<b>3,505</b>
Adjusted EBITDA margin	13.1%	12.8%

Value (PLN m)



To provide a clearer view of our underlying business performance, we adjust our operating results to exclude one-off, non-recurring items.

The primary adjustment impacting the difference between EBITDA and Adjusted EBITDA in 2025 was the recognition of expenses associated with our share-based incentive schemes – specifically, the IPO-related bonus (settled in Q4 2025, covering nearly 7,000 employees, contractors and franchisees), and the Long-Term Incentive Plan (LTIP). In 2024, by contrast, the majority of adjustments were linked to costs associated with the Initial Public Offering process.

## Adjustments and reclassifications

Adjustments (PLN m)	2025	2024
Costs related to changes in the ownership structure and obtaining financing	<b>(65)</b>	(81)
Incentive schemes and additional compensation in connection with the termination of cooperation with key employees	<b>(130)</b>	(26)
Group reorganisation and new businesses setup costs	-	(12)
Transaction costs in respect of M&A	-	(0)
Funds spent on ensuring business continuity in the face of unforeseen events within the Company's environment, protection of employees, franchisees and society	-	(2)
Reclassifications (PLN m)		
Reclassification of result on the disposal of property, plant and equipment and right of use	<b>12</b>	(15)
Reclassification of minimal tax paid abroad – from General and administrative costs to Income tax expense	<b>(7)</b>	(5)
<b>Total adjustments and reclassifications</b>	<b>(190)</b>	(142)

## Depreciation and amortisation

Depreciation and amortisation costs increased by 10.9% in 2025, reaching PLN 1,890 million. This rise was primarily due to network expansion, an increase in depreciation of right-of-use assets resulting from the indexation of rent costs, and strategic investments in the development of new technologies (including super app and new IT platform for our D2C business).

Financial review continued

## Financial Income and Costs

PLN m	2025	2024
<b>Financial Income</b>	133	175
Interest	23	50
Other	109	125
<b>Financial Costs</b>	(1,013)	<b>(1,031)</b>
Interest	(906)	(982)
Lease agreements	(367)	(320)
Other interest	(539)	(661)
Other	(107)	(49)
<b>Net Financial Income / (Costs)</b>	<b>(880)</b>	<b>(856)</b>

Net financial costs increased only marginally in 2025, rising by 2.9% year-on-year, while declining as a percentage of Sales to End Customers. This favourable trend reflects the Group's ongoing efforts to optimise its capital structure. Following the public offering in October 2024, the Group secured a 100-basis-point reduction in the interest margin on its primary financing facility in December 2024. This was subsequently complemented by the successful completion of the bond issuance programme in May 2025. Finally, in September 2025, the renegotiation of the main credit agreement delivered further benefits, including additional interest rate reductions, improved collateral terms, and stronger alignment with the Group's long-term strategic objectives.

## Net Profit and Adjusted Net Profit

PLN m	2025	2024
<b>Reported Net Profit</b>	<b>1,057</b>	<b>593</b>
Adjustments (including tax effect)	(54)	121
<b>Adjusted Net Profit</b>	<b>1,003</b>	<b>714</b>
Adjusted Net Profit margin	3.2%	2.6%

The adjustments applied to the net profit line are determined by taking the adjustments at the EBITDA level and then subtracting the corresponding tax amount for each adjusted element. This ensures that each adjustment made to EBITDA is reflected appropriately after accounting for the respective tax implications, resulting in a more accurate representation of the net profit figure.

An additional material impact on total net profit adjustments relates to the recognition by Żabka Polska of a refund of overpaid corporate income tax. This includes the reimbursement already obtained for 2018 and the anticipated positive outcomes of refund applications for the years 2019-2024, totalling PLN 212 million. Given its one off, non-recurring nature, this amount has been deducted from Adjusted Net Profit.

The recognition follows a review of the written rationale of the Supreme Administrative Court's non-appealable judgement and the conclusions of the related tax proceedings. This position is further supported by Żabka Polska's receipt, on 26 November 2025, of a reimbursement of PLN 14.5 million for overpaid corporate income tax for 2018. Consistent with the approach confirmed by the Court, Żabka Polska submitted refund application for the non-expired tax year 2019 and plans to submit refund applications for the tax years 2020-2024 (refund for 2019 in the amount of PLN 25.3 million obtained on 20 February 2026).

2025 marked the third consecutive year of meaningful improvement in our effective tax rate (ETR), supported mainly by the repayment of non tax deductible debt facilities. ETR went down from 30.1% in 2023, to 26.2% in 2024 and 4.4% in 2025. Last year's rate was significantly affected by the recognition of the refund of the overpaid corporate income tax described above.

As a result, we exceeded our guidance, delivering an adjusted net profit margin of 3.2%, up 61 basis points year-on-year and 20 basis points above expectations – underscoring the continued strengthening of our financial performance.

## Superior cash generation creates headroom for shareholder returns Free Cash Flow

We calculate our Free Cash Flow ('FCF') as Adjusted EBITDA, minus rent and capital expenditures (CAPEX), adjusted for changes in working capital and provisions, plus the impact of Property Fund.

PLN m	2025	2024
<b>Adjusted EBITDA</b>	<b>4,066</b>	3,505
Rent	(1,094)	(975)
<b>Adjusted EBITDA post-rent</b>	<b>2,972</b>	<b>2,529</b>
CAPEX excluding Property Fund CAPEX	(1,520)	(1,518)
Property Fund, including:	(104)	(38)
CAPEX	(104)	(157)
Sale-and-lease back transactions (net of profit)		119
Changes in working capital and provisions	391	557
<b>FCF</b>	<b>1,740</b>	1,531
FCF Conversion	<b>58.5%</b>	60.5%

## Financial review and external environment continued

We use FCF to analyse cash flow generated in operating activities adjusted for cash outflows to maintain our rental expenses (financing activities) and CAPEX and Property Fund expenditures (investing activities).

Reconciliation between FCF and net cash flows reported within the Consolidated Statement of Cash Flows is described below.

The reconciliation of Adjusted EBITDA can be found in the Segments section of the Consolidated Financial Statements. Rent refers to real estate lease agreements and is included in both the repayment of lease liabilities and the lease interest paid, as outlined in the net cash flows from financing activities. The sale of the Property Fund assets is categorized under the proceeds from the sale of property, plant and equipment, and intangible assets within net cash flows from investing activities. CAPEX is detailed under the purchase of property, plant and equipment, and intangible assets in the cash flows from investing activities. A comprehensive reconciliation of CAPEX is provided in Note 7.5 of Financial Statements, where it is reported as the sum of additions of property, plant and equipment, and additions of intangible assets.

In 2025, we generated another set of outstanding free cash flow results, amounting to PLN 1,740 million – a 13.7% increase compared with 2024. This performance was driven primarily by our expanded scale and improved profitability, reflected in the strong growth of Adjusted EBITDA, as well as a favourable working-capital profile. Additional factors supporting our robust cash flow conversion include:

- » cost-efficiency measures that optimised our store network management, allowing for stringent control over rental expenses, which have been increasing at a rate significantly lower than EBITDA;

- » controlled discretionary CAPEX, with year-over-year change largely driven by network development, international expansion and equipping stores with street food offerings;
- » cash release from net working capital was supported by the continued use of financial instruments, including factoring.

## CAPEX

PLN m	2025	2024
Ultimate Convenience	<b>1,196</b>	1,300
New Growth Engines	<b>276</b>	220
Corporate & Strategic Leadership	<b>152</b>	155
<b>Total CAPEX</b>	<b>1,624</b>	1,675
CAPEX as % of StEC	<b>5.2%</b>	6.1%

Our CAPEX is largely discretionary and targeted at fuelling business growth. Capex as a percentage of StEC declined year-on-year by 0.9pp, from 6.1% to 5.2%.

Within the Ultimate Convenience category, the largest expenditure is attributed to new store openings amounting to PLN 519 million in 2025. Capital expenditure per store decreased from PLN 0.45 million to PLN 0.43 million, primarily reflecting the optimisation of store fit-out and equipment specifications.

Another key strategic investment in this segment was store remodelling, which amounted to PLN 210 million in 2025. This included the completion of the roll-out of street food ovens across our store network, as well as other store layout enhancement initiatives, all of which were finalised during the period.

A major contributor to CAPEX growth was the New Growth Engines (NGE) segment, with the most significant increase observed in Romania. Here, substantial

investments were made in store openings – 118 new stores launched in 2025 – along with logistics infrastructure and support systems.

CAPEX categorised under Corporate & Strategic Leadership includes technology projects related to automation, robotisation and software maintenance.

## Net debt and financial leverage

Our management uses various financial ratios to measure Żabka Group's indebtedness, including:

- » net financial debt (excluding lease liabilities);
- » net financial debt (excluding lease liabilities) to Adjusted EBITDA (post-rent);
- » net financial debt (including lease liabilities); and
- » net financial debt (including lease liabilities) to Adjusted EBITDA.

PLN m	2025	2024
Gross debt (total loans and borrowings)	<b>4,148</b>	4,549
Cash and cash equivalents	<b>(1,079)</b>	(750)
<b>Net debt (excluding lease liabilities)</b>	<b>3,069</b>	3,799
Lease liabilities	<b>5,301</b>	4,855
<b>Net debt (including lease liabilities)</b>	<b>8,370</b>	8,654
<b>Net debt (excluding lease liabilities) / Adjusted EBITDA post-rent (x)</b>	<b>1.0x</b>	1.5x
<b>Net debt (including lease liabilities) / Adjusted EBITDA (x)</b>	<b>2.1x</b>	2.5x

Post-IPO, our strengthened foundation underpinned our deleveraging efforts. With this stability in place, we are now well positioned to adjust capital allocation policy.

## Financial review and external environment continued

At the end of December 2025, we successfully lowered our net financial debt (excluding lease liabilities) to Adjusted EBITDA post-rent ratio from 1.5 to 1.0, compared with the end of December 2024. The lower ratio was supported by a decrease in net financial debt (excluding lease liabilities) of PLN 731 million (19.2%), resulting in PLN 3,069 million of net financial debt as of 31 December 2025. Achieving this leverage target provides a solid foundation for commencing returning capital to shareholders.

Despite the increase in lease liabilities balance at the end of 2025, mainly caused by the expansion of the store network and the revaluation of rent rates in lease agreements due to inflation, our net financial debt (including lease liabilities) to Adjusted EBITDA ratio at the end of 31 December 2025 was lower than at the end of the previous year.

## Healthy balance sheet

PLN m	2025	2024
Goodwill	<b>3,437</b>	3,439
Property, plant and equipment	<b>4,438</b>	3,940
Right-of-use assets	<b>4,899</b>	4,527
Other	<b>1,381</b>	1,282
<b>Non-current assets</b>	<b>14,155</b>	13,188
Inventory	<b>1,150</b>	1,092
Trade receivables	<b>2,794</b>	2,277
Cash and cash equivalents	<b>1,079</b>	750
Other	<b>336</b>	262
<b>Current assets</b>	<b>5,358</b>	4,381
<b>Total assets</b>	<b>19,514</b>	17,569
Loans and borrowings	<b>3,829</b>	4,219
Lease liabilities	<b>4,445</b>	4,090
Other	<b>298</b>	305
<b>Non-current liabilities</b>	<b>8,572</b>	8,614
Loans and borrowings	<b>318</b>	330
Lease liabilities	<b>857</b>	764
Trade payables and other financial liabilities	<b>6,631</b>	5,871
Other	<b>643</b>	601
<b>Current liabilities</b>	<b>8,448</b>	7,566
<b>Total liabilities</b>	<b>17,020</b>	16,180
<b>Total equity</b>	<b>2,494</b>	1,389

## Assets

The largest items of our non-current assets are:

- » goodwill (PLN 3,437 million at the end of 2025 and PLN 3,439 million at the end of 2024; goodwill in the amount of PLN 3,166 million was recognised in 2017 when the Group purchased all the shares of Żabka Polska SA.

- » property, plant, and equipment (PLN 4,438 million as at 31 December 2025, compared with PLN 3,940 million as of 31 December 2024), represented mostly by physical infrastructure in stores, logistics assets, headquarters assets and warehouses.
- » right-of-use assets (PLN 4,899 million as of 31 December 2025, compared with PLN 4,527 million as of 31 December 2024), primarily due to the lease contracts for stores, logistics centres and the headquarters, as well as for cars and forklifts.

The increase in non-current assets by PLN 968 million (7.3%) primarily resulted from investments in property, plant and equipment (new logistics centre, equipment for new stores, and remodelling of existing locations) and right-of-use assets (new agreements and modifications of existing ones).

Trade receivables (PLN 2,794 million as of 31 December 2025 and PLN 2,277 million as of 31 December 2024) are a core element of our current assets, primarily comprising receivables from franchisees and mostly secured with in-store inventory. Other key components of the current assets include inventories (PLN 1,150 million as of 31 December 2025 and PLN 1,092 million as of 31 December 2024) and cash and cash equivalents (PLN 1,079 million and PLN 750 million as of 31 December 2025 and 31 December 2024 respectively). The 22.3% increase in current assets for 2025 is attributed to the expansion of our operational activities.

## Liabilities

Key elements of our non-current liabilities include:

- » loans and borrowings, which as of 31 December 2025 amounted to PLN 3,829 million, compared with PLN 4,219 million as of 31 December 2024 – most loans and borrowings are bonds and bank loans; and

## Financial review and external environment continued

» lease liabilities totalling PLN 4,445 million, up from PLN 4,090 million in the previous year. These balances include leases of properties and various equipment (i.e. store equipment), cars and lift trucks.

Non-current liabilities in total remained at a relatively similar level in both 2025 and 2024. The decrease in long-term loans and borrowings by PLN 389 million was primarily attributed to positive EBITDA generation and loan repayment. In 2025 Zabka Group S.A. issued series ZAB0530 bonds in the amount of 1,000,000 units, each with a nominal value of PLN 1 thousand and a total nominal value of PLN 1,000 million. The increase in non-current lease liabilities by PLN 354 million was driven largely by new lease contracts and the modification and remeasurement of existing agreements.

The largest component of our current liabilities is trade payables and other financial liabilities, reaching PLN 6,631 million at year-end 2025. This marks an increase of PLN 760 million (12.9%), driven primarily by our growing sales.

## Equity

PLN m	2025	2024	YoY
Share capital	<b>120</b>	120	0.3%
Share premium	<b>8,448</b>	8,383	0.8%
Put option revenue	<b>(128)</b>	(72)	79.3%
Share-based payment reserve	<b>146</b>	35	318.2%
Treasury shares	<b>(82)</b>	-	n/a
Retained earnings	<b>(5,869)</b>	(6,950)	(15.6%)
Currency differences on translation of foreign operations	<b>(37)</b>	(31)	19.7%
Actuarial gains/(losses)	<b>(0)</b>	0	n/a
Cash flow hedge	<b>(103)</b>	(97)	6.2%
Equity attributable to owners of the parent	<b>2,494</b>	1,389	79.5%
Non-controlling interests	-	-	n/a
<b>Total equity</b>	<b>2,494</b>	1,389	79.5%

Two incentive programs were launched in relation to the IPO: LTIP and IPO Award. The increase in share-based payment reserve corresponds to their costs recognised in 2025.

Treasury shares affect the reduction of the Group's equity. The Board resolved to the buyback programme in order to meet the Company's obligations arising under its long-term incentive plan for the years 2025-2027. The maximum pecuniary amount allocated to the buyback is PLN 130 million, to date, PLN 82.3 million has been bought back.

In addition, on 30 October 2025, 2,974,605 new shares were issued and allocated to selected beneficiaries under the IPO Award programme.

As of 31 December 2025, the subscribed and fully paid up capital amounting to PLN 120.1 million (EUR 26.1 million) was represented by 1,002,974,605 ordinary shares without nominal value. Share premium increased by PLN 64.7 million (EUR 15.3 million).

## Earnings per share

PLN m	2025	2024
Basic earnings per share	<b>1.10</b>	0.62
Diluted earnings per share	<b>1.10</b>	0.62

The basic earnings per share and diluted earnings per share increased by 0.48 from PLN 0.62 in 2024 to 1.10 in 2025.

## Capital allocation policy

The newly adopted capital allocation policy is described under [Capital Allocation Policy on page 38](#).

## Financial instruments

Our primary financial instruments include bank credit loans, bonds, leases, lease agreements under IFRS 16 and cash, all of which are used to provide the Group with funds necessary for financing its operational as well as investment activities. Additionally, we manage other financial instruments such as trade receivables and trade payables that arise directly through our business operations. We continuously monitor market price risk across all our financial instruments.

PLN m	2025	2024
Intragroup loans granted	<b>6</b>	7
Shares in non-related entities	<b>23</b>	23
Other financial assets	<b>57</b>	68
Trade receivables	<b>2,794</b>	2,277
Cash and cash equivalents	<b>1,079</b>	750
<b>Financial assets</b>	<b>3,958</b>	3,124

PLN m	2025	2024
Bank loans	<b>3,133</b>	4,531
Bonds	<b>1,001</b>	
Borrowings	<b>14</b>	18
Lease liabilities	<b>5,301</b>	4,855
Liability for a written put option over non-controlling interest	<b>142</b>	99
Trade payables and other financial liabilities	<b>6,760</b>	5,990
<b>Financial liabilities</b>	<b>16,351</b>	15,493

## Financial review and external environment continued

## Financial risks

Our operations expose us to a range of financial risks, including market risk, credit risk and liquidity risk. Changes in interest rates and other financial market conditions have impacted and will continue to impact our operations. We review and establish guidelines for managing each of these financial risks. Our comprehensive risk management programme is designed to minimise the potential adverse effects of risks on our overall performance.

In Żabka Group, the monitoring and evaluation of the internal control system over financial reporting are conducted by the Internal Audit Department and communicated to the Audit Committee. This internal control system is meticulously designed to ensure the accuracy, reliability and integrity of financial reporting.

It encompasses a comprehensive array of elements, including initial and continuous risk assessment, the implementation of appropriate segregation of duties, and other critical control activities.

In the following table we present a summary of our exposure to key financial risks, how we are affected and how we manage them. The Group's overall approach to risk management is described in a separate section of this [report](#).

Market risk	Key source of exposure	Management method	Other relevant information
<b>Interest rate risk</b>	<ul style="list-style-type: none"> <li>» Cash investments with variable interest rates, the final rate of return from investment among others depends on the current monetary policy as well as financial institutions' liquidity needs.</li> <li>» Use of external financial sourcing based on variable interest rate – including almost 100% of loans and borrowings based on WIBOR and EURIBOR rates.</li> </ul>	<ul style="list-style-type: none"> <li>» Providing the Group with the diversified funding sources including long-term and short-term sources adequate to purpose of expenses.</li> <li>» Actively monitoring interest rate movements in the global market, the current macroeconomic situation, Polish National Bank / European Central Bank as well as forecast tracking.</li> </ul>	<ul style="list-style-type: none"> <li>» Between December 2024 and December 2025 the margin on the syndicated loan decreased resulted from the refinancing reduction as well as, additionally resulted from decline in the Senior Leverage Ratio. Simultaneously, margin on European Bank for Reconstruction and Development credit loan facility has been decreased also.</li> <li>» Moreover, in May 2025, the Group completed a bond issuance with a total value of PLN 1 billion, enabling the diversification of its financing sources.</li> </ul>
<b>Foreign currency risk</b>	<ul style="list-style-type: none"> <li>» Sale or purchase transactions in currencies other than the functional currency.</li> <li>» Financial assets and liabilities in currencies other than PLN, in particular loans received (EUR 77 million at 31 December 2025) and lease liabilities (EUR 184 million at 31 December 2025).</li> <li>» Largest exposure mainly to EUR.</li> </ul>	<ul style="list-style-type: none"> <li>» Monitoring local and foreign payments in currencies other than PLN.</li> <li>» Hedging the price with derivatives (this method is not used for the periods presented but is available from documentary perspective).</li> <li>» Comparing current exchange rates with exchange rates implemented in budget.</li> </ul>	<ul style="list-style-type: none"> <li>» Exposure relatively immaterial – as of 31 December 2025 only 3.9% of total financial assets and 9.6% of total financial liabilities were in foreign currency. The exposure increased slightly compared to the previous period due to the drawdown of the Revolving Credit Facility facility by the subsidiaries operating in the Romanian market.</li> </ul>
<b>Volatile electricity prices</b>	<ul style="list-style-type: none"> <li>» Highly likely planned physical purchases of electric energy at floating price (spot price).</li> </ul>	<ul style="list-style-type: none"> <li>» Entering into virtual Power Purchase Agreements (vPPA) related to the portion of energy required by the Group.</li> <li>» Applying cash flow hedge accounting.</li> <li>» Following the Energy Purchase strategy based on a mix of contracts available at Energy Exchange.</li> </ul>	<ul style="list-style-type: none"> <li>» In the event of a rise in electricity prices in the Polish market, the exposure arising from the Group's physical purchases of electricity at market prices will be counterbalanced by increased cash payments stemming from contracts for difference under vPPAs, and vice versa.</li> </ul>
<b>Credit risk</b>	<ul style="list-style-type: none"> <li>» Trade receivables (mostly related to the large number of franchisees).</li> <li>» Cash and cash equivalents.</li> </ul>	<ul style="list-style-type: none"> <li>» Minimising risk concentration due to large number of franchisees.</li> <li>» Inventory located in Żabka stores pledged as security.</li> <li>» Verification prior to grant of trade loan.</li> <li>» Continuous monitoring.</li> <li>» Accounts held with high-rating banks.</li> <li>» Coverage of all franchisees with a Business Insurance Policy at TUW PZU.</li> </ul>	<ul style="list-style-type: none"> <li>» As of 31 December 2024 trade receivables represented 73.4% of credit risk exposure.</li> <li>» In H2 2025, the Group entered into an additional bilateral ancillary facility agreement under the Revolving Credit Facility to increase the flexibility of its funding sources and ensure their ad hoc availability.</li> </ul>
<b>Liquidity risk</b>	<ul style="list-style-type: none"> <li>» Financial liabilities (loans and borrowings, lease liabilities, trade payables).</li> </ul>	<ul style="list-style-type: none"> <li>» Monitoring using liquidity planning tool.</li> <li>» Maintaining available credit facility lines (RCF line including ancillary lines).</li> <li>» Diversifying the sources of financing within lenders and instruments.</li> </ul>	<ul style="list-style-type: none"> <li>» The amount of receivables covered by Insurance Policy at Allianz amounted to PLN 300 million at the end of 2025.</li> </ul>

## Corporate governance and leadership team

### Introduction to corporate governance



“ A year of disciplined governance and enhanced market transparency underpinning Żabka Group’s long-term value creation as a newly listed company. ”

**Krzysztof Krawczyk**  
Chairman of the Board of Directors

### To our shareholders and stakeholders,

As Chairman of the Board of Directors of Żabka Group, and in my capacity as a Non-Executive Director and member of the Audit Committee, it is my privilege to introduce the Corporate Governance section of our 2025 Annual Report. This section outlines how the Company’s corporate bodies discharge their responsibilities and how our governance framework supports the Group’s long-term success, integrity and sustainability.

The Board sets the Group’s strategic direction, oversees its activities and decides on matters of key importance. As Chairman, I ensure the Board operates effectively, fostering constructive debate and providing Directors with timely, high-quality information to support well-informed decisions.

### A landmark year

The 2025 financial year marked our first full year as a publicly listed company – an important milestone in the Group’s development. This transition required not only compliance with regulatory requirements but also a broader adoption of capital market best practices. During the year, we strengthened our engagement with the investment community, to ensure transparent communication through regular reporting, ongoing disclosures and direct dialogue with investors. We also published our first Annual Report as a listed company, which received multiple awards and distinctions, including double Silver recognition at the Corporate & Financial Awards 2025, underscoring the quality and transparency of our reporting.

Our governance framework supported several key achievements, including our inaugural bond issue and first General Meeting as a public company. The Board’s composition was enhanced with the appointment of an additional independent Non-Executive Director.

### Governance supporting strategy

Strong governance provides the foundation for effective oversight and responsible decision making. Independent Non-Executive Directors play a critical role in constructively challenging management and contributing diverse perspectives during Board deliberations. The Audit Committee supports the Board through its oversight of financial reporting, internal controls and risk management.

### Looking ahead: Evolution and transparency

Building on the progress made to date, the Board will continue to uphold and refine the Company’s governance practices in line with stakeholder expectations and capital market standards. In the coming year, we will continue to place strong emphasis on the transparent organisation and conduct of the Annual General Meeting, drawing on feedback from investors, stakeholders and market participants to further enhance its effectiveness as a forum for constructive dialogue. At the same time, we will remain committed to clear, timely and consistent market communication in line with recognised best practice.

### Commitment to governance excellence

Maintaining high standards of corporate governance is fundamental to long-term shareholder value and stakeholder trust. Strong governance enhances decision-making, reinforces risk management and ensures transparency across the Group. As Żabka Group continues to mature as a listed company, the Board remains committed to strengthening its governance framework as a foundation for sustainable growth and responsible leadership.

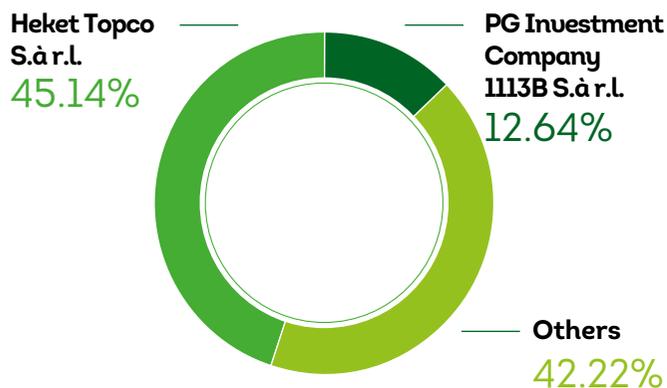
## Shareholder information

### Shareholder structure

As of 17 October 2024, the Company's shares have been listed on the regulated market (the main market) operated by the Warsaw Stock Exchange.

According to the Company's own information and information obtained from its shareholders, as of 1 January 2025 the shares of Zabka Group SA were held by the following entities:

#### Composition of shareholders as of 1 January 2025



In 2025, the Company's shareholding structure changed as a result of the following events: (i) the implementation of the Company's share buy-back programme for the purposes of the long-term incentive programme established in the Company for the years 2025-2027; (ii) an increase in the Company's share capital carried out under the authorised capital for the purposes of implementing the IPO Share Award programme; and (iii) a public offering of the Company's shares conducted by its two largest shareholders.

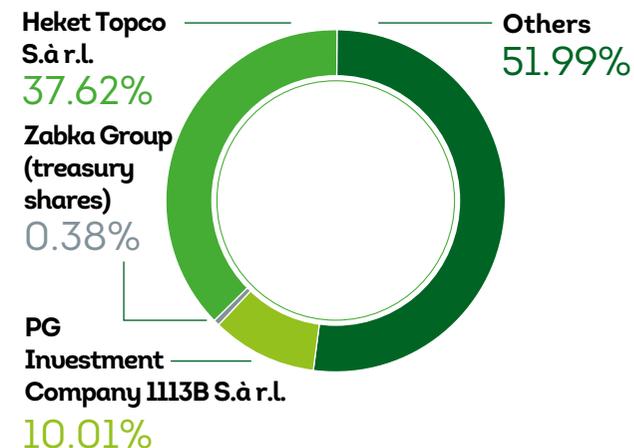
As a result of the share buy-back programme carried out between 7 and 19 August 2025, the Company acquired 3,780,000 treasury shares, which will be allocated to the beneficiaries of the long-term incentive programme established in the Company for the years 2025-2027. The exercise of voting rights attached to the Company's treasury shares is suspended.

On 30 October 2025, the duly authorised delegates of the Company's Board of Directors adopted a resolution to increase the Company's share capital through the issuance of 2,974,605 new shares, which were allotted free of charge to the beneficiaries of the IPO Share Award programme implemented in the Company. The shares were issued under the authorised capital specified in the Company's Articles of Association.

Between 12 and 13 November 2025, two shareholders of the Company, Heket Topco S.à r.l. and PG Investment Company 1113B S.à r.l., conducted a sale through a public offering of the Company's shares, which in total comprised 100,000,000 shares.

Taking these events into account, based on the Company's own information and information obtained from its shareholders, the Company's shareholder structure as at 31 December 2025 was as follows:

#### Composition of shareholders as of 31 December 2025



As at 31 December 2025, Heket Topco S.à r.l. was the largest shareholder in the Company's share capital. CVC Capital Partners indirectly controls Heket Topco S.à r.l.

Pursuant to information held by the Company, in the period from 31 December 2025 until the date of publication of this Report, the Company's shareholder structure, as presented above, has not changed.

### Share capital description

The Company's issued share capital amounts to EUR 26,117,619.39 divided into 1,002,974,605 shares with the same voting and dividend rights. The Company's shares have been incorporated in compliance with Luxembourg law and have been listed on the Warsaw Stock Exchange since 17 October 2024.

## Changes in share capital

The share capital of the Company may be increased or reduced through a resolution of the General Meeting adopted in compliance with the quorum applicable to the amendment of the Articles of Association (at a majority of at least three quarters of the votes validly cast – the “Super Majority”). Subject to the provisions of the Luxembourg Company Law, the General Meeting may decide to create new classes of shares and determine the features, rights and restrictions of such classes of shares by a resolution adopted in compliance with the quorum applicable to the amendment of the Articles of Association at a majority of the Super Majority.

## Authorised share capital

In addition to the foregoing, under the Articles of Association of the Company the Board of Directors is authorised, within the limits of the authorised capital, to increase the issued share capital of the Company, on one or more occasions, up to a maximum amount of EUR 27,602,569.81 by the issue of a maximum of up to 1,060,000,000 shares without nominal value.

The Board of Directors may increase the share capital by way of the issue of shares and withdraw or restrict the preferential subscription rights of the shareholders in relation to an increase of the share capital made within the limits of the authorised capital. The authorisation is valid until 24 October 2029 and may be renewed by a resolution of the General Meeting adopted in compliance with the quorum applicable to the amendment of the Articles of Association at the Super Majority.

## Shareholders' rights Voting rights, General Meeting

Each of the Company's shares entitles the holder thereof to one vote at the General Meeting, subject to the limitations imposed by law.

The shareholders exercise their collective rights at the General Meeting. Any regularly constituted General Meeting of the Company shall represent the entire body of shareholders of the Company. The General Meeting is vested with the powers expressly reserved for it by the law and by the Articles of Association. In particular, the General Meeting has the right to vote on the election of members of the Board of Directors, subject to the personal rights of Heket Topco S.à r.l. (the “Main Shareholder”) and PG Investment Company 1113B S.à r.l. (the “PG Shareholder”) to nominate candidates for appointment to the Board of Directors as provided for in the Articles of Association, as described below. Also, a decision to delist the Company's shares from the Warsaw Stock Exchange requires the approval of the general shareholders' meeting with a majority of at least nine-tenths of the votes validly cast, with a quorum of at least one-half of the capital present or represented.

In general, the Main Shareholder has the right to nominate candidates for two Directors if holding at least 25% of the Company's share capital, and one Director if holding at least 10%. The Main Shareholder is also entitled to nominate one Independent Director as long as they have any shareholding. If requested, the Independent Director must resign upon the appointment of a replacement. The PG Shareholder can nominate one Director if holding at least 10% of the share capital. If the Main Shareholder's stake drops below 25% but remains at, at least 10%, one of their nominated Directors must resign. If either the Main Shareholder's or PG

Shareholder's stake falls below 10%, their nominated Director must resign. Any Director who fails to resign will be removed at the next general shareholders' meeting or by the Board for Committee roles.

As long as the Company's shares are admitted to trading on a regulated market within an EU Member State, General Meetings will be convened in accordance with the provisions of the Luxembourg law of 1 August 2019 on the exercise of certain rights of shareholders at general meetings of listed companies, as amended, and the Articles of Association.

## Variation of rights: amendments to the Articles of Association

All or any of the rights attached to the shares may from time to time (whether or not the Company is being wound up) be varied by way of a decision of the General Meeting in the manner required for the amendment of the Articles of Association. Under the provisions of Luxembourg law, any amendment of the Articles of Association requires a majority of at least two-thirds of the votes validly cast at a General Meeting at which a quorum of at least half of the share capital is present or represented. In case the condition as to quorum is not satisfied, a second meeting may be convened, which may deliberate regardless of the proportion of the capital represented and at which resolutions may be adopted with a majority of at least two-thirds of the votes validly cast.

## Capital allocation

On 30 September 2025 the Board of Directors approved the Capital Allocation Policy ("Policy") of the Company establishing a framework for the Board's decision on recommending dividend distributions to the Company's Shareholders' Meeting including their amount. The Policy outlines the key factors guiding such recommendations to balance current distributions with the Company's development and investment needs. The Policy aims to build long-term value of the Company and the Group, while at the same time maximising shareholders' returns, maintaining adequate financial stability, and ensuring flexibility in responding to changing market conditions.

The Capital Allocation Policy is based on the following four guiding principles aimed at ensuring value creation over the long term:

- » focus on growth: the primary focus of the Group's operations and capital allocation is growth, with an increased target of 1,300+ new store openings per year in Poland and Romania (during the 2025–2028 period);
- » targeted leverage ratio at 1.0x consolidated adjusted EBITDA post-rent: the Group's medium- and long-term plans should be designed with consideration given to maintaining a modest net leverage and retaining appropriate liquidity to maintain operational flexibility;
- » M&A and payout optionality: the Group will maintain potential for allocation of capital to mergers and acquisitions aimed at enhancing strategic capabilities or extending the Group's geographic footprint while keeping an organic expansion as the core of its growth strategy; significant capital allocations to investments such as mergers and acquisitions in a given year may limit the capital available for other purposes in that year, including shareholders' payouts;

- » dividend distribution: surplus of capital is intended to be returned to shareholders through dividends, and in the longer-term, share buy-back programmes may be introduced.

Taking the above guiding principles into account and subject to the condition of maintaining a net debt to consolidated adjusted EBITDA ratio at 1.0x (with net debt calculated excluding leases, and EBITDA referring to adjusted EBITDA pre-IFRS 16) and keeping a prudent and appropriate level of liquidity headroom, starting from the financial results for 2025, the Board of Directors intends to recommend to the General Shareholders' Meeting the payment of a dividend in the amount representing 50% of the Group's consolidated net profit achieved in the previous financial year, and in the following years in an amount representing from 50% to 70% of the Group's consolidated net profit achieved in the previous financial year, depending on factors related to the business environment and planned investments.

The Board of Directors may, at its discretion, decide to recommend a higher dividend in the event of one-off earnings in a given financial year. Similarly, the Board of Directors may, at its discretion, decide to recommend a lower dividend or not recommend a dividend at all if significant investments, including mergers and acquisitions, are incurred or planned in a given financial year.

Taking into account the principles set out in the Capital Allocation Policy and subject to Luxembourg law, the Board of Directors may also resolve to pay interim dividends out of the Company's realised net profits or other distributable reserves.

The maximum dividend amount proposed by the Board of Directors in its recommendation to the General Shareholders' Meeting may not exceed an amount specified by Luxembourg law.

Luxembourg law provides that the dividend amount proposed by the Board of Directors in its recommendation to the General Shareholders' Meeting may not exceed an amount equal to the Company's net profit at the end of the previous financial year increased by any profits carried forward (retained earnings) and any amounts drawn from reserves which are available for that purpose (such as share premium), less any losses carried forward and sums to be placed to reserves in accordance with any applicable law or the Articles of Association.

The law further provides that from the annual net profits of the Company, at least 5% should be allocated each year to the Company's legal reserve. Such allocation to the legal reserve will cease to be required as soon and as long as the legal reserve amounts to 10% of the issued share capital of the Company. After such allocation to the legal reserve and upon the recommendation of the Board of Directors, the General Shareholders' Meeting should determine how the annual net profits will be utilised. It may decide to allocate all or a part of the annual net profits to a reserve, to carry it forward to the following fiscal year or to distribute it to the shareholders as dividend. As of the date of this Report, the Company has not allocated any funds to create the legal reserve.

Resolutions regarding the distribution of profits and the payment of dividends are adopted by the General Shareholders' Meeting upon the recommendation of the Board of Directors.

## Zabka Group Application of the Best Practices for WSE Listed Companies 2021

### Statement of compliance with corporate governance recommendations and principles contained in the Best Practice for the Warsaw Stock Exchange (WSE) listed companies

As a company publicly listed on the Warsaw Stock Exchange, Zabka Group SA has made a conscious decision to adhere to the corporate governance principles outlined in the Best Practice for WSE Listed Companies 2021 ("WSE Best Practice").

The WSE Best Practice constitutes a set of corporate governance principles adopted by the Warsaw Stock Exchange for companies whose shares are admitted to trading on the regulated market. Its purpose is to promote transparency, accountability and sustainable value creation, while strengthening investor confidence and protecting the rights of shareholders and other stakeholders. The WSE Best Practice covers key areas of corporate governance, including disclosure and investor relations, the functioning and composition of corporate bodies, internal control and risk management systems, remuneration policies, and environmental, social and governance (ESG) considerations.

Zabka Group SA acknowledges the importance of good corporate governance. The Company fully endorses the underlying principles of the WSE Best Practice and applies the WSE Best Practice as the guiding principles for its corporate governance policy.

### [Best Practice for GPW Listed Companies 2021](#)

## Chapter 1 – Disclosure Policy, Investor Communications

"In the interest of all market participants and their own interest, listed companies ensure quality investor communications and pursue a transparent and fair disclosure policy."

### Zabka Group SA complies with all the 7 principles in Chapter 1

The Company ensures transparent, timely and equitable communication with all capital market participants. Financial results are published at the earliest feasible dates, enabling stakeholders to make full use of analytical tools when assessing performance. Leveraging its comprehensive ESG agenda, the Company prepares an extensive sustainability report that provides complete disclosure of ESG factors and progress in executing the ESG Strategy. All key strategic disclosures and stakeholder-relevant information are made available through the corporate website. Investor meetings are organised regularly, and all investor inquiries are addressed within the prescribed timelines. The Company proactively engages with both institutional and individual investors, in Luxembourg, Poland and internationally.

## Chapter 2 – Management Board and Supervisory Board

"To ensure top standards of the responsibilities and effective performance of the management board and the supervisory board of a company, only persons with the adequate competences, skills and experience are appointed to the management board and the supervisory board".

### Zabka Group SA complies with all the 11 principles in Chapter 2

While principles listed in Chapter 2 of the WSE Best Practice refer to a two-tier governance model, the Company operates under a one-tier governance model. Accordingly, these principles apply to the Board of Directors, which is collectively responsible for both the management and supervision of the Company. The Board of Directors is composed of individuals with appropriate competences, skills and experience, acts in the best interest of the Company, and performs its duties in accordance with applicable laws and best market practices. The Company has implemented relevant policies and procedures, including a diversity policy, ensures transparent decision-making and voting processes, and provides the Board with adequate resources to effectively perform its managerial and supervisory functions, thereby meeting the objectives and requirements of principles listed in Chapter 2 of the WSE Best Practices.

## Chapter 3 – Internal Systems and Functions

“Efficient internal systems and functions are an indispensable tool of exercising supervision over a company. The systems cover the company and all areas of activity of its group which have a significant impact on the position of the company.”

### Zabka Group SA partially complies with the principle 3.6 and fully complies with the remaining 9 out of 10 principles in Chapter 3

Principle 3.6 recommends that the head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee. The Group's Chief Audit Executive, being the head of the Internal Audit, functionally reports to the Chair of the Audit Committee (which is in line with principle 3.6) but organisationally reports to the CFO rather than CEO. This results from the decision to ensure that, from a structural and organisational perspective, the functions related to Internal Audit, for which the Chief Audit Executive is responsible, form part of the Finance unit, which is led by the CFO. The Company fully adheres to the remaining principles through the maintenance of robust and effective internal systems encompassing internal control, risk management, compliance and internal audit. These systems are appropriately tailored to the scale and complexity of the Zabka Group's operations and are subject to periodic review to ensure their continued adequacy and effectiveness.

A Chief Audit Executive has been appointed to oversee the proper implementation of established policies and procedures and to ensure alignment with recognised best practices. The Board of Directors conducts ongoing oversight of the performance and efficiency of all relevant systems and functions. In line with best market standards, the Internal Audit function is subject to an independent external assessment at intervals of five years.

The Company's reporting lines are structured to guarantee the independence of key control functions, while the Board of Directors conducts regular evaluations of their effectiveness.

## Chapter 4 – General Meeting and Shareholder Relations

“The management board and the supervisory board of listed companies should encourage the engagement of shareholders in matters of the company, in particular through active participation in the general meeting, either in person or through a proxy. The general meeting should proceed by respecting the rights of all shareholders and ensuring that passed resolutions do not infringe on legitimate interests of different groups of shareholders. Shareholders who participate in a general meeting exercise their rights in accordance with the rules of good conduct. Participants of a general meeting should come prepared to the general meeting.”

## Zabka Group SA complies with all the 14 principles in Chapter 4

In line with principles listed in Chapter 4 of the WSE Best Practice, the Company ensures transparent and fair conduct of general meetings and actively supports effective communication and engagement with shareholders. Shareholders are enabled to exercise their rights on equal terms, including participation in general meetings in person or by electronic means, access to live broadcasts, timely availability of draft resolutions with appropriate justifications, and unrestricted access for the media. Within the Company's one-tier governance model, the Board of Directors fulfils the roles attributed under these principles to the management and supervisory bodies, participating in general meetings as necessary, providing comprehensive information on the Company's performance and strategy, and ensuring that shareholder rights are respected without disrupting the proper functioning of the Company's governing bodies. The Company has adopted a capital allocation policy that sets out clear and transparent rules for dividend distribution

## Chapter 5 – Conflict Of Interest and Related Party Transactions

“Companies and their groups should have in place transparent procedures for managing conflicts of interest and for related party transactions where a conflict of interest may occur. The procedures should provide for ways to identify and disclose such cases and the course of action in the event that they occur. Members of the management board and members of the supervisory board should refrain from professional or other activities which might cause a conflict of interest or adversely affect their reputation as members of the corporate body, and where a conflict of interest arises, they should immediately disclose it.”

## Zabka Group SA complies with all the 7 principles in Chapter 5

The Company has implemented transparent procedures for identifying, managing and disclosing conflicts of interest and for conducting related party transactions in accordance with applicable laws and international accounting standards. Within the Company's one-tier governance model, the Board of Directors performs the functions attributed under principles listed in Chapter 5 of the WSE Best Practice to the management and supervisory bodies, ensuring that members promptly disclose any actual or potential conflicts of interest, abstain from deliberations where such conflicts arise, and record dissenting opinions where appropriate. Related party transactions are conducted on arm's length terms, without granting preferential treatment to any shareholder, and, where required, are subject to prior assessment, opinion and approval processes designed to safeguard the interests of the Company and all shareholders on an equal basis.

## Chapter 6 – Remuneration Policy

“Companies and their groups protect the stability of their management teams, among others by transparent, fair, consistent and non-discriminatory terms of remuneration, including equal pay for women and men. Companies' remuneration policy for members of corporate bodies and key managers should in particular determine the form, structure, and method of determining and payment of the remuneration.”

## Zabka Group SA complies with all the 5 principles in Chapter 6

The remuneration of Board members, Management Committee members and key managers is fair, transparent and aligned with long-term Company objectives. Incentive mechanisms promote sustainable value creation and do not depend on short-term results. The Company ensures equal pay principles and adherence to non-discriminatory practices. The Company has an approved Long Term Incentive Plan which aligns long-term investor goals and fosters value creation among key management of the Company, allowing for sustainable growth with an emphasis on ESG goals included in the total compensation targets.

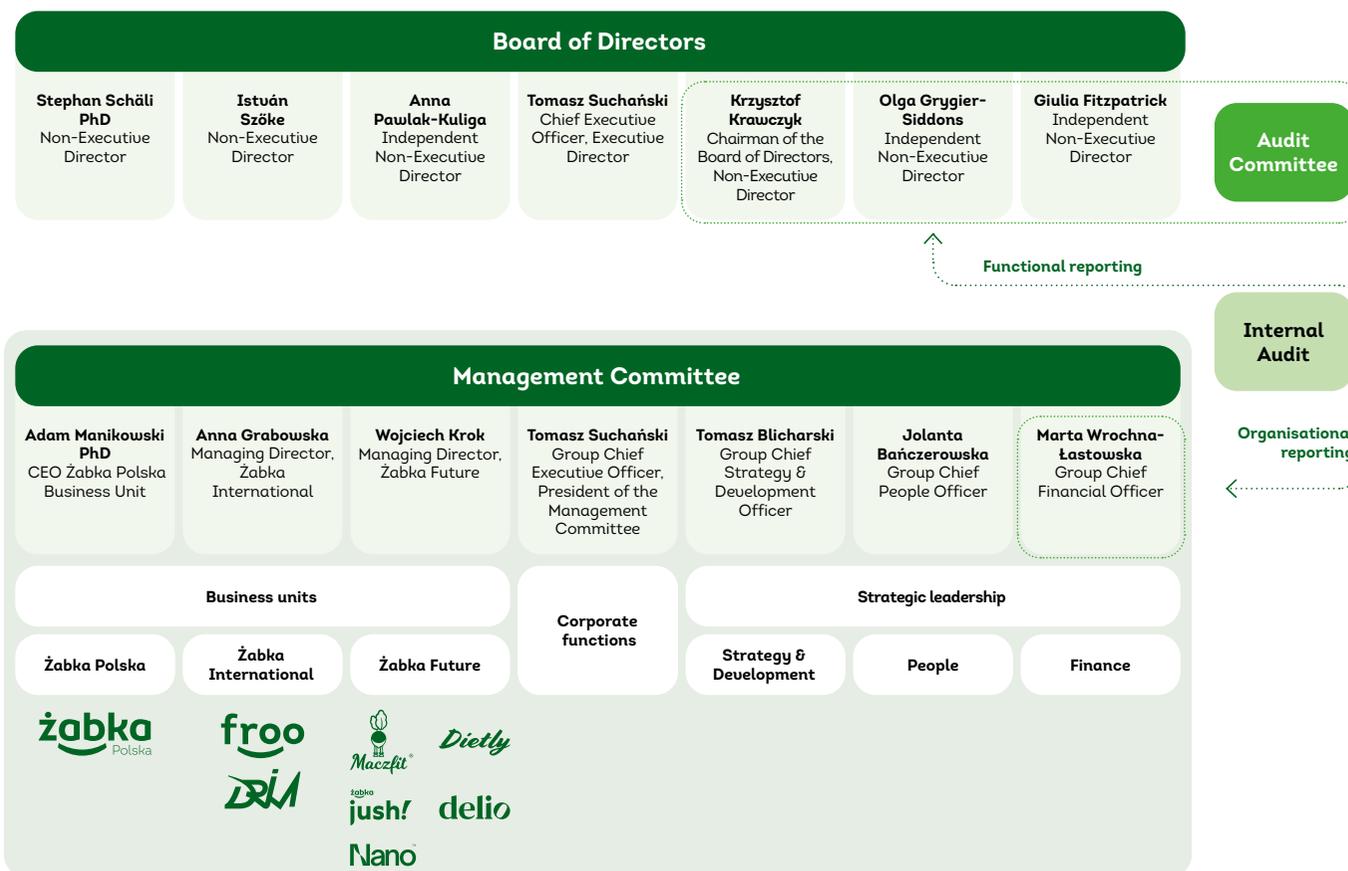
## Group structure and leadership team

The management of the Company is vested in the Board of Directors and the Management Committee, with the Board of Directors having exclusive powers to decide on the general strategy of the Company and on any other matters reserved to the Board of Directors pursuant to Luxembourg law and the Articles of Association.

The largest business units within the Group are **Żabka Polska**, **Żabka International** and **Żabka Future**. Within the organisational structure of the Żabka Group, there is also the area of **Strategy and Corporate Functions**, which includes: Strategy and Development (incl. ESG & climate-related matters), People Strategy and Financial Strategy (incl. ESG reporting), led by the relevant members of the Management Committee, and the Corporate Functions area.

**Żabka Polska** manages Żabka stores and teams related to the operation of the chain, from expansion, adaptation and supply chain, to assortment and communication. **Żabka International** is responsible for development of new markets and implementation of the foreign expansion strategy. **Żabka Future** is responsible for accelerating the creation of a digital convenience ecosystem with synergies between its parts and ensuring optimal technology for the multi-directional development of Group. The **Strategy and Corporate Functions** area is comprised of teams responsible for **Strategy and Development**, **People Strategy** and **Financial Strategy**. This area is also responsible for coordination of the Legal and Corporate Departments and day-to-day administrative matters.

The Group comprises the Company (Żabka Group SA, the parent entity), Żabka Polska and Żabka International, being wholly and directly controlled by the Company, 21 subsidiaries indirectly controlled (through Żabka Polska and Żabka International) by the Company and one entity indirectly jointly controlled by the Company, accounted for as a joint venture.



With the objective of further strengthening corporate governance standards, three dedicated committees were established within the Group's largest subsidiary, which accounts for approximately 94% of consolidated revenues. The **Risk and Compliance Committee** oversees adherence to best practices in risk management and regulatory compliance, while the **ESG Committee** ensures alignment with the sustainability agenda. In addition, the **Value Creation Plan Committee** supports the effective and efficient execution of the business strategy.

## Board of Directors

### [GOV-1]

The Board of Directors of Zabka Group SA consists of appointed professionals with a range of diverse experiences and competences that contribute its unique and competitive edge.

Directors are appointed by the General Shareholders' Meeting for up to six years (currently the term of office is one year), with the possibility of re-election. They can be removed at any time by a resolution of the shareholders. If a Director vacates their position, the remaining Directors can provisionally fill the vacancy until the next General Meeting, where the appointment may be confirmed to complete the original term.

The Board of Directors has the power to take any and all actions necessary, appropriate, convenient or deemed fit to implement the corporate objects of the Company, with the exception of those reserved to the General Meeting by the laws in Luxembourg or the Articles of Association. The primary role of the Board of Directors is to determine the Group's overall strategy. To this end, the Board of Directors has delegated its management powers to a Management Committee. Such delegation does not include the general strategy of the Company or any other acts that are reserved to the Board of Directors pursuant to Luxembourg law and the reserved matters under the Articles of Association. The Board of Directors is entrusted with the supervision of the Management Committee.

The Board of Directors consists of seven Directors, including one Executive Director and six Non-Executive Directors. Of the Non-Executive Directors, three meet the independence criteria. The gender balance on the Board of Directors is 57% men and 43% women.

In 2025, the Board further advanced the principles of the Zabka Group's Diversity, Equity and Inclusion Policy, reinforcing an inclusive culture and equal opportunities across the organisation. The Board regards diversity as a strategic asset and seeks to ensure that key corporate bodies combine deep experience with new perspectives.

Based on this conviction, in 2025, the composition of the Board of Directors was expanded by one seat following the appointment of Ms. Anna Pawlak-Kuliga as an Independent Non-Executive Director by the Company's General Meeting on 17 June 2025. The appointment of Ms. Anna Pawlak-Kuliga to the Board of Directors ensured an even greater level of independence of the Board, providing increased comfort to minority shareholders and other stakeholders of the Group. Moreover, in light of Ms. Anna Pawlak-Kuliga's unique and extensive experience in the retail sector, the Board of Directors gained strengthened competences in an area that significantly overlaps with the Group's core business. Expanding the Board of Directors to an odd number of seven members may further support the development of positions and the making of decisions based on diverse opinions and perspectives, while also enhancing the legitimacy of the decision-making process by involving a larger number of Directors. Apart from this appointment, the composition of the Board of Directors did not change in 2025.

### Actions in 2025

In 2025 the Board of Directors carried out its duties across a number of scheduled Board meetings and additional meetings. The meeting agenda's covered the following topics:

- » reviewing materials and conducting discussions with members of the Group's key personnel and representatives of external advisors cooperating with the Group, concerning ongoing matters related to the Group's operations, in particular becoming acquainted with information on:

- » progress in achieving objectives and assumptions in core business units,
- » the implementation of projects and investments,
- » foreign expansion,
- » the financial situation and results achieved, and
- » investor relations;
- » making decisions regarding the implementation of key projects for the Company, such as the issuance of bonds, the launch of a share buy-back programme for the purposes of implementing a long-term incentive programme, or the issuance of the Company's shares for the purposes of implementing the IPO Share Award programme;
- » updating the Company's strategy through the adoption of a capital allocation policy providing guidance for the Board of Directors to recommend the payment of dividends by the Company and;
- » adopting resolutions on matters reserved to the competence of the Board of Directors in accordance with the provisions of the Company's Articles of Association.

Meetings of the Board of Directors were held at the Company's registered office in Luxembourg, with the exception of the meeting held on 22 July 2025, which took place in Bucharest, and the meeting held on 24 September 2025, which took place in Warsaw.

Board of Directors 2025	19 Feb	23 Mar	12 May	22 Jul	24 Sep	28 Oct	9 Dec
Tomasz Suchański	✓	✓	✓	✓	✓	✓	✓
Krzysztof Krawczyk	✓	✓	✓	✓	✓	✓	✓
István Szóke	✓	✓	✓	✓	✓	✓	✓
Stephan Scháli PhD	✓	✓	✓	✓	✓	✓	✓
Giulia Fitzpatrick	✓	✓	✓	✓	✓	✓	✓
Olga Grygier-Siddons	✓	✓	✓	✓	✓	✓	✓
Anna Pawlak-Kuliga*				✓	✓	✓	✓

\* Anna Pawlak-Kuliga's first BoD meeting was on 22 July 2025.

## Members of the Board of Directors

### Committee member

**A** Audit Committee



**Tomasz Suchański**   
Group Chief Executive Officer, Executive Director

#### Current appointments:

- » Chief Executive Officer (appointed: 20 June 2024) and Executive Director of Żabka Group SA (appointed: 3 May 2024)
- » President of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » President of the Management Board of Żabka Polska (appointed: 1 March 2016)

#### External appointments:

- » Member of the Board of Directors of Allegro (appointed: May 2023)

#### Prior experience:

- » Jeronimo Martins – Board member of JMP (8 years), Board Member of JMDiF (5 years), Deputy CFO of Jeronimo Martins Group (1 year), CEO of Biedronka (4 years), CFO of Biedronka (3 years), Regional Operational Director of Biedronka (2 years)
- » Recheio Cash&Carry Portugal – CFO (3 years)
- » Pingo Doce and Feira Nova – Reporting and Treasury Manager (1 year)
- » Jeronimo Martins Holding in Portugal – Financial Manager (2 years)

#### Skills and competences:

- » Strategic leadership retail
- » Financial management of wholesale chains



**Krzysztof Krawczyk**   
Chairman of the Board of Directors, Non-Executive Director **A**

#### Current appointments:

- » Chairman of the Board of Directors (appointed: 20 June 2024) and Non-Executive Director of Żabka Group SA (appointed: 3 May 2024)
- » Member of the Audit Committee of Żabka Group (appointed: 30 September 2024)

#### Prior roles with the Żabka Group:

- » President of the Supervisory Board of Żabka Polska (appointed: 18 April 2017)

#### External appointments:

- » Partner at CVC Capital Partners (appointed: September 2015)
- » Board member of TVN Foundation (appointed: December 2022)
- » Member of Polish Business Roundtable (since 2019) and member of the Foundation Council of the Polish Business Roundtable (appointed: June 2023)

#### Prior experience:

- » Innova Capital – Managing Partner (9 years), Managing Director (3 years), Director (3 years)
- » Pioneer Investment (3 years)
- » Daiwa Institute of Research (1 year)

#### Skills and competences:

- » Capital markets and PE retail
- » Executive leadership building
- » Growth and change management
- » Strategy and business development
- » Corporate finance and financial structuring
- » Deep expertise in retail and FMCG
- » Operational, commercial and strategic drivers



**István Szőke**     
Non-Executive Director

#### Current appointments:

- » Member of the Board of Directors and Non-Executive Director of Żabka Group SA (appointed: 3 May 2024)

#### Prior roles with Żabka Group:

- » Member of the Supervisory Board of Żabka Polska (appointed: 18 April 2017)

#### External appointments:

- » Managing Partner at CVC Capital Partners (appointed: April 2008)

#### Prior experience:

- » Advent International – Partner (9 years)
- » Eastern Heritage Capital – Founding Managing Partner (2 years)

#### Skills and competencies:

- » Capital markets and PE
- » Executive leadership building
- » Growth and change management
- » Strategy and business development
- » Corporate finance and financial structuring



**Stephan Schäli PhD**   
Non-Executive Director

#### Current appointments:

- » Member of the Board of Directors and Non-Executive Director of Żabka Group SA (appointed: 3 May 2024)

#### Prior roles with the Żabka Group:

- » Member of the Supervisory Board of Żabka Polska (appointed: 16 December 2020)

#### External appointments:

- » Chief Investment Officer of Partners Group (appointed: June 2017)
- » Member of the Global Executive Board of Partners Group (appointed: June 2017)
- » Deputy Chairman of the Global Investment Committee at Partners Group (appointed: July 2017), Chairman of the Global Portfolio Committee at Partners Group (appointed: January 2014)

#### Prior experience:

- » Partners Group – Head of Private Equity (9 years)
- » Partners Group – Head of Private Equity Secondaries (9 years)
- » Goldman Sachs & Co – Private Client Services (3 months)
- » UBS – Private Banking (2 years)

#### Skills and competences:

- » Private equity
- » Business building
- » People leadership

Members of the Board of Directors continued



**Giulia Fitzpatrick**   
Independent  
Non-Executive Director 

**Current appointments:**

- » Member of the Board of Directors and Independent Non-Executive Director of Zabka Group SA (appointed: 3 May 2024)
- » Member of the Audit Committee of Żabka Group (appointed: 30 September 2024)
- » Member of the Board of Directors of Bank of America Securities Europe, S.A. (appointed September 2025)
- » Member of the Audit Committee of Bank of America Securities Europe, S.A. (appointed December 2025)

**Prior roles with the Żabka Group:**

- » Member of the Supervisory Board of Żabka Polska (appointed: 21 November 2022)

**External appointments:**

- » Member of the Board of Directors of Worldline S.A. (appointed: November 2018) and CSR Committee of Worldline S.A. (appointed: January 2019)
- » Chairperson of the Nominations Committee, Member of Remunerations Committee of Worldline S.A. (appointed: June 2024)

**Prior experience:**

- » Quintet Private Bank AG – various positions in the Board, incl. Chair (5 years)
- » Member of the Board of Directors of PostFinance AG (6 years)
- » Chairperson of the Board IT and Digitalization Committee of PostFinance AG (6 years)
- » Merrill Lynch – Director (8 years),
- » Bunge Ltd – Director (3 years),
- » UBS – Managing Director (7 years)

**Skills and competencies:**

- » Leading organisations in complex and fast-changing international environments across the US, Europe, Asia and South America
- » Technology, risk management, finance and operations with a focus on data, digital and innovation



**Olga Grygier-Siddons**   
Independent  
Non-Executive Director 

**Current appointments:**

- » Member of the Board of Directors and Independent Non-Executive Director of Zabka Group SA (appointed: 3 May 2024)
- » Audit Committee Chairperson of Żabka Group (appointed: 30 September 2024)

**Prior roles with the Żabka Group:**

- » Member of the Supervisory Board of Żabka Polska (appointed: 21 November 2022)

**External appointments:**

- » Member of the Supervisory Board of Millennium Bank (appointed: March 2021) and Chairperson of the Supervisory Board of Millennium Bank (appointed: 2025)

**Prior experience:**

- » PwC – Chief Executive Officer of Central and Eastern Europe and Member of the Global Strategy Council (4 years), Managing Partner in Poland and the Baltics (5 years)

**Skills and competencies:**

- » Professional advisory on transformation, M&A, strategy, leadership and talent development
- » Finance and risk management leader with board-level oversight and high-impact advisory expertise



**Anna Pawlak-Kuliga**   
Independent  
Non-Executive Director

**Current appointments:**

- » Member of the Board of Directors and Independent Non-Executive Director of Zabka Group SA (appointed: 17 June 2025)

**External appointments:**

- » President International at Avis Budget Group (Fortune 500), responsible for overall leadership of company's regions of Europe, Middle East, Africa, Asia, Australia and New Zealand.
- » Supervisory board member at Netguru S.A.
- » Member of the Program Council of the UN Global Compact and the Executive Education Advisory Board at Kozminski University

**Prior experience:**

- » Global CFO at IKEA Retail
- » CEO and President of IKEA Group China
- » CEO of IKEA Poland
- » Member of the Executive Committee of the European Union Chamber of Commerce in China

**Skills and competencies:**

- » Leading transformations on global level in customer segment and mobility sector
- » Digital and operational restructuring, and global expansion.
- » Finance
- » Leadership and succession
- » Transformation, global markets, digitalisation, finance, leadership

**Committee member**

 Audit Committee

**Board of Directors composition**

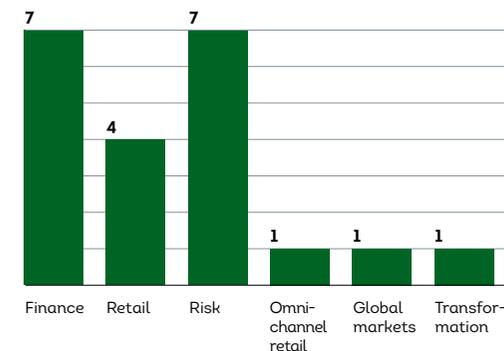
**Board gender**



**Board age**



**Core relevant experience**



## Management Committee

The Management Committee of Żabka Group oversees daily operations and provides strategic direction. Its primary functions include setting overall goals and objectives and formulating policies to achieve these goals.

**Management Committee, led by Tomasz Suchański** (President of the Management Committee) and has six other members: Tomasz Blicharski, Adam Manikowski, Anna Grabowska, Wojciech Krok, Jolanta Bańczerowska and Marta Wrochna-Łastowska.

Each Management Committee member supervises a major business line or corporate function, fostering synergy within the Żabka Group.

The Management Committee is committed to developing a unique ecosystem of convenience solutions for the Żabka Group. The Management Committee's areas of operation are divided into three key pillars – business units, strategic leadership and corporate functions – each of which plays a crucial role in the Company's activities.

The Żabka Group operates efficiently with three core business units: Żabka Polska, Żabka International and Żabka Future.

**Żabka Polska, managed by Adam Manikowski**, focuses on expanding the modern convenience sector and is responsible for commercial and operational activities, store network development, and logistics. Żabka Polska also oversees the expansion process, trade and marketing activities, and store operations, including franchisee cooperation.

**Żabka International, led by Anna Grabowska**, focuses on developing new markets and international expansion strategies. This unit aims to extend Żabka's footprint beyond its existing markets and explore new growth opportunities in new markets.

**Żabka Future, managed by Wojciech Krok**, oversees the Group's eGrocery and direct-to-consumer (D2C) meal solutions business. It is also responsible for the development of the Żabka Nano network and AI-driven technology tools that support Żabka Polska and other Group processes.

The Group's Strategic Leadership comprises three units: Strategy & Development, People and Finance, each playing a crucial role in governing the entire business and defining its strategic direction.

**The Strategy & Development unit, led by Tomasz Blicharski**, is responsible for formulating and executing the Group's strategy across all operations. This includes identifying growth opportunities, developing innovative concepts, executing acquisitions both domestically and internationally, and managing the sustainability agenda in alignment with the ESG Framework.

**The People unit, managed by Jolanta Bańczerowska**, focuses on people strategy, corporate culture, performance systems, recruitment, development and central HR functions. This unit ensures Żabka attracts and retains top talent while fostering a culture of learning, continuous development, performance and equality.

**The Finance unit, led by Marta Wrochna-Łastowska**, manages the Żabka Group's finances, controlling, and risk management as well as financial and non-financial reporting. This unit ensures financial stability and accountability, crucial for the Group's sustainable growth.

The remaining operations lie with **Corporate Functions** and include other activities relevant to the business units and the Strategic Leadership but not allocated to these areas.

Management believes that its people are key drivers of growth and success. Żabka promotes a culture of learning, continuous development, performance and equality. The Group has built an innovative team by recruiting individuals with disruptive mindsets and global experience. This approach allows Żabka to apply global best practices to its physical and digital offerings, maintaining its competitive edge and continuing its trajectory of growth and innovation in the convenience retail sector.

The Management Committee carries out the Group's day-to-day business operations based on the authority delegated by the Board of Directors.

Management Committee, in its full composition, participates in every Board of Directors meeting, provides an in-depth business update and facilitates decision making on matters of strategic importance to the Group.

## Members of the Management Committee



**Tomasz Suchański** 🇵🇱  
Group CEO, President of the Management Committee

### Current appointments:

- » Chief Executive Officer (appointed: 20 June 2024) and Executive Director of Żabka Group SA (appointed: 3 May 2024)
- » President of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » President of the Management Board of Żabka Polska (appointed: 1 March 2016)

### External appointments:

- » Member of the Board of Directors of Allegro (appointed: May 2023)

### Prior experience:

- » Jeronimo Martins – Board Member of JMP (8 years), Board Member of JMDiF (5 years), Deputy CFO of Jeronimo Martins Group (1 year), CEO of Biedronka (4 years), CFO of Biedronka (3 years), Regional Operational Director of Biedronka (2 years)
- » Recheio Cash&Carry Portugal – CFO (3 years)
- » Pingo Doce and Feira Nova – Reporting and Treasury Manager (1 year)
- » Jeronimo Martins Holding in Portugal – Financial Manager (2 years)

### Skills and competencies:

- » Strategic leadership retail
- » Finance management of wholesale chains



**Tomasz Blicharski** 🇵🇱  
Group Chief Strategy & Development Officer

### Current appointments:

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Executive Vice President of the Management Board of Żabka Polska (appointed: 9 April 2015)

### Prior roles within Żabka Group:

- » Żabka Future – Managing Director (2021-2024)
- » Chief Financial & Development Officer (2017-2021)
- » Chief Financial Officer (2015-2017)

### External appointments:

- » ABN Amro – Investment Banker (2 years)
- » Mid-Europa Partners – Investor (8 years)

### Responsibilities:

- » Developing and implementing Group's strategy in every area of its operations
- » Responsibility for Value Creation Plan, Sustainability (ESG) Framework & Strategy, mergers & acquisitions and investor relations

### Skills and competencies:

- » Researching, creating and developing new business areas and technological solutions
- » Strategic vision
- » Business development and integration
- » Investment banking and finance
- » Shaping sustainability (ESG) strategy and implementation



**Adam Manikowski PhD** 🇵🇱  
CEO of Żabka Polska Business Unit

### Current appointments:

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Executive Vice President of the Management Board of Żabka Polska (appointed: 13 June 2018)

### Prior experience:

- » Walmart Canada – Executive Vice President of Marketing (1 year)
- » Tesco – reaching Board member position (4 years)
- » Jeronimo Martins – Chief Marketing Officer (9 years)

### Responsibilities:

- » Physical retail
- » Expansion through adaptation
- » Supply chain and assortment
- » Franchise communication
- » Customer engagement
- » Full responsibility for the P&L of Żabka Polska

### Skills and competencies:

- » Development of the retail chain
- » Marketing strategy
- » Store operations across formats and geographies
- » Physical and digital retail strategy



**Anna Grabowska** 🇵🇱  
Managing Director, Żabka International

### Current appointments:

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Executive Vice President of the Management Board of Żabka Polska (appointed: 1 April 2016)

### Prior roles within Żabka Group:

- » Żabka Polska – Customer Strategy & ESG Director (2021-2024), Chief Commercial Officer (2016-2021)

### Prior experience:

- » Tesco Polska – Vice President of the Management Board for Commercial Affairs (4 years), Commercial Director (5 years)
- » Tesco PLC Central Europe – Commercial Director, Grocery Food (1 year)

### Responsibilities:

- » Development and implementation of international expansion strategy
- » Supervision of new markets entry
- » Route to market, business set-up and business development
- » Leading people and managing cross-countries teams

### Skills and competencies:

- » Developing and executing retail business strategy
- » Building consumer, commercial and brands strategy, incl. assortment, promo and pricing
- » Shaping Sustainability (ESG) Strategy and Implementation
- » Transformation of the retail chain
- » Communication with customers and marketing
- » New products and own-brands development

Members of the Management Committee continued



**Wojciech Krok**   
Managing Director,  
Żabka Future

**Current appointments:**

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Member of the Management Board of Żabka Polska (appointed: 1 February 2024)

**Prior roles within Żabka Group:**

- » Żabka Digital – Managing Director (2023-2024)
- » Lite – Chief Executive Officer (2021-2024)

**Prior experience:**

- » McKinsey & Company – Digital, reaching Partner position; including leadership of the Digital practice and QuantumBlack (12 years)

**Responsibilities:**

- » Accelerating the creation of a digital convenience ecosystem
- » Ensuring optimal technology for the multidirectional development of the Group

**Skills and competencies:**

- » Business strategy
- » New digital services
- » Implementation of solutions based on artificial intelligence and data management
- » Use of technology in the commercial area



**Jolanta Bańcerowska**   
Group Chief People Officer

**Current appointments:**

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Member of the Management Board of Żabka Polska (appointed: 17 April 2020)

**Prior roles within Żabka Group:**

- » Żabka Polska – HR Director (2016-2020)

**Prior experience:**

- » Wrigley – HR Director Supply Chain, Europe (3 years), HR Director North Central Europe (5 years)

**Responsibilities:**

- » Developing and implementing Group People Strategy
- » Fulfilling the role of the Company culture guardian
- » Managing Żabka Service Centre

**Skills and competencies:**

- » People management
- » Implementation of organisational changes
- » Organisational streamlining
- » Development of the Company culture



**Marta Wrochna-Łastowska**   
Group Chief Financial Officer

**Current appointments:**

- » Member of the Management Committee of Żabka Group SA (appointed: 20 June 2024)
- » Member of the Management Board of Żabka Polska (appointed: 1 January 2021)

**Prior roles within Żabka Group:**

- » Żabka Polska – Financial Director (2018-2020)

**Prior experience:**

- » Ernst & Young – Corporate Finance, reaching Associate Partner position (12 years)

**Responsibilities:**

- » Internal and external financial and sustainability reporting
- » Financial budgeting and control
- » Corporate treasury and financing
- » Internal audit
- » Risk management including ESG and climate-related risks

**Skills and competencies:**

- » Transaction advisory in the field of business combinations and restructuring advisory
- » Experience in financial auditing, including the audit of financial statements
- » Analysis of control mechanisms and internal processes
- » ACCA

## Management Committee composition

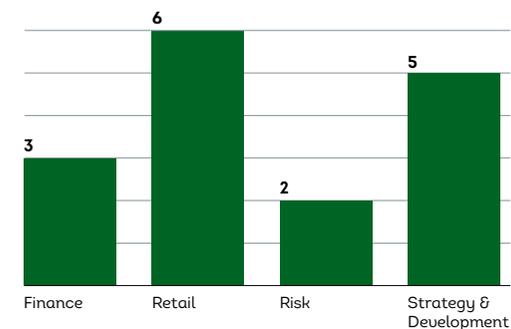
### Management committee gender



### Management committee age



### Core relevant experience



## Audit Committee and internal audit

### Audit Committee

The Audit Committee (the Committee) plays an important role in upholding the integrity and transparency of the Company's financial operations. The Committee, established on 30 September 2024 and chaired by Olga Grygier-Siddons (the Chairperson of the Audit Committee) together with Giulia Fitzpatrick and Krzysztof Krawczyk, is essential for mitigating risks and ensuring compliance with legal and financial and non-financial reporting standards. By fulfilling its responsibilities, the Audit Committee aids the Board of Directors in effectively managing the Company, ensuring that all financial processes adhere to the highest standards.

The Committee meets at least four times a year, with a schedule set by its Chairperson. This regular meeting schedule ensures that the Committee can effectively perform its duties, particularly in reviewing financial documents at the end of the fiscal year.

One of the primary responsibilities of the Committee is overseeing the accuracy of financial and non-financial statements and regularly reporting the Committee's activities to the Board of Directors. The ESG results of the entire Group, as calculated by using collected data, are presented to the Board of Directors at least twice a year. The oversight of financial and non-financial statements involves evaluating the effectiveness of internal control, risk management and internal audit systems. The Committee also recommends the appointment, compensation, retention and oversight of external auditors, assesses their independence and fulfils other duties required by relevant laws and regulations, including those pertaining to the regulated market where the Company's shares are listed.

Furthermore, the Audit Committee's responsibilities include monitoring the effectiveness of the Group's internal controls, risk management and compliance systems, particularly concerning financial reporting. It ensures an annual assessment of emerging and principal risks facing the Company, oversees current and prospective risks, and the Company's strategy for handling them. The Committee periodically reviews the Group's risk management framework and processes, annually reviews procedures for detecting fraud, examines systems and controls for ethical behaviour and the prevention of bribery, and receives reports on non-compliance. The Committee also considers matters requested by the Board of Directors.

The Committee also ensures that the Company adheres to ethical standards and legal requirements. This includes reviewing and improving systems to detect and prevent fraud and unethical behaviour. The Committee's work is crucial in fostering a culture of transparency and accountability within the Company, boosting the confidence of shareholders and stakeholders. Through diligent oversight and proactive management, the Committee helps protect the Company's assets and reputation, ensuring long-term sustainability and success. Additionally, the Committee ensures the independence of auditors, informs the Board of Directors about audit outcomes and develops policies for selecting the audit firm. It also supports the Board by overseeing the integrity of financial and non-financial statements, the latter prepared in compliance with CSRD.

### Actions in 2025

In 2025, six meetings of the Committee were held. All these meetings took place at the Company's registered office in Luxembourg, with the exception of one meeting held on 21 July 2025, which took place in Bucharest. The key objectives of these meetings included:

- » reviewing and discussing standalone and consolidated periodic financial statements and annual and quarterly results of the Company and the Group;
- » acknowledging topics selected for the ESG reporting;
- » acknowledging and discussing the internal control, internal audit, enterprise risk management review, ESG and the IT and cyber security reviews conducted within the Group;
- » acknowledging and discussing legal, tax, compliance and corporate governance updates;
- » discussing the internal audit plan for 2026 and the execution of the internal audit plan for 2025;
- » discussing a calendar of the Audit Committee meetings in 2026.

Audit Committee 2025	19 Feb	20 Mar	12 May	21 Jul	8 Oct	8 Dec
Krzysztof Krawczyk	✓		✓		✓	✓
Giulia Fitzpatrick	✓	✓	✓	✓	✓	✓
Olga Grygier-Siddons	✓	✓	✓	✓	✓	✓

The average attendance rate was 89%.

## Internal Audit

The Internal Audit Department (Internal Audit) aims to ensure a single, consistent and efficient approach to internal audits within the Group. This approach is necessary to ensure that the internal audit achieves its objective of adding value and improving the Group's operations.

The primary role of Internal Audit is to assist the Board and Management Committee to protect the assets, reputation and sustainability of the Group. The Chief Audit Executive reports functionally to the chairperson of the Audit Committee and organisationally to the CFO. Internal Audit activities are governed by the charter and are performed in accordance with the Internal Audit Procedure.

The Annual Internal Audit Plan is prepared based on the results of the risk assessment process, which includes the key risks identified through the Enterprise Risk Management process and input from management. The Internal Audit plan is approved by the Audit Committee and the Chief Audit Executive provides regular updates to the Audit Committee on the progress of the plan's execution.

Internal Audit assesses whether all significant risks are identified and appropriately reported by management to the Board and executive management as well as whether they are adequately controlled. It challenges executive management to improve the effectiveness of governance, risk management and internal controls.

The Board, Audit Committee and executive management shape the right approach to ensure support for, and acceptance of, Internal Audit at all levels of the organisation.

As part of its remit Internal Audit monitors and tests the system of internal controls over financial reporting, evaluating the design and effectiveness of controls and reporting the results to the Audit Committee as well as Risk & Compliance Committee functioning at Żabka Polska (not at Board of Directors level).

## Information about the statutory auditor of the Company

The Company's statutory auditor (réviseur d'entreprises agréé) is Ernst & Young Société anonyme with its registered office at 35E, Avenue John F. Kennedy, L - 1855 Luxembourg, R.C.S. Luxembourg B47771 ("E&Y").

E&Y is a reputable audit firm with an international footprint and extensive experience in auditing the financial statements of publicly listed companies and their capital groups with complex structures and cross-border operations, such as the Żabka Group. The E&Y team dedicated to serving the Żabka Group is characterised by a high level of professional competence and meets all independence requirements. The cooperation to date between E&Y and the Żabka Group has ensured a strong understanding by the auditor of the Group's business environment and operations, which results in a tailored approach to the audit procedures performed. The combination of these factors guarantees the high quality of the substantive assessments contained in their audit reports on the Group's financial statements.

On 17 June 2025, following the recommendation of the Audit Committee submitted to the Board of Directors and the Board of Directors' proposal based on this recommendation, which was submitted to the Company's General Meeting, the Annual General Meeting of the Company resolved to approve the renewal of the mandate

of E&Y as a statutory auditor of the Company (réviseur d'entreprises agréé) to audit the accounts of the Company and the Consolidated Financial Statements of the Company and its subsidiary undertakings until the Annual General Meeting of the shareholders of the Company approving the annual accounts for the financial year ending on 31 December 2025.

Ernst & Young Société anonyme – Cabinet de révision agréé is a member of the Institute of Registered Auditors (Institut des Réviseurs d'Entreprises), which is the Luxembourg member of the International Federation of Accountants, and is registered in the public register of approved audit firms held by the Commission de Surveillance du Secteur Financier as the competent authority for public oversight of approved statutory auditors and audit firms.

Table below presents detailed information regarding the remuneration of the Company's statutory auditor in 2025 and in 2024 (in thousands of PLN).

	2025	2024
Statutory annual audit	4,919	4,198
Half-year reviews	1,030	2,856
Other non-audit services	208	3,209
<b>Auditor's remuneration</b>	<b>6,157</b>	<b>10,263</b>

Other non-audit services included mainly other assurance services related to IPO (before the Group was listed in 2024) and Limited Assurance Report on CSRD Reporting.

## Risk management

### Enterprise Risk Management overview

As well as defining all methods for managing risk at Žabka Group, our Enterprise Risk Management model aligns with our strategy, planning and business objectives to reflect our needs and expectations. Our risk-management system is operated by the governing bodies of the Group companies: the Audit Committee, the Risk and Compliance Committee, the Chief Audit Executive, the Risk Officer and all employees of the Group. This system covers all activities of the Management Committee and the Board of Directors and our employees. This has widely increased our awareness of the risks we face and enabled us to respond to reduce their likelihood and impact.

Our Risk and Compliance Committee (comprising of Group CFO, Group CEO, Group CPO, Chief Audit Executive, Legal & Compliance Director and Risk Officer) meets at least once a quarter to discuss key risks and audit and compliance issues arising in the Group. Depending on the time horizon we divide risks into operational ones (evaluated over the next 12-18 months) and strategic ones (evaluated over the next 36 months). Strategic risks are also presented to and discussed with the Audit Committee at least once a year.

We distinguish between two areas of risk relating to our business activities: strategic and area-specific. Our Risk Management process is based on five pillars – risk identification, risk assessment, risk appetite, creation of action plans and finally risk monitoring and reporting.

### Our risk management process is based on five pillars

	Main activities	Main roles in risk management
	We identify risks through an ongoing process, based on changes in the business environment, incident analysis and periodical risk workshops. Each risk is assigned a risk owner working in a specific business unit.	Members of the Management Committee are accountable.  Business area owners are responsible.  The Risk Officer and risk owners are consulted. The Risk Officer facilitates the process and updates the risk register.
	We estimate every risk, taking into account as much information as is reasonable, for example – our quality control measures (including key risk indicators), the likely impact on our financial performance and the consequence of previous incidents.	Members of the Management Committee are accountable.  Business area owners are responsible.  The Risk Officer and risk owners are consulted. The Risk Officer challenges the risk owners by providing adequate data and updates the risk register.
	Our risk assessment process provides us with relevant information about each risk, on the basis of which we define our risk appetite.	Members of the Management Committee are accountable.  Business area owners, risk owners and the Risk Officer also are consulted.
	We create specific action plans to address and mitigate the risks identified as most material by the Management Board and business area owners.	Members of the Management Committee and business area owners are accountable.  Risk owners are responsible. The Risk Officer is consulted and facilitates the process.
	Risk owners oversee delivery of mitigation plans, working with the Risk Officer to regularly assess and verify mitigation activities.  Risk status is reported to all stakeholders including the Management Board, the Board of Directors and the Risk and Compliance Committee.	Risk owners are responsible for determining how risks are monitored and may delegate monitoring activities to members of their teams.  The Risk Officer is responsible for risk reporting and communication.



## Internal controls

We have established a robust system of internal control every year. The design and effectiveness of our internal controls are assessed (annually) by our audit function and the results are presented to our **Board Audit Committee** and **Management Risk & Compliance committee**. Identified and assessed risks are assigned to the risk owners, who take them into consideration by budgeting process and making decisions about new projects and actions.

## Strategic risk evaluation and prioritisation

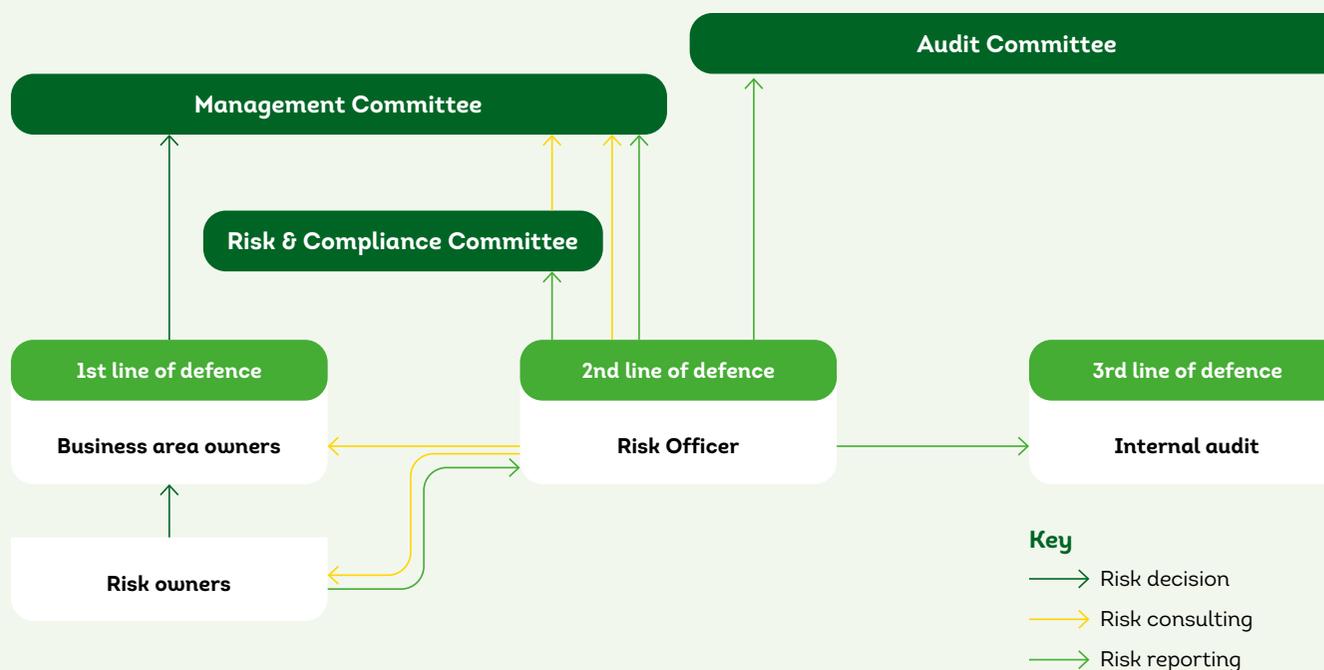
We regularly evaluate risks in line with our Risk Management Procedure, which ensures a consistent and effective approach to risk assessment and prioritisation. Our risk assessment is based on impact evaluation (both financial and non-financial results) according to accepted assumptions and probability measures. The risks with the most tangible impact on our goals and the highest probability are prioritised as the Top Risks.

## Periodic reporting

Identified emerging risks are reported to senior management as they arise and quarterly to our Risk & Compliance Committee. At least once a year we report the results of our risk management and internal control processes to the Management Committee and **Board Audit Committee**, so they can evaluate the effectiveness of our risk management system.

Very high	Average	Average	Very high	Very high	Very high
	Low	Average	High	Very high	Very high
Probability	Low	Average	Average	High	Very high
	Low	Low	Average	Average	High
Negligible	Low	Low	Average	Average	High
	Negligible				Very large
	Impacts				

## Risk management participation in the Group three lines of defence model



## Strategic and operational risks overview

Our principal risks are those that can most seriously affect our strategic objectives.

Strategic risk	Risk description	Impact	Actions
<p><b>Development of new business activities (including acquisitions and international expansion)</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The Group may not successfully develop and increase the scale of its operations or achieve satisfactory profitability in respect of such parts of its ecosystem, such as eGrocery, autonomous shops or international expansion – especially given the early stage of the development of certain projects, the high degree of innovation required and the Group's limited track record in these new segments.</p> <p>Additionally, the Group may face challenges in integrating acquired businesses or may be unable to successfully pursue acquisitions due to one or more of the factors mentioned below. One such factor may be difficulties in implementing corporate governance in acquired businesses. These difficulties may also constitute obstacles to integration or result in a failure to realise the anticipated benefits or synergies of a transaction.</p> <p>The Company cannot exclude the possibility that not all issues or liabilities are identified during the due diligence phase. Further risk factors include issues related to intellectual property, regulatory compliance, or accounting practices.</p> <p>The Company may also experience difficulties in retaining or recruiting management of an acquired business, as well as the potential loss of key employees, customers, and suppliers. Finally, the Group has taken into consideration its limited experience in new markets in which it has been expanding.</p>	<p>The Group could incur liabilities or expenses that prove to be larger than anticipated and an inability to generate sufficient growth in value. Finally, the Group could achieve lower than expected returns on investment.</p>	<p>» A Value Creation Plan is established for each new business concept, start-up, or acquired company, which is then monitored, and remediation actions are taken in the event of any deviations.</p> <p>» Implementation of our new business units structure, which improves the management of new business activities.</p> <p>Specific exemplary actions taken in 2025:</p> <p>» we continued our integration activities across the Group and created the right environment for the further development of Žabka Group entities;</p> <p>» we integrated business processes to build a value chain within the Group; and</p> <p>» the Shared Services Centre incorporated new processes from Žabka Group entities, including Froo, Žabka Pay, Izidrop, and Green Hive.</p>
	<p><b>Emerging risk factors:</b></p> <ul style="list-style-type: none"> <li>» More intensive actions and new activities taken by competitors in response to our DCO and Romanian businesses.</li> <li>» Macroeconomic and legal volatility of the Romanian market, including FX rates and tax tariffs.</li> </ul>		

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Acquisition of new franchisees and retaining engaged franchisees</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The Group may not be able to recruit and retain a sufficient number of franchisees to meet its organic growth targets. This could be caused by a range of factors, some of which are beyond the Group's control, including a deterioration in macroeconomic conditions, greater employment opportunities that make sole trading less attractive to potential and existing franchisees, market competition and changes in applicable law or tax regulations that increase the tax burdens of sole traders. In particular, a low unemployment rate may make it challenging for the Group to attract and keep high-quality professionals who would be interested in pursuing business opportunities as a franchisee.</p> <p><b>Emerging risk factors:</b> Franchisee's reaction to changes in the settlement as well as in invoice issuing caused by KSEF.*</p>	<p>The risk could limit the Group's future growth and ability to achieve its strategy, or negatively affect its profitability.</p>	<p>» An ongoing dialogue with franchisees to improve operational excellence.</p> <p>» Special financial and operational support at the start and for the first months of the new franchisee operation.</p> <p>» Dedicated training for new franchisees and a referral programme.</p> <p>» Flexibility and procedure adjustment to current business environment.</p> <p>Specific exemplary actions taken in 2025:</p> <p>» we developed projects and initiatives focused on both the acquisition and retention of franchisees;</p> <p>» we continued our referral programme, which resulted in the acquisition of over 1,500 new franchisees in 2025;</p> <p>» we developed the Franchise Ambassadors Programme, based on current franchisees sharing their experience of operating a Žabka store with prospective franchisees. The programme content was delivered via social media as well as through individual interviews upon request;</p> <p>» we continuously enhanced our IT tools supporting shop performance; for example in 2025, we expanded the number of services available in Cybermarket and Žabka Assistant. Consequently, store management by franchisees became easier and less time-consuming;</p> <p>» we provided opportunities for franchisees to develop their business knowledge and skills, for example through our successful Enterprise Academy, from which more than 500 franchisees have now graduated; and</p> <p>» we enabled franchisees to participate in the IPO Bonus Programme, allowing them to become Žabka shareholders under specific conditions.</p>

\* KSeF is an obligatory, national system of e-Invoices, intended for issuing, sending, receiving and storing structured invoices.

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Pressure on costs of franchising system</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The Group may face increasing pressure on margins realised by franchisees due to a further increase in the minimum wage (above the inflation rate), changes to the tax burden of franchisees (e.g. the "Polish Deal" legislation introduced in Poland in 2022, which contains certain provisions that are unfavourable for sole traders) or other macroeconomic conditions (for example a competitive labour market, low unemployment and high inflation).</p> <p><b>Emerging risk factors:</b> Franchisees' reaction to changes in the settlement system as well as invoice issuing caused by KSEF.</p>	<p>The Group may incur greater than expected expenditures, connected with the margins realised by the franchisees.</p>	<p>» Benchmarking of franchisees' revenue. » Automatisation and robotisation of franchisees' duties. » Changes in settlement system adequate to external factors.</p> <p>Specific exemplary actions taken in 2025:</p> <p>» We updated the settlement system with franchisees. We focused on reducing cost pressure while maintaining average franchisee profitability at a benchmark level. » We enhanced existing franchisee bonus schemes by strengthening their linkage to sales growth. » We implemented initiatives aimed at reducing store operating costs, including: development of a remote cash desk project, launch of a food service order management system and improvements to the price labelling process.</p>
<p><b>Reduced effectiveness in ESG objectives delivery</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The Group may fail to meet its ESG commitments, the solutions applied by the Group in the area of ESG may prove insufficient or costs of implementing of such solutions may be higher than expected. In addition, the Group may fail to adequately adjust to and comply with applicable ESG regulatory requirements (including in respect of circular economy requirements, which mandate the continuous reduction of the amount of primary materials used and increased reliance on recycling and reusing resources and materials, or to achieve food waste prevention goals) due to the lack of ready-to-implement solutions that would fit the Group's requirements and the scale of its operations. The Group also faces the risk of higher implementation costs in relation to such solutions.</p> <p><b>Emerging risk factors:</b> Change of EU agenda towards ESG requirements.</p>	<p>The Group could face additional costs or a lower reduction of interest margins in financing related to achieving its ESG targets. The Group's corporate reputation could also suffer.</p>	<p>» Monitoring of effectiveness of projects related to ESG Strategy. » Searching for adequate solutions and technologies for the Group ESG goals. » Testing new solutions before roll-out in the store network. » Monitoring and reporting of goals including ESG Committee appointments on regular basis.</p> <p>Specific exemplary actions taken in 2025:</p> <p>» We launched a new deposit return system in Żabka stores (read more on page 103). » We tested new solutions, in cooperation with mobile application providers, to reduce food waste in Żabka stores. » We launched more than 180 new products in the "good food" category, supporting the achievement of our ESG objectives. » We strengthened our logistics infrastructure by increasing the capacity of dedicated refrigerated transport, as well as by implementing energy-efficient solutions, including heat pumps and solar panels, at the newly acquired logistics centre.</p>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Expansion conditions in Poland and Romania</b></p> <p><b>Strategic pillar:</b></p> <p> <b>01 New store openings</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The successful implementation of the Group's expansion strategy depends on several factors, including the ability to locate and lease suitable real estate on commercially reasonable terms, the ability to attract new franchisees and maintain existing franchisees and the Group's third-party service providers.</p>	<p>Any impediments to the expansion strategy could have an effect on operational and financial performance.</p>	<ul style="list-style-type: none"> <li>» Monitoring of market trends in real estate sector.</li> <li>» Use of AI to analyse potential store locations, based on several hundred KPIs to measure potential for each one.</li> <li>» Regular meetings of investment committees to accept new locations.</li> <li>» Ongoing monitoring of stores' performance against KPIs after they open, to assess store performance.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we built a pipeline of signed lease agreements for several months ahead;</li> <li>» we worked on updating our approach to exploring uncovered areas in Poland (white spots; and</li> <li>» we updated our white space analysis in Romania based on new market information.</li> </ul>
<p><b>Market risk related unexpected client behaviour towards Żabka offer, changes in customer behaviour or changes in market environment</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Strategy &amp; Planning</p>	<p>The market in which the Group operates is highly competitive, in particular due to the presence and continued expansion of large, organised retail networks, including discount chains and other retailers (including Biedronka, Lidl, Auchan, Eurocash, Grupa Kapitałowa Specjal and Makro) as well as Quick Service Restaurant ("QSR") chains, and eGrocery and e-commerce providers.</p> <p>The market in which the Group operates is subject to changes in consumer trends, including preference for shopping in discount stores or supermarkets and demand for e-commerce and eGrocery solutions, as well as for greater convenience. Shifts in consumer preferences could result from changes in disposable income, the unemployment rate, the inflation rate or the social and political situation (such as war in Ukraine or elsewhere), for example.</p> <p><b>Emerging risk factors:</b> Macroeconomic volatility and geopolitical tensions impact on investment decisions and on consumers' spending.</p>	<p>This risk could negatively impact the Group's development, increase the scale of required operations and result in it failing to maintain its expected LFL growth or achieve satisfactory profits through specific projects. In addition, unexpected consumer behaviour could have a negative impact on the Group's cash flow.</p>	<ul style="list-style-type: none"> <li>» Regular monitoring of results of each product category and the implementation of action plans for underperforming categories.</li> <li>» Regular monitoring of market KPIs, for example NPS, with taking action if necessary.</li> <li>» New product and store solutions development.</li> <li>» Identification of potential growth areas.</li> <li>» Monitoring of competitors' actions.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we launched hundreds of new products from leading brands as well as own-label products, including the new sweet snacks brand "Good Mood";</li> <li>» we expanded our service offering by introducing a printing service and new payment solutions, including prepaid cards and gift cards;</li> <li>» we demonstrated that Żabka stores can also offer a family-friendly shopping experience by organising a customer lottery with large-sized mascot prizes; and</li> <li>» we strengthened Żabka's digital and virtual presence for customers (new offers and services in the Żabka app including gaming zone).</li> </ul>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Cyber attacks</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Operation &amp; Infrastructure</p>	<p>Although the Group takes steps to protect the security, integrity and confidentiality of the information it collects, stores or transmits, it regularly records attempts to break into its systems. The Group and its service providers might not have the resources or technical sophistication to anticipate or continue to prevent all types of attacks and techniques used to obtain unauthorised access to its systems.</p> <p><b>Emerging risk factors:</b> Using Large Language Models to optimise cyber attacks including automatic generation of malicious scripts, modifying existing malware code to make it compatible with new targets.</p>	<p>Any compromise or breach of the Group's cyber security measures, or those of its third-party service providers, could result in operational disruptions, the theft or destruction of data, including personal data, as well as commercial, financial and product information.</p>	<ul style="list-style-type: none"> <li>» Regular cyber security training and webinars for employees.</li> <li>» Constant IT network monitoring.</li> <li>» Anti-DDoS secure.</li> <li>» Penetration tests to check vulnerabilities of IT systems.</li> <li>» Patch policy and procedures.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we implemented a new integrated system to support cyber attacks detection; and</li> <li>» all employees were trained in cyber security procedures, and their awareness is regularly tested, particularly with regard to phishing attacks.</li> </ul>
<p><b>Data security and governance</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Operation &amp; Infrastructure</p>	<p>As the techniques used to obtain unauthorised access to or sabotage systems change frequently and may not be known until launched against the Group or the Group's third-party service providers, the Group may be unable to anticipate or implement adequate procedures and measures to protect against such attacks. In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by employees or by persons with whom the Group has commercial relationships.</p> <p><b>Emerging risk factors:</b> Weakness of data governance driven by AI including unintended data feeding AI models, causing inaccurate results, legal or policy breaches and privacy failures, and AI shadowing.</p>	<p>This risk could expose the Group to operational disruptions, the theft or destruction of data, including personal data, as well as commercial, financial and product information. This in turn could result in a violation of applicable privacy, data security and other laws, resulting in significant legal and financial consequences, as well as reputational damage.</p>	<ul style="list-style-type: none"> <li>» Implementation of Information Security Management System ISO 27001.</li> <li>» Development and implementation of appropriate procedures and instructions in the area of IT supplier management and purchasing of IT goods and services.</li> <li>» Implementation of IT tools supporting the management of data security.</li> <li>» IT identity management procedures.</li> <li>» IT change management procedures.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we implemented a new IT tool supporting ISMS processes, including data risk management;</li> <li>» we strengthened our identify management, duty separation and data governance procedures; and</li> <li>» our efforts were confirmed by recertification process for ISO 27001:2022.</li> </ul>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Disruption of IT systems in logistics or sales divisions</b></p> <p><b>Strategic pillars:</b></p> <p> <b>02 Like-for-like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Operation &amp; Infrastructure</p>	<p>The Group depends on its IT systems for the efficient functioning of its business, the effective management of risks and the optimisation of its product offerings, customer base and profitability. This includes the management of its franchise stores, including the sales process, inventory, logistics operations (including operations in the automated distribution centre) and finance and accounting needs through a variety of IT solutions. Such IT solutions allow for the optimisation of orders and the limitation of potential losses or the loss of sales in the case of stock-outs or a failure to make timely deliveries of goods to the Group's franchise stores.</p> <p>Events such as telecommunications difficulties, software failures, inadequate capacity of IT centres, IT equipment failures or breakdowns, the unavailability of internal resources or third-party service providers, fires, electrical failures, power outages and any delay in or impossibility of installing new IT systems could adversely affect the capacity and availability of the Group's IT systems.</p> <div data-bbox="452 885 1108 1011" style="background-color: #e6f2e6; padding: 10px; margin-top: 20px;"> <p><b>Emerging risk factors:</b> Inadequate oversight of third-party using AI data practices.</p> </div>	<p>This risk could expose the Group to a loss of critical data, service and operational interruptions, delays in processing information and completing deliveries to the Group's stores and customers, and ultimately losses in sales, customer or employee dissatisfaction, or negative publicity.</p>	<ul style="list-style-type: none"> <li>» Implementation of the tool that monitor IT core systems.</li> <li>» Implementation of IT change management procedures.</li> <li>» Procedures for testing backup recovery.</li> <li>» Replacement of legacy IT infrastructure.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we strengthened our change management processes by refreshing our IT testing environment;</li> <li>» we carried out a SAP upgrade;</li> <li>» we provided franchisees with new and improved tools and applications that made store management and operations easier. The most important enhancements were related to self-service checkouts, product delivery, delivery time and product smart scanning; and</li> <li>» we improved stores' internet connectivity.</li> </ul>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Food safety</b></p> <p><b>Strategic pillar:</b></p> <p> <b>02 Like-for-Like growth</b></p> <p><b>Risk category:</b> Operation &amp; Infrastructure</p>	<p>The preparation, packaging, transportation, storage and sale of perishable food products and non-food products (including the Group's own-brand products and products offered under the "Maczfit" brand) involve risks of product contamination, deterioration or defect. The safety procedures and rules set-up by the Group in relation to food quality are implemented by vendors, but in many cases, these issues are beyond the Group's control. Moreover, some fresh products offered in the Group's stores (for example, hot dogs, chips, churros, chicken nuggets and rolls) are prepared in the stores, hence the quality of such products may vary depending on a specific store. This may result in inconsistent quality from one store to another.</p>	<p>The Group could experience product recalls, liability claims and adverse publicity, as well as all of the related reputational impact and costs. Group revenues could also be affected.</p>	<ul style="list-style-type: none"> <li>» Implementation of the quality management system certified in compliance with ISO 22000 standards.</li> <li>» Introduction of preventive and predictive food safety measures.</li> <li>» Defined quality standard requirements for vendors prior to commencing product deliveries.</li> <li>» Quality control procedures for deliveries to logistics centres, including laboratory testing of selected products.</li> <li>» Regular quality audits of vendors' production facilities based on an annual audit plans. In the event of quality non-compliance, we cooperate with vendors to implement corrective recovery plans.</li> <li>» Continuous monitoring of food storage conditions in logistics centres, during transportation, and at store level.</li> <li>» Uniform procedures for franchisees covering the preparation of fresh products to ensure quality and prevent contamination.</li> <li>» All food safety incidents and hygiene-related issues are centrally recorded, investigated, and addressed with franchisees and vendors.</li> <li>» Introduction of the emergency product withdrawal process from stores to logistics centres to protect customers in case of identified safety risks – emergency withdrawal process is a critical element of the Group's Business Continuity Plan and is regularly tested.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we launched a sanitary permits monitoring process for Żabka stores;</li> <li>» we further developed our cooperation with food safety experts and consultants;</li> <li>» we launched new monitoring processes to help us identify food adulteration in our own-brand products; and</li> <li>» we introduced a new programme dedicated to food service, including additional requirements and enhanced monitoring.</li> </ul>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>Threats caused by long-term climate changes and extreme weather events</b></p> <p>Read more on page 92</p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-Like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Operation &amp; Infrastructure</p>	<p>The Group monitors and anticipates the potential and actual impacts of climate change on its operations and along its value chain. The intensification of unusual weather and climate phenomena, including increased temperature variability, changes in the frequency and intensity of winds and storms, shifts in rainfall patterns affecting floods and water resource availability, rising sea and ocean levels, soil erosion and degradation, ecosystem deterioration, and loss of natural biodiversity, may result in threats for long-term development goals as well as damage to the logistics centres and stores.</p>	<p>The Group may suffer a wide range of impacts, including, among others, property damage and higher infrastructure costs, as well as revenue losses due to limited access to store and logistics centre locations. As a result of this risk, disruptions in supply chains to Group companies may occur, in particular reduced availability of certain materials, raw materials and products.</p> <p>More regular incidence of extreme weather events may also make it more difficult and expensive to insure properties.</p>	<ul style="list-style-type: none"> <li>» Diversification of the supply chains for a range of trade and non-trade critical products to reduce our dependency on specific regions and suppliers.</li> <li>» High resilience requirements for newly constructed logistics centres.</li> <li>» Business continuity planning that involves detailed contingency plans, including our ability to manage emergency situations (for example the unavailability of logistics centres) in ways that ensure business continuity and minimise operational disruptions.</li> </ul> <p>Specific exemplary actions taken in 2025:</p> <ul style="list-style-type: none"> <li>» we strengthened our logistics infrastructure by implementing energy-efficient solutions, including solar panels supported by an autonomous energy source, at the newly acquired logistics centre; and</li> <li>» business continuity plans were tested for various scenarios involving the unavailability of logistics centres and stores.</li> </ul>

## Risk management continued

Strategic risk	Risk description	Impact	Actions
<p><b>External regulations</b></p> <p><b>Strategic pillars:</b></p> <p> <b>01 New store openings</b></p> <p> <b>02 Like-for-Like growth</b></p> <p> <b>03 DCO growth</b></p> <p><b>Risk category:</b> Compliance</p>	<p>The Group's activities are subject to numerous laws and regulations including those related to: trade restrictions (especially regarding the sale of alcoholic beverages, energy drinks, nicotine products and/or tobacco), Sunday Trading Ban, the environment and climate, tax law (including Excise Duty Act) and the legal framework relating to the franchise market. The laws and regulations applicable to the Group's business could be made more restrictive or otherwise adversely affect the Group. Accordingly, if any of the laws or regulations applicable to the Group's operations were to change, the Group could attract additional costs following from compliance with them and experience impact on its operations.</p> <p><b>Emerging risk factors:</b> Changes in the franchisee model caused by potential new civil law regulations for a franchisee agreement.</p>	<p>The Group may incur significant costs or have to modify its business practices in order to comply with amendments to existing laws and regulations and/or with future laws and regulations. For example, amendments to the Sunday Trading Ban Act could affect The Group's businesses by increasing competition.</p>	<p>» Active monitoring of external regulations.</p> <p>» Establishing internal working groups to assess and counteract the effects of adverse developments.</p> <p>Specific exemplary actions taken in 2025 to adapt to new acts implemented in Polish Law:</p> <p>» we put our AI policy into effect. It includes specific risk management and data privacy procedures and ensures our compliance with the AI Act;</p> <p>» we took steps to mitigate the impact of the partial ban on the sale of e-cigarettes and nicotine pouches;</p> <p>» the Company took steps to ensure compliance with the amendments to the Act on Foreigners and the Act on the Permissibility of Employing Foreigners, including aligning our cooperation with companies providing outsourced services and processes; and</p> <p>» Żabka Polska and Żabka stores decided to fully join the deposit return system (covering cans, plastic and glass bottles) on a voluntary basis. We have been organising the plastic bottles and cans collection system accordingly (read more on page 105). That system is aligned with our strategy and what's more, we have taken action to explore ways of achieving a positive financial impact through our participation.</p>

## The Remuneration Report of Zabka Group SA

Zabka Group SA is pleased to present its Remuneration Report. The report provides shareholders with a clear overview of the Board of Directors and the Management Committee remuneration, how it was awarded, and its alignment with the Group's performance, strategy, and long-term value creation.

This report provides a comprehensive overview of the remuneration of the Board of Directors and the Management Committee paid in the financial year 2025. It reflects the Group's responsibility for transparent and credible reporting and its commitment to continuously enhancing remuneration governance in line with the expectations of capital markets and other stakeholders.

Throughout our first year as a listed company, Zabka Group SA has placed strong emphasis on maintaining high reporting standards while further refining its internal processes and practices. We have ensured clarity, accuracy and consistency of the presented information, drawing on market experience and evolving best practices in remuneration reporting.

This Remuneration Report has been prepared in accordance with the Remuneration Policy of Zabka Group SA and in compliance with all applicable legal requirements. It also reflects our ongoing efforts to strengthen governance frameworks and to align remuneration practices with long-term strategy, performance and sustainable value creation.

We believe that this report contributes to building and reinforcing stakeholders' confidence by transparently presenting remuneration outcomes and demonstrating a continued commitment to openness, credibility and high governance standards in the public company environment.

### Remuneration Report – governance

Zabka Group SA (société anonyme) presents this Remuneration Report for the financial year that ended on 31 December 2025, in accordance with the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders in general meetings of listed companies and implementing Directive 2007/36/EC of the European Parliament and the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, as amended, subsequently referred to here as "the Law".

The 2025 Annual Report, including this Remuneration Report was acknowledged, approved and adopted by the Board of Directors on 19 March 2026. This report will be submitted to the advisory vote of the Annual General Meeting, which shall be called to resolve on, along with other matters, the annual accounts of the Company for the financial year, which ended on 31 December 2025.

This report provides an overview of the remuneration awarded and paid to the members of the Board of Directors and the Management Committee in 2025 in accordance with the current and applied Remuneration Policy at Zabka Group SA.

### Remuneration report for the previous years

The financial year that ended on 31 December 2024 was the first in which the Company presented a remuneration report. Before then, the Company had no legal obligation to prepare such a report. In accordance with the applicable Law, on 17 June 2025, the annual General Meeting of Shareholders adopted a resolution on the advisory vote regarding the 2024 Remuneration Report.

The table below presents results of the vote of the annual General Meeting on the 2024 Remuneration Report.

#### Annual General Meeting vote on 2024 Remuneration report results



General Meeting 17 June 2025	Number of votes	% of votes cast
Votes in favour	723,729,717	90.14%
Votes against	79,128,578	9.85%
Abstained	158,417	0.01%
<b>Total votes cast</b>	<b>803,016,712</b>	

In response to the expectations expressed by investors during last year's advisory vote on the 2024 Remuneration Report, we have further strengthened our approach to transparency and remuneration governance. With a view to continuously enhancing the clarity and usefulness of Zabka Group SA disclosures, the 2025 Remuneration Report includes expanded information on the criteria applied in awarding variable components, as well as a clearer explanation of how these criteria are assessed in practice. By providing these insights, we aim to further support stakeholders' understanding of the remuneration framework and reinforce the strong alignment between performance, accountability and reward.

## Remuneration Policy

### Application and review of the Remuneration Policy

In accordance with the requirements set out in the Law, the Remuneration Policy of Zabka Group SA (the “Remuneration Policy”) was initially adopted by the Board of Directors on 20 June 2024, followed by its approval at the General Meeting of the Company’s shareholders on 8 July 2024.

Subsequently, the Board of Directors amended the Remuneration Policy on 30 September 2024, which was re-approved at the General Meeting on 10 October 2024 to implement IPO Share Award and incorporate the principal terms of Long-Term Incentive Plan 2025-2027 (“2025-2027 LTIP”).

The Remuneration Policy is now in force and applied on an ongoing basis. It sets out the principles governing the compensation of the Executive Directors, Members of the Management Committee and Non-Executive Directors (“Directors”) as well as key managers of the subsidiaries for their contribution to the implementation of the Company’s long-term business strategy, long-term interests, sustainability and stability of Zabka Group SA and its subsidiaries. It is designed to serve the strategic ambitions of the Company, while taking into consideration the interests of various stakeholders, including shareholders, customers, business partners, employees and the wider community.

The Remuneration Policy aims to:

- » attract, motivate and retain Directors with the highest level of competence and experience;
- » foster a rewarding and unified compensation system that motivates key leaders and enhances their engagement with the Company and the Group;
- » remain sensitive to the Group’s current financial standing;
- » encourage dynamic growth and development within the leadership team by setting challenging goals and offering suitable reward; and
- » ensure gender neutrality of the compensation system and equal pay.

The Remuneration Policy provides for a review, taking into account the Group’s financial position and must be reassessed at least every four years. Any material changes require approval by the General Meeting and in any event the Remuneration Policy must be submitted to a shareholder vote at least once every four years.

In 2025, the key principles of the Remuneration Policy continued to fulfill their objectives by supporting competitiveness, alignment with market practice and the Group’s strategic priorities. As these objectives were met throughout the year, no amendments to the Remuneration Policy were introduced.

### Remuneration practices

The Group ensures that the remuneration package is gender-neutral, just and adequate to the Directors’ competences. Moreover, the Group regularly monitors market practices regarding remuneration of the directors and compares its Board of Directors’ and Management Committee members’ remuneration levels with its peer group.

This peer group includes a selection of companies, including those in the retail and convenience sectors, operating in Poland and across Europe. As Zabka Group SA believes that true convenience increasingly relies on seamless and intuitive digital solutions, the peer group also reflects highly innovative, technology-driven entities that demonstrate advanced technological capabilities. This ensures a comprehensive, market relevant and competitive benchmarking of remuneration.

## Composition and Remuneration of the Executive Director and the Managing Directors

### Composition and Governance

Detailed information on the composition of the Board of Directors and the Management Committee is presented in Chapter 8 (**Corporate Governance**). Overall, the composition of both the Board of Directors and the Management Committee remained stable in 2025. One significant change occurred during the year with the appointment of Anna Maria Pawlak-Kuliga to the Board of Directors as an Independent Non-Executive Director, effective 17 June 2025.

In Zabka Group SA the Executive Director and the Managing Directors (i.e. the Executive Director of the Board of Directors of Zabka Group SA and the Members of the Management Committee of the Company) are engaged on the basis of an appointment and have concluded managing director mandate confirmations with Zabka Group SA to formalise the terms of their mandates. The agreements provide for three months' notice periods and do not provide for any extra payments upon termination.

The aggregate remuneration for members of the Board of Directors is proposed by the Board of Directors and approved by the General Meeting. In addition, remuneration of the Executive Director and the Managing Directors have been determined (i) by the resolutions of the Board of Directors, (ii) by the resolutions of the relevant corporate body of Żabka Polska and (when applicable) other subsidiary of Żabka Group, and (iii) in relevant agreements with Żabka Polska and/or other subsidiaries of Żabka Group.

### Remuneration of the Executive Director and the Managing Directors

Total remuneration package of the Executive Director and the Managing Directors consists of fixed and variable components.

#### Fixed components

##### Fixed base remuneration

- » linked to the roles held by the Executive Director and the Managing Directors

##### Benefits

- » monetary and non-monetary benefits available to the Executive Director and the Managing Directors

#### Variable components

##### Additional remuneration

- » variable component in cash, granted for achievement of short-term goals

##### 2025 - 2027 LTIP

- » variable remuneration in the form of financial instruments, granted for achievement of long-term goals

### Fixed components Fixed base remuneration

The Executive Director and the Managing Directors are entitled to a fixed base remuneration, which is specified in relevant resolutions and their employment, service or mandate contracts with the Company or its subsidiaries.

For those who occupy positions in multiple companies within Żabka Group, fixed remuneration is provided by each respective entity, proportionate to individual's specific contributions and time commitments. This remuneration is arranged on a monthly basis.

The remuneration is administered by the Company or the particular subsidiary with which the given contract is concluded or where the individual holds the appointment, reflecting the level of the time engagement in the particular entity. When an Executive Director or Managing Director fulfils roles across multiple companies within the Żabka Group, the total remuneration package is assessed by considering all compensation received from each Żabka Group company under any legal framework. The overall consistency and alignment of remuneration practices across the Żabka Group is overseen centrally to ensure coherence and fairness.

This method ensures that compensation packages are comprehensive, transparent, and accurately reflect the individual's total contributions to the Żabka Group's objectives. This system supports equitable remuneration practices and helps foster aligned leadership within the Żabka Group.

## Benefits

The Executive Director and the Managing Directors may be entitled to additional benefits, including mainly:

- » a private medical care package (for themselves and their families);
- » group life insurance; and
- » a company car.

Additional benefits vary in scope, adapted to the position at the level appropriate to market practice.

To support operational efficiency and the diligent execution of duties, the Żabka Group provides necessary equipment and services to the Executive Director and the Managing Directors. In cases where the Executive Director or the Managing Director is required to relocate permanently or temporarily, the Żabka Group may provide a relocation package and cover costs associated with the move, including those incurred for immediate family members, inherently linked to the assignment.

## Variable components

The Żabka Group applies a structured approach to variable components that is fully aligned with the Remuneration Policy and consistently implemented across the Żabka Group. In addition to the fixed components, the Executive Director and the Managing Directors may be entitled to variable components in the form of:

- » an additional annual remuneration in cash ("Additional Remuneration"); and
- » 2025-2027 LTIP.

In line with the Remuneration Policy, variable components may be awarded on the basis of clear, comprehensive, pre-defined and differentiated criteria in terms of financial and non-financial results.

In the previous years the Group had a Management Incentive Plan ("MIP") in place. A description of the MIP can be found in the Note 9.2 'Share-based payments' in the Consolidated Financial Statements of Żabka Group for the year ended 31 December 2025.

## Additional Remuneration

The Executive Director and the Managing Directors may receive an Additional Remuneration determined after each full calendar year depending on the results of their individual performance of services for the Żabka Group and contributing to realisation of the Żabka Group's financial and/or non-financial goals.

The process ensures that the assessment of individual performance also considers compliance with the Company's Responsibility Strategy, taking into consideration factors such as public interest, environmental protection and social responsibility.

To maintain balanced compensation proportions, Żabka Group SA stipulates that Additional Remuneration should not exceed 150% of the recipients' annual fixed base remuneration from all entitlements. This cap ensures that while variable pay serves as a significant motivator, it does not overtake the stability provided by fixed compensation, thereby promoting financial prudence and equity throughout the remuneration structure.

As 2024 was a successful year for the Żabka Group, having reached its EBITDA target for that year and also its Responsibility Strategy goals for Żabka Polska for the years 2021-2026, the Executive Director and the Managing Directors were granted an Additional Remuneration for the services they performed contributing to the execution of the Group strategy. The Additional Remuneration for 2024 was awarded and paid in accordance with the past practice of the Żabka Group. Details of the payout are presented in the tables on the following pages of this Remuneration report.

For 2025, the goals underpinning the award of Additional Remuneration were formally adopted by the Board of Directors. These goals reflect the Group's strategic priorities and the scope of responsibilities of the Executive Director and the Managing Directors. They comprise a balanced mix of financial and non-financial measures, including:

- » Group EBITDA growth;
- » performance against the ESG Index; and
- » individual performance assessments based on the functions performed and the contribution made under the relevant engagement framework.

The assessment of these goals takes into account the differing legal bases of engagement and the corresponding contribution of the Executive Director and each Managing Director. The evaluation of the goals' achievement for the 2025 financial year, as well as any potential award of Additional Remuneration, will take place in 2026 in parallel with the approval of the annual financial results by the Board of Directors. This ensures that any payout is grounded in verified and duly endorsed performance outcomes.

Composition and Remuneration of the Executive Director and the Managing Directors continued

## 2025-2027 LTIP

To ensure further alignment of the long-term interests of the Group with those of the Executive Director and the Managing Directors, in 2024 Zabka Group SA adopted a LTIP for Executive Directors, Managing Directors, key managers and employees of the Group selected on the basis of their roles in the Group ("2025-2027 LTIP"). The 2025-2027 LTIP covers approx. 100 individuals.

The 2025-2027 LTIP is intended to provide an incentive for the achievement of specific financial and non-financial goals established. Through it, the Executive Director and the Managing Directors can earn shares contingent upon meeting performance criteria set for the three-year period by the Board, thereby reinforcing the clear link between their compensation and the Group's overall success. The 2025-2027 LTIP, operating under Luxembourg Law, is capped at shares representing no more than 3% of the Company's ordinary share capital as of the IPO date. The cap is decreased by shares awarded in connection with IPO Share Awards as well as taking into account incentive plans at the level of Zabka Group SA's subsidiaries. The Executive Director and the Managing Directors are granted awards exclusively in the form of Performance Stock Units (PSUs), formalised through an allocation agreement.

Vesting of PSUs is subject to the satisfaction of performance conditions ('Performance Conditions'), a requirement of the Group's EBITDA in a given financial year not to be lower than that of the previous year (Minimum EBITDA Growth Condition), and condition related to actively performing work or management services for the Group in a given financial year (Active Engagement Condition). A minimum adjusted EBITDA post rent threshold for 2025 equals PLN 2,927 million.

The Performance Conditions for PSUs under the 2025-2027 LTIP were based on the Żabka Group Value Creation Plan (VCP) and they are:

- » EBITDA post-rent growth (50% weighting);
- » Sales to End Customers growth (35% weighting); and
- » a quantifiable ESG Index (15% weighting).

### Performance conditions

#### ESG index

15%

#### Sales to End Customers growth

35%

#### EBITDA growth

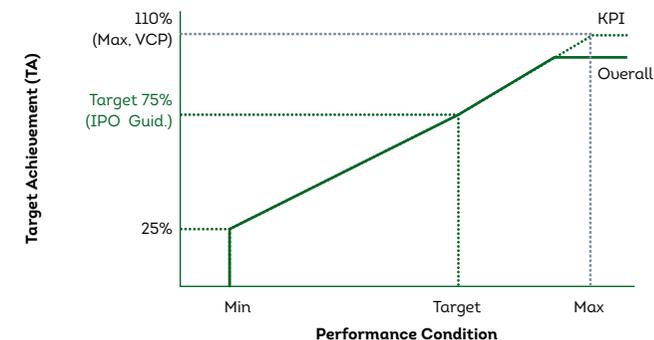
50%



For each condition, the Board established minimum, target, and maximum achievement levels (25%, 75%, and 110% respectively). The overall achievement of the conditions is capped at 100%.

### Vesting curves

For illustrative purposes only

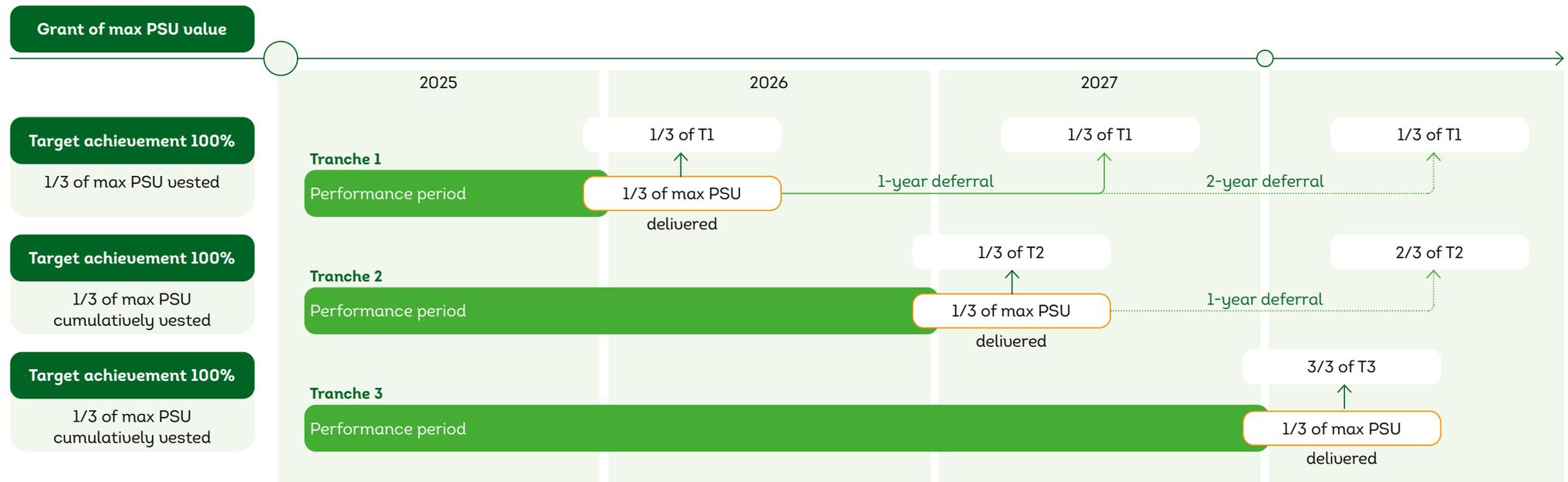


Achievement of the criteria set for 2025 will be confirmed in parallel with the approval of the annual financial results by the Board of Directors on 19 March 2026.

The vesting of PSUs occurs in parts at the end of each year during the three-year performance period. Part of the shares under PSU may be subject to one-year or two-year deferral, provided that all shares that have vested will be delivered following the announcement of the final approved financial statements for 2027. The 2025-2027 LTIP envisages the possibility of reducing deferred shares even to zero or delivering them in the full amount in the third year, depending on the level of achievement of Performance Conditions in the following years during the performance period.

Composition and Remuneration of the Executive Director and the Managing Directors continued

## Mechanism of PSU across the years 2025-2027



The 2025-2027 LTIP incorporates also provisions for “Good Leavers” and “Bad Leavers”. A “Good Leaver” retains vested awards and a pro-rata portion of current year’s awards, while a “Bad Leaver” forfeits all unvested and vested but not delivered awards (including deferred awards). In all cases, shares already delivered are not clawed back. The 2025-2027 LTIP for the Executive Director and the Managing Directors is administered by the Board of Directors.

Upon joining the 2025-2027 LTIP on 25 March 2025, the Executive Director and the Managing Directors were granted awards in the form of PSUs, subject to vesting and deferral periods in accordance with the terms of the programme. The table below illustrates the maximum amount of PSUs that can be granted within the 2025-2027 LTIP. The amount to be delivered can be reduced or still delivered in the full amount in the third year depending on the level of meeting the Performance Conditions set for in this programme.

### 2025-2027 LTIP: maximum of shares granted for the full programme period

Name of the Director	Type (PSU/RSU)	Units granted *
Tomasz Suchański	PSU	1,953,488
Jolanta Bańcerowska	PSU	1,116,279
Tomasz Blicharski	PSU	1,534,884
Anna Grabowska	PSU	1,534,884
Wojciech Krok	PSU	1,116,279
Adam Manikowski	PSU	1,534,884
Marta Wrochna-Łastowska	PSU	1,116,279

\* The price per share amounted 22,90 PLN as of 30 December 2025

Composition and Remuneration of the Executive Director and the Managing Directors continued

## Remuneration of the Executive Director and Managing Directors in 2025

Name of Director	Company	Executive Directors and Managing Directors remuneration (in PLN k)				Proportion of fixed and variable remuneration	
		Fixed remuneration	Benefits	Additional remuneration	Total remuneration	Fixed remuneration & benefits	Variable
Tomasz Suchański	Zabka Group SA	246	-	-	246	100%	-
	Żabka Polska <sup>1</sup>	2,054	206	2,951	5,212	43%	57%
	<b>Total remuneration from Żabka Group</b>	<b>2,300</b>	<b>206</b>	<b>2,951</b>	<b>5,458</b>	<b>46%</b>	<b>54%</b>
Jolanta Bańczerowska	Zabka Group SA	-	-	-	-	-	-
	Żabka Polska	1,368	152	1,807	3,327	46%	54%
	<b>Total remuneration from Żabka Group</b>	<b>1,368</b>	<b>152</b>	<b>1,807</b>	<b>3,327</b>	<b>46%</b>	<b>54%</b>
Tomasz Blicharski	Zabka International S.a.r.l.	145	-	-	145	100%	-
	Żabka Polska	1,260	118	2,520	3,898	35%	65%
	Other entites <sup>2</sup>	555	-	-	555	100%	-
<b>Total remuneration from Żabka Group</b>	<b>1,960</b>	<b>118</b>	<b>2,520</b>	<b>4,598</b>	<b>45%</b>	<b>55%</b>	
Anna Grabowska	Zabka International S.a.r.l.	979	213	-	1,192	100%	-
	Żabka Polska	275	199	2,520	2,994	16%	84%
	Other entites <sup>3</sup>	679	-	-	679	100%	-
<b>Total remuneration from Żabka Group</b>	<b>1,933</b>	<b>412</b>	<b>2,520</b>	<b>4,865</b>	<b>48%</b>	<b>52%</b>	
Wojciech Krok	Zabka Group SA	691	214	-	905	100%	-
	Żabka Polska	399	136	1,807	2,341	23%	77%
	Other entites <sup>4</sup>	271	-	-	271	100%	-
<b>Total remuneration from Żabka Group</b>	<b>1,361</b>	<b>350</b>	<b>1,807</b>	<b>3,517</b>	<b>49%</b>	<b>51%</b>	
Adam Manikowski	Zabka Group SA	-	-	-	-	-	-
	Żabka Polska	1,938	203	2,520	4,661	46%	54%
	<b>Total remuneration from Żabka Group</b>	<b>1,938</b>	<b>203</b>	<b>2,520</b>	<b>4,661</b>	<b>46%</b>	<b>54%</b>
Marta Wrochna-Łastowska	Zabka Group SA	-	-	-	-	-	-
	Żabka Polska	1,482	134	1,921	3,537	46%	54%
	Other entites <sup>5</sup>	29	-	-	29	100%	-
<b>Total remuneration from Żabka Group</b>	<b>1,511</b>	<b>134</b>	<b>1,921</b>	<b>3,566</b>	<b>46%</b>	<b>54%</b>	

1 In 2025 Tomasz Suchański received an additional benefit for family member in the form of payment of tuition fees from Żabka Polska.

2 In 2025 Tomasz Blicharski received a fixed remuneration from the following other entities of Żabka Group: Froo Romania Holding, Green Hive Technology, Retail Technology Investment, Żabka BS, Żabka Nano, Żabka Property Fund.

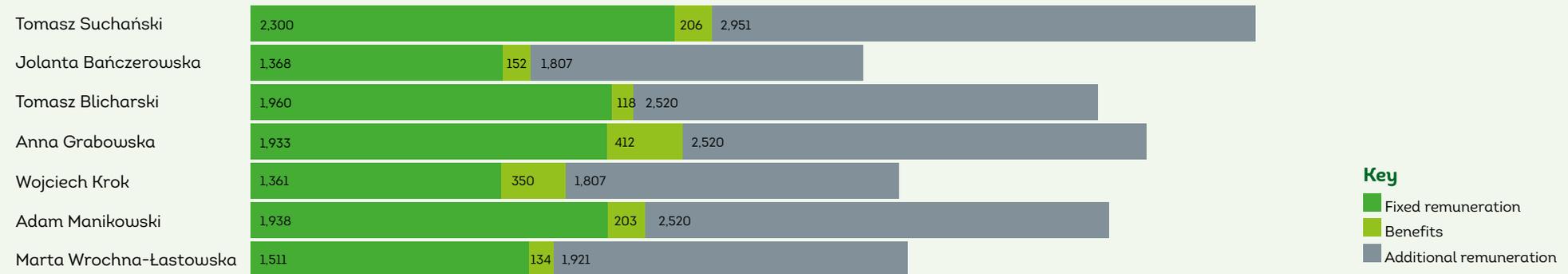
3 In 2025 Anna Grabowska received a fixed remuneration from the following other entities of Żabka Group: Froo Romania Holding.

4 In 2025 Wojciech Krok received a fixed remuneration from the following other entities of Żabka Group: Green Hive Technology, Froo Romania Retail.

5 In 2025 Marta Wrochna-Łastowska received a fixed remuneration from the following other entities of Żabka Group: Żabka Automatic Logistics, Żabka BS, Żabka Nano, Żabka Property fund.

Composition and Remuneration of the Executive Director and the Managing Directors continued

## Remuneration of the Executive Director and the Managing Directors – proportion of the components (PLN k)



## Remuneration of the Non-Executive Directors Governance

The Non-Executive Directors of Zabka Group SA are engaged on the basis of an appointment. Olga Grygier-Siddons, Giulia Fitzpatrick and Anna Maria Pawlak-Kuliga have additionally concluded the independent director mandate confirmations with the Company.

## Structure of Non-Executive Directors' Remuneration

Non-Executive Directors are appointed by the General Meeting, and their mandate may additionally be governed by a mandate confirmation contract with the Company. In 2025 it applied solely to independent directors.

Their remuneration is overseen by the General Meeting, ensuring independent shareholder control over level and structure of fees.

Non-Executive Directors may receive monthly fixed remuneration for performing their functions. Moreover, the General Meeting may also determine additional fees for service on Board committees.

Remuneration package of Non-Executive Directors does not offer participation in pension schemes, early retirement arrangements or contractual benefits upon termination of their mandate.

Non-Executive Directors are not entitled to any kind of variable remuneration. This approach reflects prevailing corporate-governance standards across European listed companies and ensures their full independence and the integrity of their supervisory role. As a result, Non-Executive Directors are compensated solely through predictable fixed components that appropriately reflect the nature and scope of their oversight responsibilities.

## Remuneration of the Non-Executive Directors in 2025

Non-Executive Directors remuneration (in PLN k) *		
Name of the Director	Company	Total remuneration
Krzysztof Krawczyk	Zabka Group SA	-
Giulia Fitzpatrick	Zabka Group SA	550
Olga Grygier-Siddons	Zabka Group SA	509
Anna Maria Pawlak-Kuliga	Zabka Group SA	275**
Stephan Schäli	Zabka Group SA	-
István Szóke	Zabka Group SA	-

\* The remuneration of the Non-Executive Directors is expressed in EUR and in 2025 did not change compared to 2024.  
 \*\* Remuneration for the period from an appointment on 17 June 2025 to 31 December 2025.

## The Company's performance and remuneration dynamics

### Annual change

This section of the Remuneration Report provides a comprehensive overview of the annual compensation received by the members of the Board of Directors and the Management Committee of Zabka Group SA, as well as the performance of the entire Zabka Group and the average annual remuneration of its employees and employees of Zabka Group SA, excluding the Directors.

As this is the second Remuneration Report of Zabka Group SA following its public listing, the data presented in the table below covers two financial years: 2024 (the year of the IPO) and 2025.

The total remuneration of the Executive Director and the Managing Directors increased year-on-year, reflecting both the expansion of their responsibilities and the strong performance of the Group. At the same time, the average remuneration of employees other than the Executive and Non-Executive Directors also increased. Excluding the members of the Board of Directors, the average annual remuneration of the Company's employees grew by 22.2% compared with the previous year. A comparable indicator for the Group shows a 21.9% increase in remuneration, based on data from the Group's key subsidiaries.

Details on the remuneration of the Directors and performance of the Group are presented in the following tables, which set out the comparative data for 2024 and 2025.

### Annual change regarding remuneration of Directors, the Group performance and average remuneration of the employees

Name of Director	Total remuneration in 2024 (in PLN k)	Total remuneration in 2025 (in PLN k)	% YoY change
<b>Executive Director and Managing Directors</b>			
Tomasz Suchański	4,462	5,458	22.3%
Jolanta Bańcerowska	2,826	3,327	17.7%
Tomasz Blicharski	3,892	4,598	18.1%
Anna Grabowska	3,893	4,865	25.0%
Wojciech Krok	2,994	3,517	17.5%
Adam Manikowski	3,918	4,661	19.0%
Marta Wrochna-Łastowska	2,961	3,566	20.4%
<b>Non-Executive Directors</b>			
Krzysztof Krawczyk	0	0	-%
Giulia Fitzpatrick	560	550	- 1.8%*
Olga Grygier-Siddons	517	509	- 1.5%*
Anna Maria Pawlak-Kuliga	-	275	-%
Stephan Schäli	0	0	-%
István Szóke	0	0	-%

\* Remuneration of Non-Executive Directors is paid in EUR. The remuneration level in 2025 remained unchanged compared to 2024; any differences result solely from fluctuations in EUR exchange rates

The Group performance	FY 2024 (in PLN k)	FY 2025 (in PLN k)	% YoY change
Sales to End Customers	27,276,630	31,134,679	14.1%
Adjusted EBITDA	3,504,575	4,066,203	16.0%
Adjusted Net Profit	713,646	1,003,276	40.6%

Remuneration dynamics	FY 2024 (in PLN k)	FY 2025 (in PLN k)	% YoY change
Average annual remuneration of the employees other than Directors in the Company	437	534	22.2%
Average annual remuneration of the employees other than members of the Management Board in Zabka Polska	108	132	21.9%

## Diversity and other information

### Diversity in Żabka Group

The values guiding Żabka Group – ambition, openness, responsibility, and credibility – form the foundation of the Company's organisational culture and shape its decisions at every level. These values translate into a working environment built on trust and respect, where diverse perspectives and experiences are recognised as a source of innovation and long-term organisational strength. Strengthening diversity and inclusion is therefore a natural extension of how the Company lives its values and develops its culture.

This commitment is formally captured in the "Diversity, Equity and Inclusion Policy of the Żabka Group" ('DEI Policy'), which sets out the behavioural and procedural standards expected from all employees and collaborators. The Policy is built on several core principles:

- » equal treatment – promoting openness and equal opportunities for all employees and collaborators,
- » non-discrimination and respect – valuing every individual and rejecting any form of intentional or unintentional discrimination,
- » supporting diversity in the organisational structure – recognising that diverse teams foster stronger relationships, reduce groupthink and improve understanding of stakeholder needs,
- » implementing adequate policies and tools – ensuring assessments are based on objective performance and competence, with zero tolerance for discrimination, mobbing or harassment,
- » education and communication – cultivating a friendly, inclusive work environment through awareness-building and continuous dialogue.

The Company's adherence to these principles is reflected in the composition of its key governing bodies. European markets increasingly emphasise greater gender balance and broader diversity in management and supervisory bodies, a trend that Żabka Group aligns with.

In the Board of Directors, women represent approximately 43% of the body (3 out of 7 members):

- » Olga Grygier-Siddons,
- » Giulia Fitzpatrick,
- » Anna Pawlak-Kuliga.

In the Management Committee, women likewise account for around 43% (3 out of 7 members):

- » Jolanta Bańcerowska,
- » Anna Grabowska,
- » Marta Wrochna-Łastowska.

This balanced representation strengthens strategic decision-making, reinforces the principles set out in the DEI Policy and supports the Company's long-term ambition to build an open, responsible and inclusive organisation prepared for sustainable growth.

#### Board of Directors composition



#### Management Committee composition



### Other information related to execution of the Remuneration Policy Deviations and clawback clause

In the financial year 2025 the remuneration of members of the Board of Directors and the Management Committee was consistent with the Group's internal remuneration rules and guidelines in force throughout 2025. No deviations or exceptions from those rules and guidelines have been observed.

In 2025 the Company did not apply any clawback clauses or other possibilities to reclaim variable remuneration.

### Statement by the Board of Directors

The Board of Directors of Żabka Group SA has reviewed and adopted the Remuneration Report for Żabka Group SA for the financial year from 1 January 2025 to 31 December 2025. The Board of Directors prepared the report in compliance with the Law. In the members' of the Board of Directors view, the report aligns with the Remuneration Policy and is free from significant misstatements, whether intentional or accidental.

# Sustainability statement

zabka fair business



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## ESG Strategy highlights

### Message from the Chief Strategy & Development Officer



“ Sustainability is closely integrated with our core business operations, making ESG factors pivotal in all initiatives. ”

**Tomasz Blicharski**  
Group Chief Strategy  
& Development Officer

#### How do we ensure that Żabka Group's commitment to ESG excellence is fully embedded in our strategy and day-to-day operations?

The Group's leadership, built over 25 years of disciplined growth and continuous innovation, is something we are both proud of and widely recognised for. A key element of this success is our clear understanding that the ESG agenda is one of our four strategic growth enablers.

To achieve our ambitions – expanding store network in Poland and Romania, increasing like-for-like sales and further developing digital customer offering – ESG receives the same level of attention as our core commercial priorities. It is a critical factor in delivering long-term strategic goals.

We have structured the organisation accordingly. Our ESG Strategy and Reporting teams, forming the ESG Centre of Excellence, operate as Group-level functions empowered by the Management Committee and the Board of Directors. This ensures that ESG principles are embedded consistently across the entire organisation.



#### What recent achievements best demonstrate the effectiveness of this approach?

We successfully delivered against all our core ESG-related KPIs in 2025, meaning the outlook for 2026 remains also positive (see [ESG Framework](#) for details).

The year also brought a number of impactful cross-functional initiatives with strong ESG and business benefits. For example, we transformed many of our own-brand products to prioritise nutritional value, enabling customers to make more informed choices. This is a key element of our broader commitment to strengthening food quality standards across the Group.

We also worked on our environmental footprint through initiatives such as the voluntary, ground-breaking deposit-based packaging collection scheme in Poland and the continued implementation of our long-term decarbonisation plan. We also focused on own-brand packaging transformation and tightening relationship with businesses partners ensuring that our collaboration is grounded in a robust set of standards and policies.

These achievements have been recognised externally through exceptionally strong ESG ratings from multiple independent bodies (see [here](#) for details) and prestigious awards for our 2024 Annual Report and sustainability disclosures.

#### What are the priorities for 2026 and how will they shape the Group's future direction?

Looking ahead, we are advancing with the adoption of more ambitious ESG goals for 2026. These will form the foundation for a comprehensive new Group-level strategy, reflecting the continued integration of sustainability across all areas of our business. This approach will further strengthen alignment with our ESG Framework and all established policies and guidelines.

## ESG Framework

The Group consistently conducts its activities with a focus on creating value for its diverse group of stakeholders.

We recognise our actual and potential impact, and aim to maximise the positive influence and generate value. Consequently, sustainability-related ambitions are closely integrated with overall business strategy to ensure that our efforts align with commitment to stakeholder value.

The Group has made a strategic commitment, expressed in its ESG Framework, to promote sustainable living for everyone, every day, and to empower its customers to make responsible choices. This includes providing products and services that enable consumers to lead more sustainable lifestyles, as well as actively minimising the environmental impact of the Group's operations.

The ESG Framework applies to the entire Group and extends the strategic sustainability directions, which are based on four pillars – (i) a sustainable lifestyle; (ii) a mindful business impact; (iii) a responsible organisation; and (iv) a green planet – to all the Group's subsidiaries.

➤ For previous sustainability-related details, please refer to our 2024 Sustainability statement.





ESG Framework continued

# 02 Mindful business impact

[MDR-T, EI-4]

We make a positive impact with entrepreneurs on the economy.

## 2026 commitment

## 2025 result

Increase in franchisees' NPS as a result of cooperation with Żabka

4 pts

Retain total franchisees' churn rate at same level

15.3%

100% of business partners familiarised with the Code of Conduct

91.8%

Involve business partners responsible for 75% of purchasing and service expenditures in science-based reduction targets

61.4%

Expectations for 2025 exceeded

Expectations for 2025 met

Expectations for 2025 partially met

Expectations for 2025 not met

The targets shown apply to Żabka Polska and were selected to track the Company's progress in realising its Responsibility Strategy for the years 2021-2026.

Over the past year, the franchisees' NPS has moderately declined, although overall satisfaction remains high – 52% rated cooperation as good or very good. The decrease was mainly driven by perceptions of the previous settlement system and temporary logistics challenges, as well as external regulatory changes (including KSeF and the Universal Deposit System) that increased short term operational complexity. Alongside the annual survey, we run quarterly pulse checks focused on key cooperation areas, especially the settlement system. These results directly informed the design and rollout of the new settlement model in early 2026. So far, the new system has not received negative feedback, and we are also seeing short term improvements in logistics ratings due to ongoing enhancements. This suggests a gradual increase in franchisee satisfaction in upcoming measurement periods.

We made strong progress during the year in familiarising our business partners with the policies set out in our Code of Conduct and Human Rights Policy for Business Partners, ensuring they understand and meet the standards we expect from all organisations and individuals we work with. Covering areas such as human rights, plastic circularity, decarbonisation and animal welfare, these policies are essential to enabling our extended organisation to deliver a responsible and mindful business impact. By year-end, almost 92% (2024: 82%) of business partners were familiar with the Code, while more than 61% (2024: 59%) were also following our lead in adopting science-based decarbonisation targets. A major focus in 2025 was the continued development of our Fair Business platform, which serves as a central hub for sharing sustainability practices, inspiration and action plans with all suppliers and partners.



## The Fair Business platform

This is Żabka's hub created in 2023 to support collaboration with suppliers and business partners on sustainable development. It provides access to shared knowledge, best practices and action plans across key areas such as decarbonisation, ethical business, sustainable food systems and circularity. The platform is complemented by dedicated events – including Fair Business Brunches and Workshops – where partners and experts exchange insights on challenges like Scope 3 emissions and carbon-footprint data.

## Franchise-centric initiatives

By placing our franchisees at the centre of innovation, we focus on developing tools and solutions that genuinely support their everyday work. From Cyberstore and the Entrepreneurship Academy to Shop Assistant PRO and Remote Access, these franchisee-oriented tools make operations smoother, cut costs and broaden business capabilities. None of these solutions would exist without the close collaboration and insights shared through initiatives such as the Innovation Station, the Franchisee Council and the Guardians of Franchise-centricity. This partnership empowers franchisees to co-create the future of our network, strengthen cooperation and build a thriving, well-connected community.



➔ [Read more about our approach](#)

ESG Framework continued

# 03 Responsible organisation

[S1-5, S4-5, MDR-T]

We shape a purpose-led, trusted organisation of empowered people.

## 2026 commitment

## 2025 result

Get to top 25% of the best employers globally according to the Gallup Institute engagement survey

89  
percentile  
(4.67)

Increase employee satisfaction with the Company's activities for their development (Question 12 in the Gallup engagement survey)

4.73 pts

100% of employees trained on business ethics principles

100%

100% of employees trained on cyber security-related issues

100%

Expectations for 2025 exceeded

Expectations for 2025 met

Expectations for 2025 partially met

Expectations for 2025 not met

The targets shown apply to Żabka Polska and were selected to track the Company's progress in realising its Responsibility Strategy for the years 2021-2026.

We have built a culture based on the principles of mutual respect and equal opportunities, embracing the values of diversity, equity and inclusion (DEI). By ensuring an environment where everyone feels engaged and able to learn, develop and progress, we attract people who share our values. Equal pay is not only a principle but proof of our commitment to an inclusive workplace. In 2025, we became the first company on the Warsaw Stock Exchange to receive EQUAL SALARY certification twice, including once as a listed company. This strengthens our position in the labour market, supported by courses and events that improve inclusivity and eliminate discrimination.

We also operate a system of ethics to ensure all employees always comply with the law, international standards and adopted regulations, including those related to anti-corruption. All our people have now received training in our Code of Conduct and Ethics for Employees. They have also now all been trained in cyber security, a key element of our compulsory training programme.

Our approach positively influences engagement, measured through an annual Gallup survey and several pulse surveys.

Transparent communication and high-quality reporting are equally important. We share progress consistently using recognised international standards, giving stakeholders clear and reliable information. This commitment has been recognised through top ESG ratings and prestigious awards for our annual and sustainability reporting, confirming our credibility and motivating us to keep raising the bar.



## The Gallup Q12 engagement survey

Completed in 2025 by a record % of employees and co-workers and delivering an impressive score of 4.67, placing us among the top 25% of employers globally. After the survey, every manager works with their teams – supported by HR – to analyse results, identify priority Q12 areas and use team reports as roadmaps for meaningful conversations and targeted actions. This structured approach helps us create a work environment where everyone can develop their talents and work with passion.



## My impact

## My impact campaign

Company-wide movement that strengthens employees' understanding of ESG and shows how everyday decisions contribute to delivering our strategy. It turns our ESG commitments into practical, shared actions by presenting clear goals, measurable results and engaging, accessible content. Above all, it builds a culture where everyone feels part of a collective effort to create meaningful, positive change.

[➔ Read more about our approach](#)

ESG Framework continued

# 04 Green planet

[E1-4, E5-3, MDR-T]

We minimise our environmental impact across the whole value chain.

## 2026 commitment

## 2025 result

Reduction of share of virgin plastic in weight of own-brand packaging

36.1%  
★

100% of own-brand products packaging volume passed onto recycling processes

achieved

100% of own-brand products packaging suitable for recycling processes

98.1%  
★

Reduce total Scope 1 and 2 greenhouse gas emissions (without offset) by 25% (vs. 2020)

-34.9%  
15,797 tCO<sub>2</sub>e  
★

Reduce franchisee greenhouse gas emissions intensity by 70% (Scope 3, vs. 2020)

-66.2%  
9.4 tCO<sub>2</sub>e/m PLN  
★

Expectations for 2025 exceeded  
★

Expectations for 2025 met

Expectations for 2025 partially met

Expectations for 2025 not met

The targets shown apply to Żabka Polska and were selected to track the Company's progress in realising its Responsibility Strategy for the years 2021-2026.

We pursue an integrated set of environmental targets designed to reduce our carbon footprint and promote circularity across the entire value chain. In 2025, we continued to advance our decarbonisation agenda, maintaining our commitment to reduce total Scope 1 and 2 greenhouse gas emissions by 25% and to lower franchisee Scope 3 emissions intensity by 70%, both compared with a 2020 baseline.

To achieve these goals, we focused the reduction of fuel usage in our installations, modernisation of our vehicle fleet and procurement of renewable energy supported by Power Purchase Agreements and guarantees of origin. We also continued developing a comprehensive digital system for managing all carbon-related data, strengthening our ability to track progress and identify further reduction opportunities. As part of this effort, we began testing Carbon Maps – an innovative tool that enables us to calculate the carbon footprint of individual products and collaborate more effectively with suppliers on emissions reduction.

Our circularity initiatives also progressed strongly throughout the year. We maintained our focus on achieving packaging neutrality by collecting and recycling at least as much plastic as we introduce to the market. Programmes such as Naturally Together and our voluntary deposit-return scheme played an important role in supporting this ambition and engaging customers in responsible consumption.

Together, these actions reflect our long-term commitment to minimising environmental impact, strengthening circularity and building a more sustainable operating model for the future.



## Żabka's Deposit Return System (DRS)

A voluntary initiative through which Żabka Polska participates in the national scheme for collecting beverage containers made of glass, PET and metal, ranging from 0.1 to 3 litres. The programme is designed to make recycling simple and accessible for customers, encouraging responsible behaviour and supporting national sustainability goals. Since the system launched in Poland in October 2025, almost all of Żabka's 12,000 stores have joined, even though many are not legally required to participate. Customers receive a refund or discount for every returned bottle or can, and earn additional points in the Żabka app, making responsible choices both easy and rewarding.



## Planning climate action

In 2025, we worked on Żabka Group's Climate Transition Framework Plan and turned it into practical steps: we set a consolidated Scope 1-3 baseline for 2025 and prepared to submit Group targets for SBTi validation in 2026. The plan focuses on five clear levers – cleaner fleet and logistics, low-carbon heating/buildings, renewable power (PPAs and on-site PV), supplier/product improvements and energy-efficient stores – embedded in business planning and regular performance tracking.

[Read more about our approach](#)

## General information

### Interview with our Chief Financial Officer



“ As CFO, I see high-quality ESG reporting as being essential to deliver credible insights, strengthen governance and create long-term value. ”

**Marta Wrochna-Łastowska**  
Group Chief Financial Officer



#### **Żabka Group has chosen to report robust ESG data even though it is not required to do so by current regulations. What drives this decision?**

Our commitment to ESG reporting is rooted in the belief that transparency and accountability are fundamental to building trust with our stakeholders. Although we're not yet required to report under the European Sustainability Reporting Standards (ESRS), last year we decided to adopt Group-wide reporting according to this standard as outlined in our 2024 Annual Report. We have chosen to follow the best market practices, recognising the significant value they create for all parties involved. However, we see aligning with the ESRS as a baseline rather than a ceiling. We proactively exceed these requirements through additional voluntary reporting, which has significantly enhanced the depth of our sustainability initiatives. The results speak for themselves. Our ESG ratings are a testament to the robustness of our efforts. By providing stakeholders with detailed, reliable information, we empower them to make well-informed decisions based on a clear understanding of our practices.

#### **How is Żabka Group leveraging new technologies and data systems to improve the quality and transparency of its ESG reporting, and what recognition has this work received?**

Data quality and technological innovation are pivotal to our ESG reporting. We've integrated more advanced systems and controls that significantly enhance the accuracy and reliability of our sustainability data. The market has clearly recognised the value of our efforts. We've achieved a top MSCI ESG rating, which reflects the quality and transparency of our practices. Additionally, our Sustainability report has been honoured in three prestigious competitions, validating our commitment to excellence in sustainability reporting. Our stakeholders consistently appreciate our comprehensive and transparent approach, which strengthens our relationships and supports our long-term business objectives.

#### **Basis for preparation**

##### **[BP-1] [BP-2]**

Żabka Group SA, a public limited liability company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg, presents this consolidated Sustainability statement for the year 2025. It has been prepared voluntarily, for the second time, in line with the European Sustainability Reporting Standards as required by Article 29a of the Accounting Directive (as amended by the CSRD).

The Group presents its second consolidated sustainability statement noting that transposition of the CSRD in the jurisdiction of Luxembourg has not been completed at the date of publication of this Annual Report. We have made our best efforts to apply the ESRS directly as a Group, which aligns with the value we assign to ESG and our stakeholders' expectations in this area. In this Report, we are not using the 'quick fix' amendment options to omit certain information, introduced by the European Commission in July 2025.

The parent company of the Żabka Group, Żabka Group SA, is an issuer and holding company that does not conduct business operations. This report therefore often refers to various solutions used by Group entities, particularly the Ultimate Convenience segment, in which business operations generating approx. 90% of Group revenues are carried out. (See more on the Group's segments on page 181.)

The scope of consolidation in this sustainability statement covers the same Group companies as featured in the Consolidated Financial Statements. Where indicated, this statement includes information on the Żabka Group's upstream and downstream value chain. We have not omitted any information related to intellectual property, know-how or innovation results.

#### **Disclosures in relation to specific circumstances**

In principle, we adhered to the medium- or long-term time horizons defined in section 6.4 of ESRS 1. For the climate scenario analyses, however, the Żabka Group made alternative assumptions to better align the Group's conclusions with the EU climate policies and current climate knowledge. The time horizons used for the climate scenario analyses were:

- » Short-term perspective: one year,
- » Medium-term perspective: more than one year to 2030,
- » Long-term perspective: from 2030 to 2050.

All assumptions regarding the methodologies applied regarding quantitative metrics in this sustainability statement, together with any sources of measurement uncertainty, approximations or judgements, are presented alongside the relevant KPI or metric. During the reporting period, no changes to KPI assumptions were made and no material adjustments were introduced.

General information continued

## Sustainability governance

### Sustainability governance at Żabka Group

[GOV-1] [GOV-2]

For detailed information on the roles, composition, diversity and skills of members of the Company's administrative, management and supervisory bodies, see the [Corporate governance and leadership team](#) section.

The Żabka Group defines, maintains and deploys adequate governance structures and systems to enable the effective and efficient functioning of the ESG Framework and other ESG-related provisions across the organisation. This enables supervision, strategic direction setting and day-to-day implementation including operations, monitoring and data-quality control systems.

#### 1. Ensuring supervision of the sustainability agenda, including climate-related matters, by a qualified appointed person sitting on the Board of Directors

Olga Grygier-Siddons, Independent Non-Executive Director, was appointed by the Company's Board of Directors to oversee the sustainability area, including climate matters in particular, and to provide sustainability-related insights and recommendations to the Board. She interacts with the Group's ESG Business Forum Members and other relevant stakeholders in an agreed manner. She also serves as the Chair of the Audit Committee, ensuring that ESG and climate-related information is appropriately addressed within the work of this particular Committee.

#### 2. Supporting the implementation of the ESG-related agenda by sponsoring strategic and reporting activities by qualified appointed persons sitting on the Management Committee

Members of the Company's Board of Directors and Management Committee are selected for their skills, experience and understanding of how sustainability impacts the Group and the external world. Tomasz Blicharski, the Group Chief Strategy & Development Officer, sponsors the Group-wide sustainability agenda including climate matters. He leads the team responsible for identifying and developing future growth strategies as well as aligning the ESG agenda with the Group's strategy. Marta Wrochna-Łastowska, the Group Chief Financial Officer, sponsors ESG and climate-related reporting. She supervises the sustainability reporting process and manages sustainability-related risks, including those related to climate change.

#### 3. Coordinating daily efforts by leaders of the Group's ESG Centre of Excellence, supported by subsidiaries' board members, managers and operational teams

The Group Sustainability Director reports to the Group Chief Strategy & Development Officer and oversees the implementation of the Group's sustainability-related strategic objectives and commitments including climate matters. The Group Sustainability Director co-manages the ESG Centre of Excellence, which comprises the ESG Strategy Department and the ESG Reporting Department. The ESG Reporting Director, who reports to the CFO, is responsible for the Group's ESG data-collection and sustainability-reporting process. Responsibility for executing sustainability-related strategies, plans and activities is delegated at Board level to the entities of the Żabka Group or to appointed operational teams. Responsibility for sustainability reporting is assigned to the CFO of each entity.



\* The same individuals sit on the Management Committee of Żabka Group SA and on the Management Board of Żabka Polska sp. z o.o. The Group's sustainability-governance processes outlined in the ESG Framework are modelled on Żabka Polska's governance framework, with key responsibilities for strategy, reporting and management assigned to the same individuals. ESG Committee meetings are attended by Żabka Polska's Management Board members and the ESG Centre of Excellence.

General information continued  
Sustainability governance continued

At the end of 2024, the ESG Business Forum was established to drive ESG initiatives and strategies within the Group. In 2025, the Forum concentrated on, among other matters, approving 2025 and 2026 ESG KPIs and strategic portfolios of activities respectively, evaluating and providing recommendations to current ESG performance, ESG ratings and related plans, taking decisions in regard to the design and execution of key strategic ESG-themed programmes through dedicated defined governance structures, executing decisions related to approval of the 2024 Sustainability statement, and 2025 DMA update, and approving generic direction of a long-term decarbonisation pathway.

## Sustainability reporting at Żabka Group

[GOV-5]

To mitigate risks of incompleteness, inaccuracy and lack of integrity of sustainability data, the process of reporting, verifying and approving sustainability data at the Żabka Group is defined by the ESG Data Collection Procedure. The Procedure designates the Group CFO as the person responsible for overseeing the sustainability reporting process across the Żabka Group.

The ESG Reporting Department is a Group function tasked with preparing and organising the sustainability data collection process, including the identification and definition of key stakeholders in the process, such as data providers and business owners. The Department also ensures the integration of the sustainability reporting process with the risk assessment results reporting process, as well as all relevant internal controls.

As per the ESG Data Collection Procedure, the responsibilities of data providers include obtaining data, verifying its accuracy and entering verified data into the

appropriate reporting tools provided by the ESG Reporting Department. To ensure the reliability and completeness of the submitted data, data providers are tasked with providing evidence to confirm all reported values and information.

Additionally, business owners identified by the ESG Reporting Department supervise data providers to ensure the submitted data is accurate and supported by evidence, as well as ensuring its timely delivery.

The ESG Reporting Department also ensures the transparency of consolidated values at Group level, based on data provided by individual entities within the Żabka Group. It also carries out the following control activities:

1. selective checking of evidence supporting reported non-financial data, and
2. conducting on-site inspections to verify the correctness of the non-financial data reporting process.

Żabka Group's sustainability reporting process involves the ESG Strategy Department, which, aside from setting the strategic direction of ESG development within the organisation, supports the preparation of sustainability disclosures.

## ESG component in compensation at Żabka Group

[GOV-3] [E1.GOV-3]

Directors and key managers, in addition to their fixed remuneration, may be entitled to receive variable remuneration in the form of an annual cash bonus and/or a Long Term Incentive Plan (LTIP). Variable remuneration is awarded based on clear, comprehensive, pre-defined and differentiated criteria in terms of financial and non-financial results, including activities relating to environmental impact, social responsibility and corporate governance.

LTIP is internally regulated by the Żabka Group SA Remuneration Policy. The Remuneration Policy, and any significant changes thereto, are adopted at the General Meeting.

The LTIP is based on the condition of agreed levels of EBITDA Growth, Sales to End Customers Growth and the **ESG LTIP Index**. The ESG Index included in the LTIP scheme determines 15% of the value of bonus payments made to top management.

To foster accountability, sustainability-related performance has been integrated into the short-term incentive plan that is part of the annual bonus scheme for eligible employees and co-workers at Żabka Polska. This is outlined in the internal yearly bonus regulations of Żabka Polska sp. z o.o., Żabka Automatic Logistics sp. z o. o. and Żabka Property Fund sp. z o. o. This integration is achieved through the ESG Index, which includes five equally weighted KPIs targeting the following areas:

1. **Sustainable lifestyle:** sales of own-brand products promoting a sustainable lifestyle;
2. **Relationships with business partners:** the percentage of business partners who are familiarised with the Code of Conduct;
3. **Employee and co-worker engagement:** assessed through Gallup's Q12 engagement survey;
4. **Circularity:** reduction of virgin plastic in own-brand plastic packaging; and
5. **Decarbonisation:** reduction of Scope 1 and 2 GHG emissions (own operations).

Additionally, at Froo the annual bonus system emphasises social responsibility through team integration and cultural training for managers.

General information continued

## Interests and views of stakeholders

[SBM-2]	Engagement purpose and our understanding of the interests and views of key stakeholders	How we manage stakeholder engagement	Examples of engagement outcomes
 <p><b>Suppliers, sub-suppliers, food producers and processors</b></p>	<ul style="list-style-type: none"> <li>» Innovation and collaboration</li> <li>» Promotion of sustainable and responsible practices</li> <li>» Acknowledgement and understanding of standards and requirements</li> <li>» Timely payments</li> <li>» Supply chain transparency</li> </ul>	<ul style="list-style-type: none"> <li>» Ongoing discussions with our suppliers</li> <li>» Bilateral and group meetings</li> <li>» Fair Business Platform</li> <li>» Żabka Polska's annual suppliers meeting</li> </ul>	<ul style="list-style-type: none"> <li>» Communication with business partners regarding our Supplier Code of Conduct and other non-financial provisions</li> <li>» Sharing good practices</li> </ul>
 <p><b>Own workforce</b></p>	<ul style="list-style-type: none"> <li>» Equal pay for work of equal value</li> <li>» Building an engaged and value-orientated work culture</li> <li>» Safe working conditions</li> <li>» Access to training and development</li> </ul>	<ul style="list-style-type: none"> <li>» Town halls</li> <li>» Net Promoter Score (NPS) surveys and the Gallup engagement survey (see the <b>Social section</b> for details)</li> </ul>	<ul style="list-style-type: none"> <li>» Increasing seasonal and transport benefits to address pay discrepancies between different distribution centres</li> <li>» Local initiatives in distribution centres, such as Family Day</li> </ul>
 <p><b>Investors and institutions</b></p>	<ul style="list-style-type: none"> <li>» Long-term value creation</li> <li>» Financial and non-financial performance</li> <li>» Market share and competitive position</li> <li>» Transparency, sustainability and ethical practices</li> </ul>	<ul style="list-style-type: none"> <li>» Regular dialogue through our corporate website and other channels</li> <li>» Investor days</li> <li>» Periodic reporting</li> <li>» One-to-one conversations with representatives of investor groups</li> </ul>	<ul style="list-style-type: none"> <li>» Increased Group focus on ESG remediation plans and due diligence in the supply chain</li> <li>» Cascading sustainability policies and governance from Żabka Group to other entities</li> </ul>
 <p><b>Local communities</b></p>	<ul style="list-style-type: none"> <li>» Job creation</li> <li>» Boosting entrepreneurship and local economies</li> <li>» Reducing barriers to business entry</li> <li>» Creating equal opportunities for young people</li> </ul>	<ul style="list-style-type: none"> <li>» Żabka Polska's social engagement strategy is built on three pillars: Well-being, Equal Opportunities, and Good Neighbourliness</li> <li>» We plan to involve Group entities other than Żabka Polska in defining and deploying activities in this area</li> </ul>	<ul style="list-style-type: none"> <li>» Community engagement programmes and charity work</li> <li>» Employee volunteering initiatives</li> </ul>
 <p><b>Franchisees and agents</b></p>	<ul style="list-style-type: none"> <li>» Attractive margins and settlement system</li> <li>» Sales support</li> <li>» Optimising store operations including minimising food waste and energy use in stores</li> <li>» Efficient digital tools</li> </ul>	<ul style="list-style-type: none"> <li>» Regular dialogue with the Franchisee Council at Żabka Polska</li> <li>» Feedback through NPS surveys to gauge franchisee satisfaction</li> <li>» Close contact with our agents in Romania to proactively engage them in daily efforts to run our Froo stores</li> </ul>	<ul style="list-style-type: none"> <li>» Our Entrepreneurship Academy, which enhances management and sales skills</li> <li>» Advanced tools, such as OptiPlan, to assist franchisees in optimising their in-store operations</li> <li>» Our Business Insurance Programme</li> <li>» Grant programme "Good life" in support of local social initiatives</li> </ul>
 <p><b>Customers and end-users</b></p>	<ul style="list-style-type: none"> <li>» Accessible, attractive and convenient products and services</li> <li>» Quality standards in place</li> </ul>	<ul style="list-style-type: none"> <li>» NPS across different Group companies</li> <li>» Analysis of consumer megatrends</li> <li>» Our "Your Opinion" customer satisfaction survey, available in the Żappka app</li> </ul>	<ul style="list-style-type: none"> <li>» The Porcja Dobrego! (Portion of Good) programme, which educates and uses product-labelling solutions to improve customer communication and information transparency</li> <li>» In-store food waste reduction initiatives</li> <li>» Deposit system in operations in Poland and Romania</li> </ul>
 <p><b>Environment</b></p>	<ul style="list-style-type: none"> <li>» We treat the environment as a "silent" stakeholder and consider its needs when making decisions</li> </ul>	<ul style="list-style-type: none"> <li>» Research, scientific data and climate projections</li> <li>» Participation in topical and industry ESG organisations and events</li> <li>» Our Fair Business Platform serves as a dialogue platform for environmental challenges across the sector</li> </ul>	<ul style="list-style-type: none"> <li>» A range of circular-economy and decarbonisation solutions</li> </ul>

General information continued

## Double materiality assessment

### Methodology and assumptions

[IRO-1]

In 2025, we updated our 2024 double materiality assessment (DMA) according to the criteria defined in ESRS 1 and implementation guidance from EFRAG. We identified and assessed our impacts on the environment and society as well as the sustainability-related financial risks that we are exposed to and the opportunities we leverage on.

To identify potentially material matters, we considered relevant matters in AR 16 ESRS 1 Appendix A, those reported by our peers, and ESG trends specific to the food retail sector. We also considered ongoing due

diligence processes to scope issues that are potentially relevant to Žabka Group. Based on these sources, we created a long list of potentially material matters.

We then reviewed the parameters of materiality for each one, with impact and financial materiality in mind. Impacts included those connected with our own operations and our upstream and downstream value chain, including those resulting from the products and services we offer, as well as through our business relationships.

To review the long list, we used a variety of sources, including, as per ESRS, stakeholder views and ongoing stakeholder engagement – an important part of the

analysis and aligned with good market practices such as the AA1000SES standard. We consulted with the Group's internal subject matter experts (ESG, Legal, Public Relations, Risk, Franchisee Relations and the Franchisee Council and representatives of other Group entities) representing the views of various stakeholders. We also reviewed Žabka Group's Enterprise Risk Management (ERM) documentation, historical ESG data, the industry-specific ESG benchmarks, opinions of authorities, and ratings we received, press coverage, the inputs of external experts and publicly available information. To learn how we identify what matters to our stakeholders, refer to **Interests and views of stakeholders**, which details our main stakeholders and our understanding of their expectations.

**Our impact materiality** assessment consisted of the following steps:

- 1) Determining **the type of impact, if any** (positive or negative, actual or potential) for all matters from the long list\*.
- 2) Evaluation of scale, scope and, where applicable, the irremediability and likelihood of each impact, using the following assessment approach:
  - » **Scale:** assesses the significance of an impact for both the organisation and the sector, ranging from no impact (0) to high significance for both (5).
  - » **Scope:** measures how widespread the impact is – ranging from none or limited (e.g. one location) to global, with separate scales for environmental and social or governance contexts.
  - » **Irremediability:** evaluates how difficult it is to reverse a negative impact, from easily remediable with minimal effort (0-1) to irreversible or extremely costly to address (5).

\* As a rule we considered negative impacts and risks before actions taken by Žabka Group (gross). Impacts were classified as positive in case of "high-impact" initiatives that positively influence people or the environment.

### The double materiality assessment (DMA) key steps

1.

#### Understanding Žabka Group context

- » Defined Group's business strategy and activities
- » Value chain mapping – understanding Žabka Group's upstream, own operations and downstream



2.

#### Identifying impacts, risks, opportunities

- » Leveraging on existing stakeholder engagement and insights
- » Internal analysis (policies, ERM risk book, past ESG reports and other disclosures)
- » External analysis (peer review, industry trends, media, EcoVadis ratings and other reviews)



3.

#### Assessment of impacts, risks and opportunities

- » Impact and financial materiality assessment
- » Workshops and interviews with key Žabka Group representatives (incl. international locations)



4.

#### Prioritisation and validation of the results

- » Prioritising results and adopting materiality threshold
- » Reviewing the final list of material matters for disclosure
- » Validation by the Management Committee, Audit Committee and Board of Directors



General information continued  
Double materiality assessment continued

- » **Likelihood:** indicates the probability of occurrence, from very unlikely (0) to almost certain (5), based on historical incidents and current conditions within the organisation or sector.
- 3) Calculating the final scoring based on the following approach:
- » **Positive actual impacts** – assessed by scale and scope. Impacts that exceed the materiality threshold are shown in light green on the graph.

Scope	5	5.1	5.2	5.3	5.4	5.5
	4	4.1	4.2	4.3	4.4	4.5
	3	3.1	3.2	3.3	3.4	3.5
	2	2.1	2.2	2.3	2.4	2.5
	1	1.1	1.2	1.3	1.4	1.5
		1	2	3	4	5
		Scale				

- » **Negative actual impacts** – three parameters were assessed: scale, scope and irremediability. A topic was considered material if at least two of the three parameters were rated 4 or higher.
- » **Potential impacts** – three or four parameters were assessed: scale, scope, irremediable character, (for negative impacts only) and likelihood. The materiality threshold was determined by the **highest score** among scale, scope and irremediability, along with the likelihood of the impact occurring. In the graph below, impacts that exceed the materiality threshold are highlighted in light green.

Highest score	5	5.1	5.2	5.3	5.4	5.5
	4	4.1	4.2	4.3	4.4	4.5
	3	3.1	3.2	3.3	3.4	3.5
	2	2.1	2.2	2.3	2.4	2.5
	1	1.1	1.2	1.3	1.4	1.5
		1	2	3	4	5
		Likelihood				

**Our financial materiality** assessment consisted of the following steps:

- 1) **Identifying risks and opportunities** corresponding to each matter on the long list, as well as risk and opportunities arising from dependencies on natural and human resources.
- 2) Evaluating the **significance of risks and opportunities** for the organisation considering:
  - a) the financial assessment (evaluated separately for revenue growth year-on-year, EBITDA margin and WACC). Each topic was scored from 0 (no influence) to 1 (high influence) based on its potential impact on the respective financial measure.

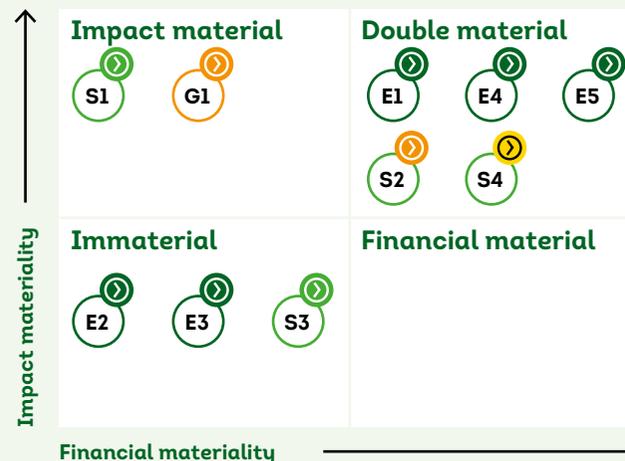
- b) the likelihood of occurrence. Rated on a scale from 1 to 5, where 1 indicates an event is highly unlikely to occur, and 5 indicates it is highly likely.
- 3) Our estimation of the final score was based on the **highest** score from among the **financial indicators** (see point 2a. above) **multiplied** by the **likelihood** (see point 2b. above). The final estimated score was based on the ERM Risk book, and it was on scale of 1 to 5. For the financial materiality dimension, any sustainability risk or opportunity that scored 3.5 or above was deemed material.

Finally, to determine the double materiality results, we combined the findings from the results both of the impact materiality and the financial materiality assessments.

## Materiality matrix

[SBM-3]

A high-level outcome of our DMA is shown in the materiality matrix. ERSR topical standards are colour-coded (mapped) to our ESG Framework areas, to illustrate how they relate to it.



### Žabka Group's ESG Framework

01 Sustainability lifestyle

03 Responsible organisation

02 Mindful business impact

04 Green planet

### Environment

- E1 Climate change
- E2 Pollution
- E3 Water and marine resources
- E4 Biodiversity and ecosystems
- E5 Resource use and circular economy

ESG category of the topic

Thematic area within Žabka Group's ESG Framework

### Social

- S1 Own workforce
- S2 Workers in the value chain
- S3 Affected communities
- S4 Consumers and end-users

### Governance

- G1 Business conduct

General information continued  
Double materiality assessment continued

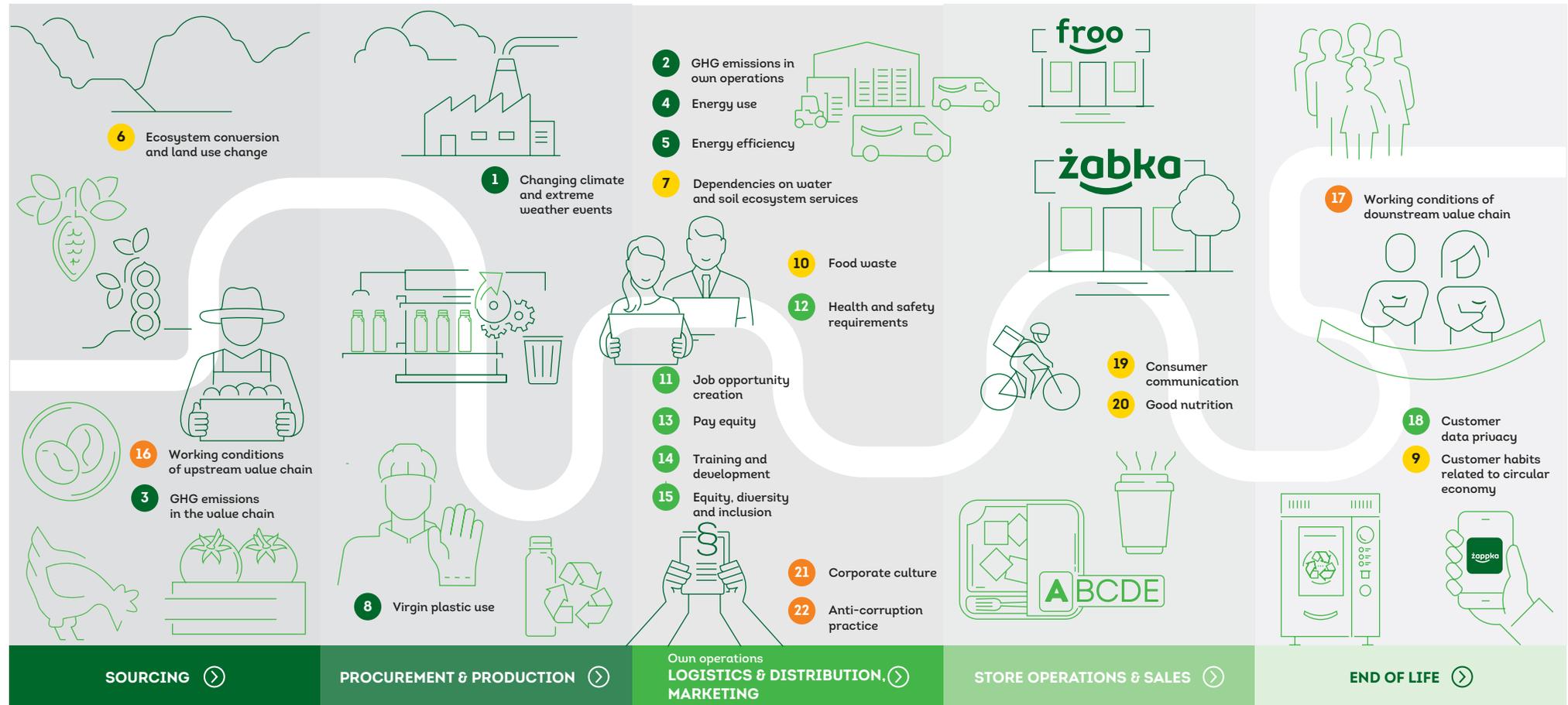
## Value chain overview

[SBM-1]

The graphic below provides an overview of the Żabka Group's value chain and indicates where our material impacts, risks and opportunities arise. Some of these are inherent to the logistics and retail sectors, reflecting our operational footprint in Poland and Romania. Others originate upstream, in our suppliers' sectors and practices, while additional impacts relate to downstream activities related to franchisees, agents and end-users.

### Żabka Group's ESG Framework

- 01 Sustainability lifestyle
- 03 Responsible organisation
- 02 Mindful business impact
- 04 Green planet



General information continued  
Double materiality assessment continued

## Material sustainability matters overview

### [SBM-3]

We have identified 22 material impacts, seven risks and five opportunities. The great majority of these are relevant from all timeframe perspectives.

The table highlights these, presenting a high-level overview of material sustainability matters affecting the organisation. This explains where we identify in relation to these issues positive or negative impacts on people or the environment, as well as financial risks or opportunities for the Group. Please see the page numbers in the right-hand column to **find more detailed descriptions of these IROs in the chapters of this Report focusing on specific topics.**

### Key for table

#### Risk/Opportunity

 Risk

 Opportunity

#### Impact

 Positive impact

 Negative impact

#### Time horizons

   short term

   medium term

   long term

Material topic	Impact	Time horizon of the impact	Risk/Opportunity	Standard	IRO description
<b>Environmental information</b>					
1 Changing climate and extreme weather events	-	  	 	Ⓔ1	See page 90-92
2 GHG emissions in operations (Scope 1 & 2)	-	  		Ⓔ1	See page 90-92
3 GHG emission in value chain (Scope 3)	-	  		Ⓔ1	See page 90-92
4 Energy use	-	  		Ⓔ1	See page 90-92
5 Energy efficiency	+	  		Ⓔ1	See page 90-92
6 Ecosystem conversion and land use change	-	  		Ⓔ4	See page 98-99
7 Dependencies on water and soil ecosystem services	-	  		Ⓔ4	See page 98-99
8 Virgin plastic use	+	  		Ⓔ5	See page 102
9 Customer habits related to circular economy	-	  	 	Ⓔ5	See page 102
10 Food waste	-	  		Ⓔ5	See page 102
<b>Social information</b>					
11 Job opportunities creation	+	  		Ⓔ1	See page 114
12 Health & safety requirements	+	  		Ⓔ1	See page 114
13 Pay equity	+	  		Ⓔ1	See page 114
14 Training and development	+	  		Ⓔ1	See page 114
15 Equity, diversity and inclusion	+	  		Ⓔ1	See page 114
16 Working conditions of upstream value chain workers	-	  		Ⓔ2	See page 120
17 Working conditions of downstream value chain workers	-	  		Ⓔ2	See page 120
18 Customer data privacy	-	  		Ⓔ4	See page 125
19 Consumer communication	+	  		Ⓔ4	See page 125
20 Good nutrition	+	  		Ⓔ4	See page 125
<b>Governance information</b>					
21 Corporate culture	+	  		Ⓔ1	See page 130
22 Anti-corruption practices	+	  		Ⓔ1	See page 130

# Environmental information

## In this section

This chapter provides an overview of our environmental and climate impacts, resource use and biodiversity performance, supported by detailed GHG calculations and measurable results from our initiatives to reduce our environmental footprint.

### Material impacts, risks and opportunities related to the environment

1	Changing climate and extreme weather events	- R 
2	GHG emissions in own operations	-
3	GHG emissions in the value chain	-
4	Energy use	-
5	Energy efficiency	+ 
6	Ecosystem conversion and land-use change	- R 
7	Dependencies on water and soil ecosystem services	-
8	Virgin plastic use	+ 
9	Customer habits related to circular economy	- R 
10	Food waste	- R 

#### Key

#### Risk/Opportunity

 Risk

 Opportunity

#### Impact

+ Positive impact

- Negative impact

## Continuing our path in energy efficiency

Throughout 2025, we built on our commitment to enhance energy efficiency across our store network. By optimising store lighting systems, refining refrigeration processes, and modernising HVAC equipment and controls, we have not only advanced our energy-saving initiatives but also achieved significant cost savings\* through decreased energy consumption.

[→ Read more on pages 95-96](#)

\* The presented cost savings were calculated based on the estimated reductions in energy consumption resulting from the implemented initiatives at Zabka stores in 2025. These reductions (determined using a "before-after" approach or another appropriate method) were then multiplied by the average monthly electricity rate.

Reduction in energy costs due to energy-saving initiatives in stores

PLN 17.6m\*



Savings thanks to reduced food waste

PLN 14.5m\*

## Combating food waste

To minimise food waste within our operations, at Żabka Polska we continued to utilise AI to optimise deliveries according to actual shopping behaviours, while also investing in dedicated, refrigerated transportation solutions that further reduce spoilage of fresh and sensitive products. In 2025, we partnered with digital platforms Too Good To Go and Foodsii to reduce wastage at stores. These initiatives support our sustainability goals and deliver significant cost efficiencies, reducing associated losses and improving overall operational performance.

[→ Read more on page 104](#)

\* The value was calculated as the average price of one ton of food waste in 2023-2025 in own operations multiplied by the potential additional amount of food waste that would have occurred if the food waste intensity had remained at the baseline level (2020). In 2025 alone, this value was PLN 5.5m.

## Policies relating to the environment

[E1-2] [E4-2] [E5-1] [MDR-P]

The Żabka Group has ambitious objectives in place via policies that apply to the Group's material activities. These policies outline the strategic direction for each objective and provide implementation guidelines. Given the comprehensive range of issues addressed by these policies, we present here all those policies relating to managing the environmental impact of the Żabka Group – including climate change, biodiversity, resource use and the circular economy. Group policies and other related solutions (such as specific goals and measures supporting effective and efficient deployment across the Group) are intended to be gradually monitored using quantitative and qualitative measures.



The **Environmental, Social and Governance (ESG) Framework** and the **Environmental and Climate Framework Policy** outline the Żabka Group's directional ambitions relating to environmental and climate matters. They are intended to guide all Group activities, taking into account agreed types of control, business maturity, local context and legal requirements. The Group Sustainability Director and the **Quality Standards & Climate Protection Director** respectively are the owners of these internal regulations, covering issues that relate to:



Climate protection



Energy sourcing and use



Biodiversity and ecosystems



Responsible sourcing of minerals, including conflict minerals



Resource use and circularity



Water



Engagement of business partners

Żabka Polska monitors the implementation of its ESG-related policies through the achievement of strategic KPIs defined under the Responsibility Strategy, as well as through the specialist expertise of the owners of particular areas of regulation. Group policies and other related solutions (such as specific goals and measures supporting effective and efficient deployment across the Group) are intended to be gradually monitored using quantitative and qualitative measures.

The Ultimate Convenience segment contains policies adapted to the type of business undertaken by Żabka Polska.

Our **Decarbonisation Policy** defines the general principles of limiting GHG emissions within Żabka Polska sp. z o.o. and its value chain. The Policy also outlines the strategic actions necessary to achieve the climate objectives detailed in Żabka Polska's ESG Strategy, as well as aligning with the Company's involvement in climate-change initiatives.

Our **Energy Policy** regulates activities relating to electricity management at Żabka Polska from 2021 to 2026. It outlines a strategic plan to enhance energy efficiency and increase the use of renewable energy sources within Żabka Polska's operations (Scope 2) and throughout its value chain (Scope 3). Acknowledging the substantial energy consumption inherent in its core business activities, Żabka Polska uses an Energy Management System in accordance with the PN-EN ISO 50001 standard. This system is designed to support and optimise energy-efficiency initiatives.

## Policies relating to the environment continued

Our **Transport Policy** defines the basic principles of transporting goods in Żabka Polska, with a focus on environmental responsibility, in accordance with the Responsibility Strategy. It indicates priorities and directions of action, demonstrating the Company's voluntary commitment to managing the value chain.

Our **Mobility Policy** outlines the overarching principles governing mobility for employees and co-workers, including strategic directives for fleet management that support Żabka Polska's decarbonisation objectives.

Our **Biodiversity Policy** sets out the general principles of conduct to protect biodiversity. It also defines the main directions of Żabka Polska's activities in this area, aimed at ensuring the protection of ecosystems and preventing loss of biodiversity.\*

Our **Paper and Wood Policy** outlines the principles Żabka Polska follows in the area of the circular economy, specifically concerning materials of paper and wood origin used in unit, bulk and transport packaging for the Company's own-brand products.

Our **Eco-design Policy** outlines the principles which Żabka Polska follows in the areas of recommended packaging materials for Żabka Polska's own brands, the composition of packaging plastics, and the principles of eco-design and their implementation for Żabka Polska's suppliers.

\* Żabka Polska's actions align with the implementation of tasks from the COP15 summit, specifically the Kunming-Montreal Global Biodiversity Framework (targets 15, 18, and 19), and adhere to the EU Climate Change Adaptation Strategy, EU Farm to Fork Strategy, EU Biodiversity Strategy for 2030, and the new EU Forest Strategy for 2030. They also comply with forthcoming regulations on deforestation. The company's activities are consistent with The 2030 National Environmental Policy - the Development Strategy in the Area of the Environment and Water Management.

Our **Plastic Circularity Policy** defines Żabka Polska's activities in the area of the circular economy, guided by the "Green Loop". This model, designed by Żabka Polska, highlights those areas of business targeted by the Company's actions that involve the comprehensive management of resources, from eco-design to environmental recovery and regeneration.

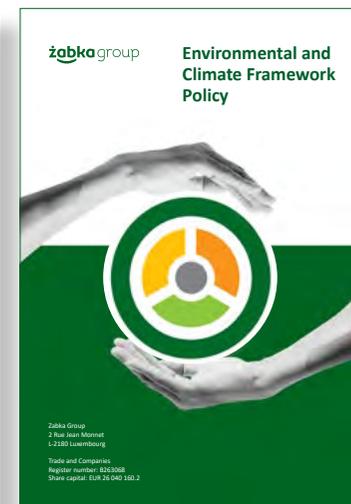
Our **Waste Management Policy** sets out recommended waste-management methods for reducing waste at various stages of a product's lifecycle. It introduces a system based on the following hierarchy: prevention, reuse, recycling, recovery and disposal.

Our **Food Waste Prevention Policy** sets standards and goals for reducing food waste in Żabka Polska's own operations, throughout the store network and in the operations of own-brand and branded-product suppliers.

Our **Water Resources Policy** outlines guidelines designed to reduce water usage and protect water resources. As water is a vital ecosystem service, we consider this Policy to be part of our approach to managing biodiversity-related impacts.

We implemented and we maintain the **Integrated Management System (IMS)** to oversee the storage and distribution of processed and unprocessed food products of animal and plant origin under strictly controlled conditions. The IMS also covers the introduction and development of private-label products. All systems are certified by TÜV NORD, an external independent certifying body.

Many of these policies are owned by The Director of Quality Standards and Climate Protection, and abridged versions are publicly available on the [Żabka Group's corporate website](#). Through the implementation of all these policies, we commit to respect the UN Guiding Principles and OECD Guidelines for Multinational Enterprises, as well as the 10 principles of the UN Global Compact.





## Decarbonisation

### Climate-related impacts, risks and opportunities

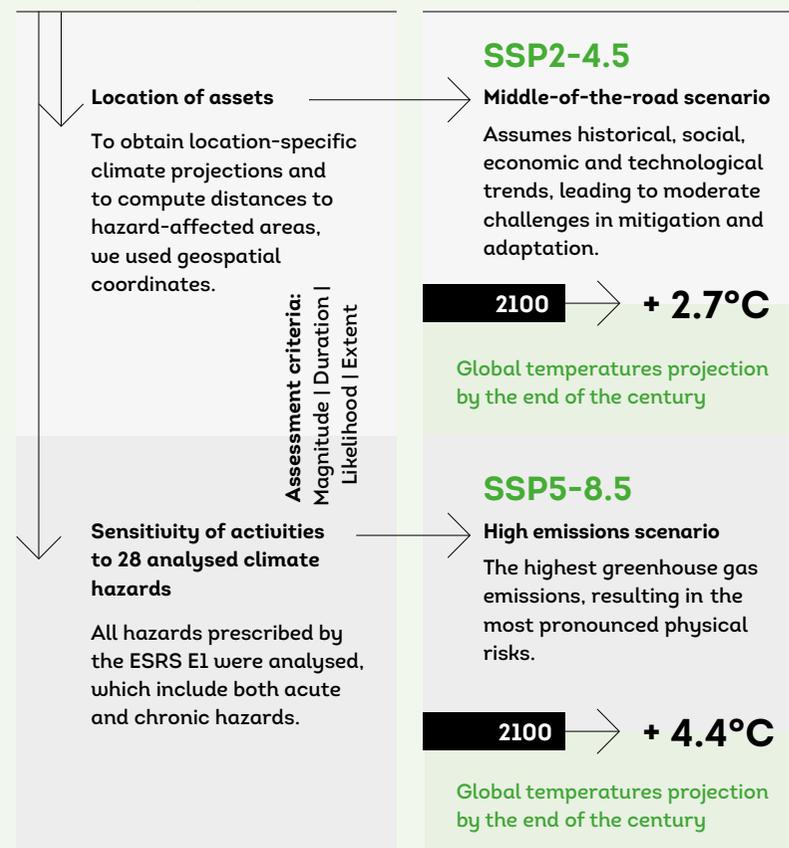
[ESRS 2. SBM-3] [E1. SBM-3]

As a convenience ecosystem owner, retailer and manufacturer, our operational activities have a direct negative impact on the climate through the emission of greenhouse gases. This impact stems from Scope 1 direct emissions, which include fuel combustion by our logistics and distribution fleet and refrigerant use in our logistics centres and headquarters. It also includes a significant indirect impact from Scope 2, resulting from the consumption of purchased electricity and heat for our operational facilities.

However, our most significant negative climate impact originates from our extensive value chain (Scope 3 emissions), which outweighs the emissions from our direct operations. This impact is primarily driven by upstream activities, with the largest source being emissions from purchased goods and services, including the agriculture and livestock sectors from which our products are derived, and from upstream transport and distribution. A further substantial downstream impact arises from energy consumption and refrigerant use across our network of over 12,000 franchise stores in Poland.

We also consider climate change to be linked to financial risks and opportunities for our business in the medium and long term. Extreme weather events such as storms, floods, droughts and chronic changes in weather patterns, such as increasing temperatures and sea level rises, pose a threat to our operations. The same can be said about pressure from ESG regulations, shifting consumer preferences and potential supply chain disruptions.

#### Scenario analysis assumptions



#### Scenario analysis process

- 1 Data gathering regarding the operations, value chain, and financial modelling
- 2 Development of the scenario assumptions
- 3 Analysis of the data using internal and external climate modeling solution
- 4 Validation of the results
- 5 Communication to the stakeholders

#### Scenario analysis outcomes usage

- 1 Strategic and financial planning
- 2 Informed expansion of the store operations and logistics network
- 3 Development and deployment of mitigation and adaptation plans
- 4 Innovation through piloting and scaling climate-resilient solutions

- » The climate risk assessment conducted encompasses both physical risks and transition risks.
- » The analysis specifically focused on the operations of Żabka Polska, which generate over 90% of the Group's revenues.
- » Given the scale and strategic importance of this entity within the Group's overall structure, the findings derived from this analysis are considered representative of the Group as a whole.
- » The short-term horizon covers one year, the medium-term horizon covers more than one year until 2030, and the long-term horizon covers the period until 2050.
- » The analysis utilised climate projections from the latest Intergovernmental Panel on Climate Change (IPCC) Assessment Report (AR6), focusing on two scenarios: the high-emissions scenario SSP5-8.5 and the middle-of-the-road scenario SSP2-4.5.
- » A 1.5°C-aligned scenario was also considered on a general level.
- » The physical risk analysis covered key sites based on revenue generated and asset value: six logistics centres we had at the moment of analysis (two were merged into one site due to close proximity) and Park Logistics City, stores (clustered in eight groups) and the value chain (at a general level).

## Decarbonisation continued

Opportunities for our business model lie primarily in strengthening climate resilience through infrastructure upgrades, long-term adaptation planning, water-efficient technologies and enhanced energy management – including a shift to low-carbon alternatives and collaboration with various partners on innovations.

**[E1. IRO-1] [E1-9]**

We conducted a **physical climate risk analysis** to determine potential climate-related hazards for our assets and business operations over the short, medium and long terms. The analysis included an estimation of the anticipated annual average financial loss resulting from property damage and business interruptions for those assets and operations identified as vulnerable to physical risks. Separately from the analysis of physical climate risk, we also undertook a **transition risk analysis**. The assumptions were similar to the assumptions for the analysis of the physical risks (in terms of time horizons and scenarios).

The physical risks identified for our stores, logistic centres and supply chain include **storms, water stress, drought, floods and rising sea levels**. The potential financial impact of these risks varies depending on the scenario under consideration. The biggest potential losses for our business are expected to come from disruptions in operations, rather than direct damage, especially over the long term in the middle-of-the-road scenario. For stores, the identified risks include storms, floods and rising sea levels. The analysis found that the biggest potential losses for stores might be due to business interruptions over the long term in the high-emissions scenario. For logistics centres, the identified risks include storms, drought and water stress. The exposed locations in Poland are Pruszcz Gdański, Komorniki, Plewiska, Radzymin, Nadarzyn and the

northern part of the country. The analysis found that the biggest potential losses for logistics centres might be due to business interruptions over the medium term in the middle-of-the-road scenario. In terms of the transitional challenges in the short term, EBITDA is not envisaged to be materially negatively affected by transition risk. However, over the medium and long term, market and technological shifts, particularly those influencing fuel pricing, are anticipated to pose significant challenges for the Group. Additionally, evolving regulatory frameworks may introduce further complexities and risks.

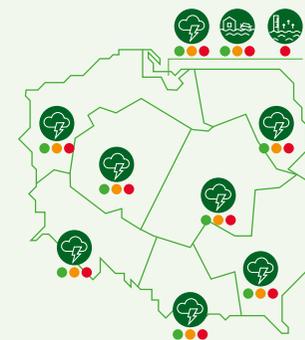
In the case of the supply chain, among the factors analysed, for selected other locations (Spain, Slovakia and Romania) the most significant risk was found to be associated with **rising air temperatures**.

In terms of resilience, climate risks and opportunities do not materially affect the Group's Consolidated Financial Statements in the short term, but they might be significant in the medium and long terms. Our strategy is linked to these material climate risks and opportunities through the Responsibility Strategy of Żabka Polska and the Group's framework policies including those on environment and climate. It is integrated with key climate considerations, addressing both direct and value-chain emissions. By proactively managing risks, adopting decarbonisation measures and aligning policies with international standards, we ensure that climate resilience is embedded in its medium and long-term planning in the Ultimate Convenience segment (see also the **Green planet** section, and **The transition framework and consideration of climate change in strategy and business model** section). To develop an understanding of the Group's resilience to climate change risks and its capacity to take advantage of opportunities, please see information above and below.

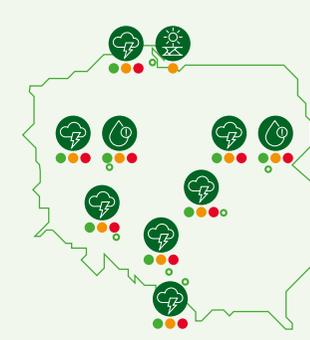
### The graphs show the results of the climate risks analysis of Żabka Polska stores and logistics centres.

#### Stores

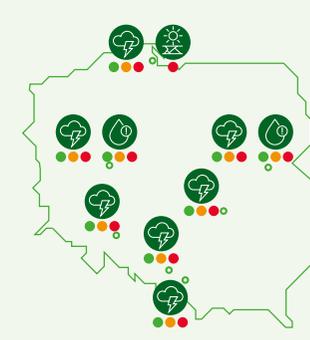
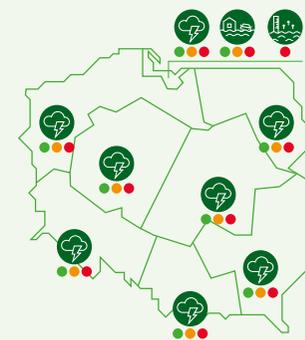
Mid-road scenario SSP2-4.5



#### Logistics centres



High-emissions scenario SSP5-8.5



#### Key

Storms	Drought	Short-term
Flood	Water stress	Medium-term
Sea level rise		Long-term

Decarbonisation continued

Risk/opportunity score according to the ERM system:

● Low ● Medium ● High ● Very High

Opportunity nature:

↓ Decreasing = Constant ↑ Growing

[ESRS 2.SBM-3] [E1.SBM-3]

## Climate risks and opportunities material to our business

Material IRO under the DMA	Risk category	Risk	Short-term assessment	Financial impact				Opportunity	Short-term assessment (18 months)	Opportunity nature	Opportunity category
				SSP2-4.5 scenario		SSP5-8.5 scenario					
				2030	2050	2030	2050				
Changing climate and extreme weather events	Physical/ Acute	Threats to operations caused by the occurrence of sudden weather phenomena	●	●	●	●	●	Strengthening our climate resilience through infrastructure developments and upgrades, emergency response protocols and insurance optimisation.	●	↑	Markets
	Physical/ Chronic	Threats to operations caused by chronic climate change	●	●	●	●	●	Long-term adaptation planning, including site diversification, climate scenario modelling and investment in resilient technologies.	●	↑	Markets
		Limitations and disruptions in water availability especially in the supply chain	●	●	●	●	●	Implementing water-efficient technologies and engagement with water stewardship programmes.	●	=	Resource efficiency
Energy use	Transition/ Market	Instability of the energy and fuel markets including price volatility and infrastructure reliability	●	●	●	●	●	Enhancing energy sourcing and management systems, negotiating long-term energy contracts, and accelerating the shift to low-carbon energy alternatives.	●	↑	Energy source
GHG emissions in own operations (Scope 1 & 2)	Transition/ Policy and Legal	Restrictions on deliveries made by combustion engine vehicles in city centres and limited availability of low-emission logistics solutions	●	●	●	●	●	Expanding the use of electric or low-emission delivery fleet, optimising logistics in highly urbanised areas.	●	=	Energy source
GHG emission in value chain (Scope 3)	Transition/ Policy and Legal	Stricter regulations in sustainable agriculture and the impact of the origin of raw materials on natural biodiversity and deforestation	●	●	●	●	●	Strengthening and enhancing collaboration with suppliers by implementing the sourcing policies and procedures and encouraging the adoption of more responsible and sustainable practices across the supply chain.	●	=	Resilience
All of the above	Transition/ Policy and Legal	Fast-evolving ESG regulatory requirements, obtaining necessary data from other entities within the value chain	●	●	●	●	●	Building robust ESG data management systems, fostering cross-functional collaboration, and positioning the company as a leader in ESG compliance and transparency.	●	=	Regulatory

Decarbonisation continued

## The transition framework and consideration of climate change in strategy and business model

[E1-1] [E1-4]

We are aware the ways in which regulators and businesses define a transition plan is evolving. Żabka Polska's strategy and decarbonisation plan, with goals set until 2026, meets some of the ESRS E1-1 transition plan criteria. We also recognise that some aspects, particularly those covering subsidiaries and our long-term transition roadmap with milestones, are yet to be fully defined.

Under Żabka Group's ESG Framework Policy, the Group will strive to adhere to its policies and activities in such a manner as to eventually become climate neutral by 2050. The Group aims to adhere to its policies and stakeholder expectations to continuously reduce its GHG emissions in the upcoming years.

Żabka Polska, the Group's most advanced entity in the sustainability domain\*, continues to implement its decarbonisation plan as part of its Responsibility Strategy for 2021-2026. The Company's decarbonisation strategy and its GHG emissions reduction targets are independently validated by the Science Based Targets initiative (SBTi).

\* Żabka Polska is the most material business of the Żabka Group, comprising approximately 90% of the Group's total GHG emissions across all Scopes.

### Transition framework highlights

#### Vision



- » First, we want to achieve 2026 commitments set for Żabka Polska and entities under full operational control, responsible for about 90% of total GHG emissions of the Group.
- » We remain focused on these commitments, aware that Żabka Polska's expertise will help us develop detailed plans and GHG emission reduction targets for other Group companies. Our ultimate intention is to eventually become climate neutral across our Group by 2050 in line with the ESG Framework our Board of Directors approved in 2024.

#### Assumptions

The feasibility of the transition will depend on many systemic factors in Poland and Romania, including transportation infrastructure readiness. We are making the assumption that 100% zero emissions-energy can be acquired at close to parity with grid power.



#### Commitment to science-based GHG reduction targets

- » Żabka Polska commits to reduce absolute Scope 1 and Scope 2 GHG emissions 25% by 2026 from a 2020 base year.
- » Żabka Polska also commits to reduce Scope 3 GHG emissions from franchisees 70% per PLN of revenue over the same timeframe.
- » Żabka Polska commits that 75% of its suppliers by spend, covering purchased goods and services, will have science-based targets by 2026.
- » These targets relate to business units under full operational control of Żabka Polska.



#### Investments and funding supporting the implementation of the transition framework

- » The Group's future transition will depend on several critical factors, including the availability of financing, affordable capital costs and access to scalable low-emission technologies, as well as the willingness of our suppliers to decarbonise. It will also rely on intellectual capital, as well as strong managerial and executive talent.
- » Substantial capital expenditures may be required to upgrade heating and cooling systems to more energy-efficient models that do not utilise climate-impacting refrigerants. Ongoing investment will be necessary to gradually transition the vehicle fleet to electric and hybrid vehicles.

#### Governance & ERM

Governance of the transition plan is anchored in sustainability governance in the Group. An Independent Non-Executive Director was appointed by the Company's Board of Directors to oversee the sustainability area, including climate.

➔ **For more information on sustainability governance see pages 80-81**



#### Pulling multiple decarbonisation levers

- » Electrification and hybridisation of own fleet
- » New logistics centres designed and developed with lower emissions than the BAU
- » Dedicated transport solutions which lower reliance on dry ice
- » Modernisation of logistics centres
- » Insulation of loading docks
- » Introducing heat pumps
- » Introducing fuel limits for own fleet users
- » Incentive programmes for employees promoting low fuel consumption in own fleet vehicles
- » Supply-chain decarbonisation efforts

Decarbonisation continued

## Other disclosures mandated by ESRS E1-1

We acknowledge the potential of locked-in GHG emissions to hinder the achievement of the Group's emission reduction ambitions. However, no detailed analysis has been conducted on this matter. The Group's primary business activity remains retail. In 2025, the Group did not possess substantial assets, such as coal-fired power plants, that are intended for long-term operation exceeding 30 years, which might conflict with GHG reduction targets, and was not excluded from the EU Paris-aligned benchmarks. There was no significant CAPEX invested relating to coal, oil or gas-related economic activities in 2025.

### Targets related to climate change

Since 2021 Żabka Polska has set SBTi-validated GHG reduction targets until 2026 (see the **Green planet** section for disclosures tagged with E1-4). The baseline year for these targets is 2020 and the baseline value is indicated in the table above. Each year, annual emission targets are set and tracked on a monthly basis. Annual targets are aligned with the reduction pathway validated by SBTi.

The decarbonisation programme at Żabka Polska has a set dedicated governance processes, including monthly meetings and collaboration groups. Oversight of the programme, as well as decision making, is entrusted to the Steering Committee. The operational teams carry out decarbonisation projects, and the Operational Committee provides monthly feedback from the field. A monthly system to monitor, report and validate GHG emissions data has also been developed, led by the ESG Reporting Director and a team of controllers.

## Target-related GHG emission reductions (Żabka Polska)

[E1-4]

Data point	Unit	Baseline value	2024	2025	2026 target
Scope 1 & 2 GHG emissions (without offset)	tCO <sub>2</sub> e	24,273	16,701	15,797	–
Emission reduction in Scope 1 & 2 (without offset) us. base year	%	–	-31.2%	-34.9%	-25%
Franchise GHG emission intensity (Scope 3 Category 14 / Revenue)	tCO <sub>2</sub> e/m PLN	27.8	9.9	9.4	–
Reduction in franchise GHG emissions intensity us. base year	%	–	-64.4%	-66.2%	-70%
Share of purchasing and expenditure related to business partners involved in science-based reduction targets	%	29%	59%	61.4%	75%

Żabka Polska, in collaboration with an external partner, is developing a dedicated platform for calculating the carbon and water footprints of products available in stores to boost supplier engagement and achieve future climate objectives related to value chain emissions.

No targets have yet been officially disclosed for the period from 2027 onwards. However, it is planned to establish measurable science-based GHG reduction targets for all Group entities. See the **Green planet** section for information on the targets set by Żabka Polska's Responsibility Strategy.

### Taking action in relation to climate change

[E1-3] [MDR-A]

Today, a significant part of Żabka Group's EBITDA comes from practices that contribute to several ESG-related

ambitions of the retail and logistics sector: operational efficiency, product and services offering, customer satisfaction and environmental responsibility including GHG reductions.

This part of our EBITDA continues to grow thanks to strategic development in key areas:

- » we are modernising our logistics centres and installing heat pumps;
- » we are introducing fuel limits;
- » we are reducing leaks of refrigerants;
- » we are expanding our portfolio of flexitarian own-brand foods at accessible prices; and
- » at the same time, we are succeeding in opening new stores, recruiting new franchisees and achieving steady financial results.

Decarbonisation continued

Key actions taken in 2025 to contribute to emissions reductions:

Decarbonisation lever	Achieved emission reductions* in 2025	Expected GHG emission reductions in the next year	Financial and other resources allocated to the actions**	Relevant reduction target or general objective
<b>Scope 1 emissions</b>				
 <p><b>Own fleet</b></p> <ul style="list-style-type: none"> <li>» Installing electric vehicle (EV) chargers in logistics centres, parking lots and users' residences</li> <li>» Dashboards and reports to improve own workforce driving style</li> <li>» Pilots of bike rental system and carpooling</li> <li>» Analytical and conceptual work on long-term fleet development strategy</li> <li>» Gradual fleet transformation from traditional to alternative engines including EV</li> </ul>	<b>72 tCO<sub>2</sub>e</b>	<b>~ 274 tCO<sub>2</sub>e</b>	<b>PLN 13.1m</b>	Reduce absolute Scope 1 and Scope 2 GHG emissions by 25% by 2026 from a 2020 base year
 <p><b>Logistics efficiency</b></p> <ul style="list-style-type: none"> <li>» Modernisation of the refrigeration system in our logistic centre in Plewiska***</li> <li>» Expanding dedicated transport solutions in 2025 by 1,840 stores, which reduced our reliance on dry ice</li> </ul>	<b>1,373 tCO<sub>2</sub>e</b>	<b>~ 1,373 tCO<sub>2</sub>e</b>	<b>PLN 1.6m</b> (modernisation) <b>PLN 0.02m</b> (dedicated transport)	
 <p><b>Heating</b></p> <ul style="list-style-type: none"> <li>» Installed heat pumps in our logistics centre in Pruszcz Gdański</li> <li>» Installed heat recovery system in our new logistics centre in Kąty Wrocławskie</li> </ul>	<b>21 tCO<sub>2</sub>e</b>	<b>~42 tCO<sub>2</sub>e</b>	<b>PLN 1.1m</b> (heat pumps)	
 <p><b>Other actions</b></p> <ul style="list-style-type: none"> <li>» Analytical work related to future Group-level GHG reduction target setting</li> <li>» Development of an enhanced low-carbon warehouse concept for the new logistics centre in Łódź (construction begun in Q4 2025)</li> <li>» "Excellent" level BREEAM In-use certificate received for our logistics centre in Radzymin</li> </ul>	<b>-</b>	<b>-</b>	<b>-</b>	

\*\*\* Achieved emission reduction for 2025 is not calculated for this action because no refrigerant leaks were recorded prior to the replacement of the installation. The modernisation primarily mitigated the risk of a potential leak, which – had it occurred – could have resulted in a significant carbon footprint.

## Decarbonisation continued

Decarbonisation lever	Achieved emission reductions* in 2025	Expected GHG emission reductions in the next year	Financial and other resources allocated to the actions**	Relevant reduction target or general objective
<b>Scope 2 emissions</b>				
 <p><b>Renewable energy</b></p> <ul style="list-style-type: none"> <li>» Power Purchase Agreements in place</li> <li>» Guarantees of origin purchased (with 95% coverage of electricity consumption in Żabka Polska's own operations and 41% in franchisee operations)</li> <li>» Energy efficiency activities run</li> <li>» Energy management system in use</li> </ul>	<p><b>17,413 tCO<sub>2</sub>e</b> (own operations)</p> <p><b>155,535 tCO<sub>2</sub>e</b> (in franchisee operations)</p>	-	<b>1.6 PLN m</b> (total cost of guarantees of origin for both own operations and franchises)	<p>Reduce absolute Scope 1 and Scope 2 GHG emissions by 25% by 2026 from a 2020 base year</p> <p>-70% reduction in franchise GHG emissions intensity us. 2020 base year</p>
<b>Scope 3 emissions</b>				
 <p><b>Products and services</b></p> <ul style="list-style-type: none"> <li>» Development of a tool for calculating the carbon footprint of products available in stores in order to plan future reductions</li> </ul>	-	-	<b>0.2 PLN m</b>	Supplier engagement
 <p><b>Stores and franchises</b></p> <ul style="list-style-type: none"> <li>» Air conditioning: implementation of an advanced control system for air conditioning and air curtains in 2,300 stores</li> <li>» Lighting: implementation of automatic control system for indoor lighting in 900 locations</li> <li>» Energy Savings Contest for franchisees</li> <li>» Glycol refrigeration: remodelling of 36 stores to test new technology for improving energy efficiency and reducing carbon leakage</li> </ul>	<b>3,918 tCO<sub>2</sub>e</b>	<b>~4,000 tCO<sub>2</sub>e</b>	<b>14.2 PLN m</b>	-70% reduction in franchise GHG emissions intensity us. 2020 base year
 <p><b>Key actions planned</b></p> <ul style="list-style-type: none"> <li>» Calculation model for the decarbonisation roadmap 2035 taking different scenarios and provisions of science-based target setting into account</li> <li>» Further investments in electric vehicles, EV-charging infrastructure and projects promoting safe and efficient driving</li> </ul>	-	-	-	-

\* The reported GHG emission reductions apply only to Żabka Polska's projects under Żabka Polska's Responsibility Strategy. Achieved GHG emission reductions relate to those achieved in 2025, and expected GHG emission reductions relate to those expected in subsequent years.

\*\* Funding for all major decarbonisation projects is secured during Żabka Polska's annual budgeting process.

Decarbonisation continued

## GHG emissions of Žabka Group

[E1-6]

Compared with 2024, overall emissions increased from an estimated 3,345,411 tCO<sub>2</sub>e to 3,419,667 tCO<sub>2</sub>e. The majority of the Group's greenhouse gas emissions continue to originate from Žabka Polska, reflecting its scale and central role in our operations. Other subsidiaries – for which we completed the first full carbon-footprint calculations in 2025 – represent a smaller but increasingly relevant share of total emissions.

Data point	Unit	2025
<b>Scope 1 GHG emissions</b>		
Gross Scope 1 GHG emissions	tCO <sub>2</sub> e	25,082
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	tCO <sub>2</sub> e	0
<b>Scope 2 GHG emissions</b>		
Gross location-based Scope 2 GHG emissions	tCO <sub>2</sub> e	24,890
Gross market-based Scope 2 GHG emissions	tCO <sub>2</sub> e	7,478
<b>Scope 3 GHG emissions</b>		
Gross Scope 3 GHG emissions	tCO <sub>2</sub> e	3,387,108
1 Purchased goods and services	tCO <sub>2</sub> e	2,870,815
2 Capital goods	tCO <sub>2</sub> e	208,798
3 Fuel and energy-related activities (not included in Scope 1 and Scope 2)	tCO <sub>2</sub> e	15,794
4 Upstream transportation and distribution	tCO <sub>2</sub> e	49,470
14 Franchisees	tCO <sub>2</sub> e	242,231
Percentage of GHG Scope 3 calculated using primary data	%	9
<b>Total GHG emissions, location based</b>	tCO <sub>2</sub> e	3,592,616
<b>Total GHG emissions, market based</b>	tCO <sub>2</sub> e	3,419,667

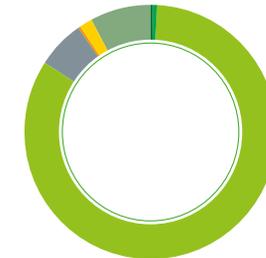
## GHG emissions of Žabka Polska

Žabka Polska's emissions profile is evolving alongside the scale of its operations. Scope 1 & 2 emissions decline in line with our SBTi commitments, while Scope 3 emissions are increasing, driven by the expansion of our convenience ecosystem – the growing number of stores, higher product volumes and the resulting rise in transport.

Data Point	Unit	2025	2024
<b>Scope 1 GHG emissions</b>			
Gross Scope 1 GHG emissions	tCO <sub>2</sub> e	14,316	15,236
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	tCO <sub>2</sub> e	0	0
<b>Scope 2 GHG emissions</b>			
Gross location-based Scope 2 GHG emissions	tCO <sub>2</sub> e	18,894	18,987
Gross market-based Scope 2 GHG emissions	tCO <sub>2</sub> e	1,481	1,465
<b>Gross Scope 3 GHG emissions</b>			
Gross Scope 3 GHG emissions	tCO <sub>2</sub> e	3,101,600	2,957,249
1 Purchased goods and services	tCO <sub>2</sub> e	2,605,276	2,460,749
2 Capital goods	tCO <sub>2</sub> e	198,674	215,460
3 Fuel and energy-related activities (not included in Scope 1 and Scope 2)	tCO <sub>2</sub> e	8,617	7,904
4 Upstream transportation and distribution	tCO <sub>2</sub> e	46,802	48,596
14 Franchisees	tCO <sub>2</sub> e	242,231	224,540
Percentage of GHG Scope 3 calculated using primary data	%	10	9
<b>Total GHG emissions, location based</b>	tCO <sub>2</sub> e	3,290,346	3,142,616
<b>Total GHG emissions, market based</b>	tCO <sub>2</sub> e	3,117,398	2,973,950

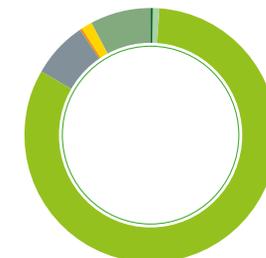
For GHG emission calculation methodology, please see [GHG emissions calculation methodology](#).

## 2025 GHG emissions of Žabka Polska



● Scope 1	14,316
● Scope 2 (location-based)	18,894
● Category 1) Purchased goods and services	2,605,276
● Category 2) Capital goods	198,674
● Category 3) Fuel- and energy-related activities	8,617
● Category 4) Upstream transportation and distribution	46,802
● Category 14) Franchisees	242,231

## 2024 GHG emissions of Žabka Polska



● Scope 1	15,236
● Scope 2 (location-based)	18,987
● Category 1) Purchased goods and services	2,460,749
● Category 2) Capital goods	215,460
● Category 3) Fuel- and energy-related activities	7,904
● Category 4) Upstream transportation and distribution	48,596
● Category 14) Franchisees	224,540

## Biodiversity

### Biodiversity-related impacts, risks and opportunities

#### [ESRS 2.SBM-3]

Our double materiality assessment concluded that Żabka Group has an impact on biodiversity through sourcing of agricultural raw materials in the upstream value chain, which drives a negative impact on biodiversity through the conversion and change of land use. While detailed information on the specific agricultural practices of all suppliers in the value chain is not easily available, this impact is inherent to the food retail sector.

Moreover, the Group's operations have a dual relationship with ecosystem services, being both dependent on them for stability and indirectly contributing to their degradation through ongoing expansion. Our direct operations rely on key ecosystem services. These include provisioning services such as a stable water supply for food production (Maczfit) and logistics operations (warehouses). They also cover important regulating and maintenance services like soil and sediment retention, water purification and water-flow regulation, all of which are vital for the long-term stability of the real estate portfolio – especially those stores in cities and logistics centres. We also benefit from cultural services, such as the visual benefits of its buildings within the wider environment.

Although we operate mainly as a franchise network, our ongoing demand for new retail and logistics locations leads to the construction of buildings that can negatively affect these ecosystem services. This creates a complex dependency: the Group's (mostly urban) growth can contribute to the degradation of the same natural ecosystem services that its business relies on for long-term resilience.

### Consideration of biodiversity and ecosystems in our strategy and business model

#### [E4-1]

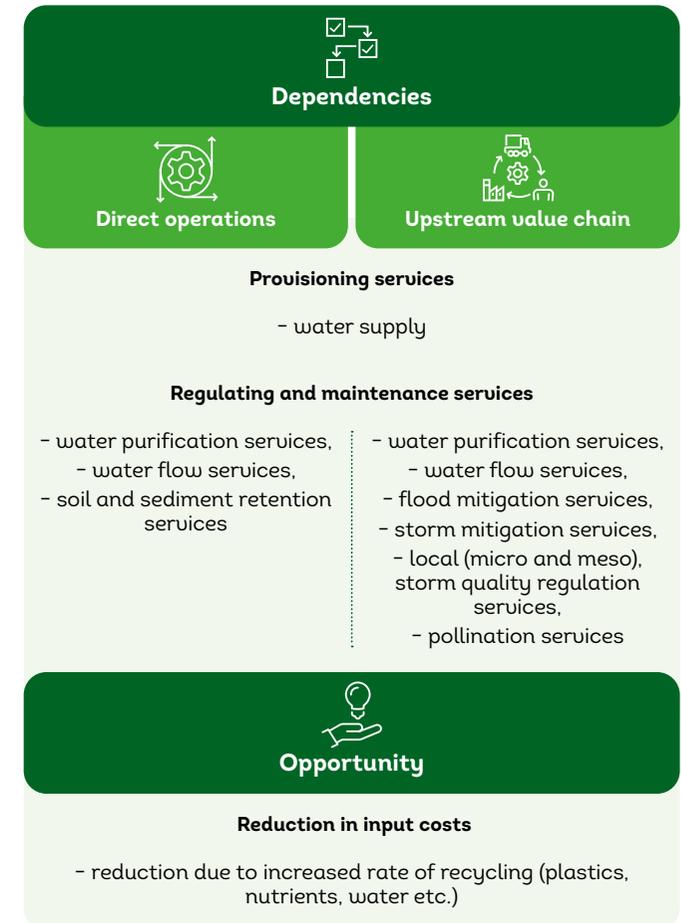
As a food retailer, Żabka Group depends on healthy ecosystems for the products our suppliers and brands source from operators in the upstream value chain. Changes in the health of these ecosystems can result in both acute and chronic impacts to the food supply chains.

Żabka and Froo stores and Group operations are spread over Poland and Romania, with stores mainly located in cities. Our robust supply chain and ongoing risk-management activities underpin the resilience of our strategy and business model.

#### [E4.IRO-1]

The process of identifying nature-related impacts and dependencies was conducted based on International Standard Industrial Classification sector data and the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. In conducting the analysis, impacts and dependencies rated as being with “high” and “very high” materiality were considered. Additionally, a careful examination was carried out to shortlist only those impacts and dependencies that are applicable to the Group entities, Żabka Polska and Żabka Polska's upstream value chain. Our approach was guided by the *Additional sector guidance – Food and agriculture*, published by the Taskforce on Nature-related Financial Disclosures (TNFD), and internal risk-management mechanisms. The risks, dependencies and opportunities were assessed over different time horizons (short, medium and long term, as defined under Disclosure Requirement BP-2). The assessment did not include analysis of ecosystem services that are disrupted or likely to be disrupted.

The assessment revealed dependencies and one opportunity to be material.



The identified physical and transition risks are presented in the table on the following page. They are mapped to the results of our double materiality assessment.

Biodiversity continued

Material IRO under the DMA	Risk category	Risk
<b>Ecosystem conversion and land-use change</b>		<b>Water scarcity and pollution:</b> higher costs and investments in water treatment and sourcing due to water stress and contamination.
		<b>Natural hazards impacting infrastructure:</b> increased repair and resilience costs from floods, landslides and other disasters.
		<b>Soil degradation and land productivity loss:</b> reduced yields, asset devaluation and higher compliance costs due to declining soil health.
		<b>Agricultural supply chain disruption:</b> relocation costs and price volatility from dependency on vulnerable agricultural regions.
		<b>Pollinator decline and crop yield reduction:</b> increased costs for artificial pollination and lower yields from biodiversity loss.
<b>Dependencies on water and soil ecosystem services</b>		<b>Insurance and reputational risks:</b> higher insurance premiums and revenue loss from reputational damage linked to biodiversity impacts.
		<b>Land-use restrictions:</b> increased costs and operational disruptions due to protected-area expansion and land rights claims.
		<b>Regulatory and compliance pressure:</b> rising costs and fines to meet GHG targets, pesticide limits and forest-risk commodity regulations.
		<b>Market and consumer shifts:</b> loss of market access and competitiveness from stricter deforestation-free requirements and demand for sustainable packaging.
		<b>Agricultural transition costs:</b> investments in regenerative practices and yield losses from pests and diseases.

Risk category key

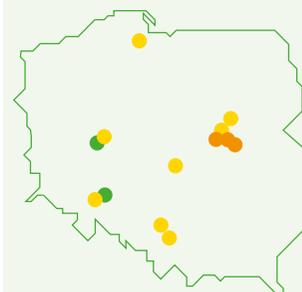
- Physical
- Transition
- Own operations
- Upstream

[E4.SBM-3]

We conducted a thorough analysis of our investment locations in terms of key biodiversity areas. None of the 29 locations evaluated were found to have a significant impact on biodiversity. In the case of four sites, the impact on key biodiversity areas may be considered as moderate. The assessment considered the direct and indirect surroundings of each facility in five categories: proximity to protected areas, proximity to Natura 2000 areas (species and habitats), hydrology, land cover and noise and light.

The results of the analysis confirmed that no direct impact on endangered species was found.

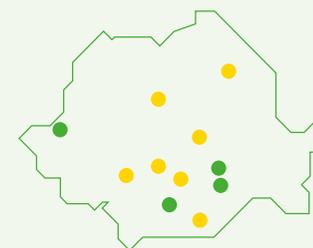
Poland



Locations in Poland  
Total impact on KBA



Romania



Locations in Romania  
Total impact on KBA



Further details, including site names and locations, are in [List of sites in own operations where the impact on key biodiversity areas may be considered as moderate.](#)

## Taking action related to biodiversity and ecosystems

### [E4-3] [MDR-A]

In 2025, Żabka Polska continued implementing policies related to sourcing for its own brand products, with a focus on commodities including coffee, soy and palm oil – identified as critical raw materials associated with deforestation risk.



**Coffee:** Żabka stores continue to offer own-brand coffee, and, since 2025, tea and cocoa certified by the Rainforest Alliance, with nearly PLN 330 million sales in 2025.



**Palm oil:** In 2019, Żabka Polska introduced a policy to phase out palm oil from all own-brand products. Currently, 20 out of 21 of own-brands do not contain palm oil. 100% branded products containing palm oil are accepted only when certified under the Roundtable on Sustainable Palm Oil (RSPO) standard. These standards require members to protect both primary and secondary forests – those that are largely untouched by humans, or that are made up of important or native trees.



**Fish and seafood:** All Żabka Polska's own-brand products containing fish or seafood hold Marine Stewardship Council (MSC) certification. To be sold with the MSC label, seafood must come from a fishery certified to the MSC Fisheries Standard.

Żabka Polska eliminated cage-laid eggs from its assortment, including own-brand items.

In 2025, we worked on implementing the EU Deforestation Regulation (EU DR), in particular the adaptation of existing processes to new requirements, the development of new tools and procedures to meet new demands, and ensuring that franchisees can also meet EU DR requirements on schedule.

We also carried out a project in cooperation with UNEP/GRID Warsaw, providing financial support for the renovation of tourist trail infrastructure in the Karkonosze National Park. Strengthening this infrastructure is a significant contribution to the protection of valuable natural hydrological habitats in the Karkonosze National Park region, which is located near one of our logistics centres.

The expected results of this investment include:

- » **Flood prevention:** by maintaining natural water retention areas, the project helps to reduce the risk of flooding in surrounding communities.
- » **Drought prevention:** storing meltwater from snow cover within natural retention areas minimises the risk of deterioration in the quality and availability of drinking water from surface intakes for the region's residents.
- » **Wetland protection:** the preservation of wetlands is crucial for biodiversity, as these ecosystems are home to many species of plants and animals of high natural value (including species listed in the Natura 2000 network).
- » **Emissions reduction:** wetlands play an important role in capturing greenhouse gases, and contributing to the mitigation of climate change. By strengthening the irrigation of hydrogenic ecosystems, the resilience of these areas to the negative effects of climate change will be increased.



The size of the protected natural habitats thanks to our project with UNEP/GRID Warsaw: **44.5** hectares

Moreover, an audit confirmed two of our logistics centre's full compliance with the Alliance for Water Stewardship (AWS) standard for sustainable water management, with no non-conformities identified and only observations noted, allowing us to maintain the AWS certification as the only retail network in Poland.

Most of our key logistics centres have green building certifications (BREEAM among others). In 2025, our new logistics centre in Kąty Wrocławskie underwent a Life Cycle Assessment (LCA) in line with BREEAM International New Construction Version 6.0 (MAT01 credit). The LCA evaluated the environmental impacts of the building's materials, construction, operation and deconstruction over a 60-year period. By quantifying emissions and resource use, the analysis supports responsible land use and helps identify opportunities to minimise negative impacts on local ecosystems. In 2025, as part of the implementation of the BREEAM

## Biodiversity continued

In-Use certification at the Radzymin logistics centre, actions required to meet the criteria for water management and biodiversity protection were carried out. A Sustainable Water Use Plan was developed, defining the principles for regular reporting and analysis of water consumption, as well as the use of water-efficient fittings meeting the required maximum flow rates during refurbishments and fixture replacements. The plan also includes a schedule for fixture replacement and a procedure for the maintenance of water systems, as well as the obligation for building users to report any faults. In the area of biodiversity, an ecological value assessment of the site was conducted by an external expert. Based on the findings of the assessment, measures were implemented to enhance the site's

capacity to support local plant and animal species. These included the introduction of pollinator-friendly plants, the installation of an insect house and a bird water station, and the avoidance of peat in planting activities due to its significant ecological importance. Additionally, a sustainable procurement policy has been developed for the facility, which recommends choosing, whenever possible, products that carry eco-label certifications.

### Targets related to biodiversity and ecosystems

#### [E4-4] [MDR-T]

In 2025, Żabka Polska continued to fulfil the general objectives outlined in its Biodiversity Policy, which was put in place in 2023. To further minimise its impact on nature and better track the effects of the completed actions from various deployment roadmaps, for 2026 Żabka Polska set an ambition to maintain measures preventing biodiversity losses in own operation at no direct losses set at the target level. As for the indirect impacts related to sourcing products and/or materials, Żabka Polska and the Group is in the final stage of defining measurable targets in this area to take into account final versions of the relevant EU regulations, mitigate risks assessed in this domain and leverage on measures which will be introduced jointly with a future introduction on the GHG reduction targets resulting from forest, land and agriculture activities (FLAG). Simultaneously, Żabka Group shall continue to adhere to its current Environmental and Climate Framework and Sustainable Food System Framework Policies.

## Biodiversity metrics

### Impact metrics related to biodiversity and ecosystems change

#### [E4-5]

Data point	Unit	2025	2024
Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that are negatively affected by our operations	Number of sites	1*	1*
Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that are negatively affected by our operations	Hectares	0.38	0.38

\* The site is a warehouse located 600m from a landscape park (Chojnowski Park Krajobrazowy) and a protected landscape area (Warszawski Obszar Chronionego Krajobrazu). The area of the site presented in the table is the area of the warehouse.





## Resource use and circularity-related impacts, risks and opportunities

[E5.IRO-1] [ESRS 2.SBM-3]

To operate, we rely on many materials and resources including packaging. We recognise our impact on three key areas related to resource use:

- » virgin plastic use (our growing portfolio of own-brand products increases demand for plastics, which we are actively trying to reduce at product design stage);
- » customer habits related to the circular economy solutions (we generate a significant stream of post-consumer waste, which, if not handled correctly by the end-user, can lead to litter and increased landfill use); and
- » food waste (we contribute to food losses in our own operations – distribution centres and in transport to the stores).

In terms of financial materiality, we believe reducing the use of virgin plastic in packaging creates a strong market opportunity for us to respond to growing consumer demand for more low-impact packaging of products. By switching to 100% rPET bottles, introducing recyclable mono-materials, and reducing overall packaging weight and maximising own brand products packaging which are suitable for recycling processes, the Group can attract environmentally conscious customers and differentiate our Group in a competitive retail landscape.

In our view, customer habits involve both risks and opportunities. Due to the nature of the convenience retail model, our operations generate a large volume of single-use packaging, which may contribute to environmental degradation if not disposed of properly by customers. Limited customer engagement, lack of incentives or the ineffective scaling of pilot programmes could result in increased reputational risk, regulatory scrutiny or criticism from stakeholders expecting the Group to take stronger responsibility for post-consumer waste.

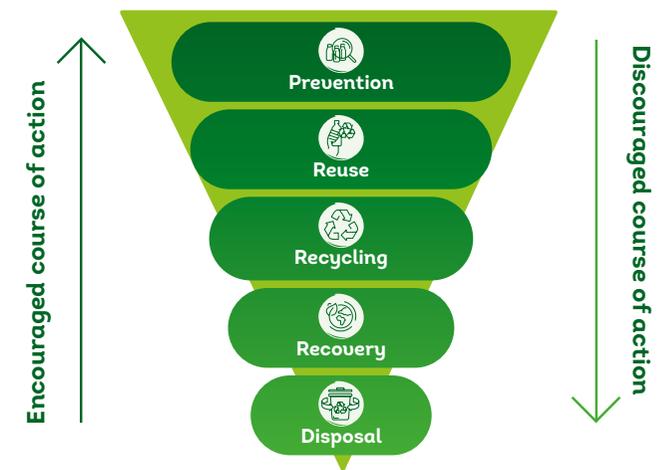
We also see an opportunity to do incremental business on the back of circular solutions. By voluntarily scaling up deposit-return system in Poland (after the deployment of such a system in Romania in 2024) and other circular initiatives, we can strengthen a sense of shared environmental responsibility and consequently increase customer engagement.

Food waste can increase operational costs, reduce supply-chain efficiency and result in environmental harm. If waste levels are not effectively controlled, we could face tighter regulations or reporting requirements under EU food-waste reduction targets.

## Taking action related to resource use and the circular economy

[E5-2] [MDR-A]

### Optimised product packaging, including reduced use of virgin plastic



In 2025, the continuing use of eco-design principles enabled Żabka Polska to optimise product packaging management in alignment with the waste hierarchy, in accordance with the EU New Circular Economy Action Plan. These principles are also incorporated into the Żabka Group's Environmental and Climate Framework Policy. The hierarchy of actions includes prevention, reuse, recycling, recovery and disposal, with the aim of reducing waste production by limiting resource consumption, increasing the use of secondary raw materials and introducing specific guidelines for packaging design and other areas.

## Circularity continued

Within Żabka Polska's own brands, packaging for all own-brand products has been aligned with eco-design principles. These changes include, among others, using recycled materials (such as rPET) in bottles, trays and bowls; removing black ink from packaging; reducing packaging size and weight; and switching laminated films to mono-materials. At year end, 97.6% of Żabka Polska's own-brand PET bottles were 100% made from recycled material\* and we continue to explore ways to increase this content in other packaging. The brands that had the greatest impact on reducing the share of virgin plastic in own-brand plastic packaging in 2025 were: Dobra Karma (324 tons of recycled content), Wycisk (163 tons) and Szammam (292 tons). Good results were achieved particularly thanks to the usage of CPET which contains post-consumer recycled content in Szammam brand packaging. The Company continued to offer reusable and paper bags to reduce plastic waste, and the "Collective Packaging" initiative has significantly reduced plastic waste by using reusable outer packaging for ready meals and sandwiches.

## Enhancing good resource-related customer behaviour

The Żabka Group recognises the effectiveness of collaborative closed-loop action and actively partners with stakeholders to prevent waste generation and enhance product circularity.

Poland introduced its deposit system for recycling packaging on 1 October 2025. As a retailer, we voluntarily arranged to refund deposits, collect packaging and assist franchisees with the process

(preceded by collection of non-deposit packaging materials within our "Green Renewal" pilot programme). Operators of small stores – those with a sales area of less than 200m<sup>2</sup> – could join the system voluntarily. The vast majority of Żabka's 12,000+ stores are smaller.

As of year-end 2025, nearly 100% of Żabka stores were already accepting PET bottles and cans from customers. In 2025, we collected almost 11 million beverage containers through the system. For each returned bottle, customers receive a deposit refund. In addition, during a designated promotional period customers were granted 50 extra żapps (loyalty points) per return. These results demonstrate the engagement of our customers and confirm the interest in packaging collection at Żabka stores.

As part of the "Naturally Together" programme, Żabka Polska collaborates with franchisees to separate secondary raw materials, primarily cardboard and foil from store deliveries. In 2025, the "reusable cup" discount continued, with over 485,000 discounted hot drinks being sold this year to those customers who bring their own cups, reducing single-use waste.

In 2025, Żabka Polska piloted a six-month cup-collection initiative in the Polish city of Toruń. This was connected with the EU-supported Retail ReLooped project, involving collaboration with recyclers, sorting facilities and scientific partners (Polish Academy of Sciences, PAN) to test scalable circular packaging systems. This "living lab" gave us good insights into consumer engagement and material recovery practices to support our goal of maximising own-brand products packaging volume passed onto recycling processes.

Looking ahead, the Group will prioritise the use of reusable packaging for its own brands, with the aim of further reducing single-use consumer waste. Moreover, preparations are currently under way to ensure readiness for Packaging and Packaging Waste Regulation (PPWR) as well as Extended Producer Responsibility (EPR) in companies within the Żabka Group (other than Żabka Polska).



\* 100% refers to the bottle only, excluding cap and label.

## Managing food waste

In 2025, the Group's food waste increased by over 900 tonnes versus 2024, a change largely attributable to our ongoing expansion, and the main driver of this result is Żabka Polska's extensive operations. However, despite this rise in absolute quantities, at Żabka Polska we achieved a reduction in food-waste intensity by 24.9% and we have managed 87% of unsold food. As we continue to grow, we aim to intensify solutions to reduce and manage food waste, covering our own operations, at stores, in consumer households and among our suppliers.

Similar to last year, in 2025 Żabka Polska continued to employ artificial intelligence to align store deliveries with local shopping patterns. Next to assortment of adjustments, focus centred on, dedicated transportation solutions, and monitoring products at risk of expiration. According to the segmentation of different types of Żabka stores, we continued to conduct analyses of high-loss products resulting from the assignment of products to particular store types, replacing them with products with higher sales potential and faster turnover. In connection to this, in 2025, we launched a Food Waste 2.0 programme focused on targeting the main categories of products with the highest levels of loss, establishing tailored pathways for each category. This involved assigning products to specific segments to optimise allocation, with a particular focus on: i) segment assignment and ii) modifications to store planograms.

We also continued collaboration with NGOs such as food banks. When donating surplus unsold food was not feasible, waste was repurposed to produce energy in biogas plants. Żabka Polska also systematically monitors food waste downstream in its stores, allowing franchisees to offer short-lived products at discounted prices through the "NIEmarnujeMY" programme.

In 2025, we also began collaboration with the Too Good To Go and Foodsfi digital platforms. These are apps enabling consumers to purchase surplus high-quality food – often as surprise packages – from restaurants and shops like ours, thus preventing food waste. Jointly, during these two pilot tests, a total of 3,599kg of food was saved, valued at PLN 50,507. This result suggests that the solution may help decrease food waste and franchisee losses. It may also facilitate cross-selling and upselling, as 42% of people purchase something from the regular store selection when collecting their Foodsfi package.

In terms of wider Group impact, we focused on developing sound methodologies for calculating food waste in our Romanian operations, where we plan to intensify our efforts in the future. In 2026, we plan to implement food waste strategies at all our logistics centres, enhance collaboration with the Food Banks Federation and roll out the Too Good to Go/Foodsfi solution across 30% of the Żabka store chain.

Żabka Group		2025	2024
Amount of food waste generated in our own operations	Mg	2,981	2,061
Food waste diverted from the waste stream	%	83%	68%

### Accounting policies

Food waste is defined as the food (including beverages) and inedible parts for which we have no further use that are removed from our value chain. 2024 data covers logistic centres (Żabka Polska) and production facilities (Maczfit), and 2025 data covers also darkstores (Lite e-commerce) and our Romanian operations. Food waste downstream (e.g. waste in Żabka stores, waste in consumer households) is not included. At Żabka Polska we calculate the amount of food waste by comparing the weight of food products purchased by Żabka Polska with the quantity of food products ordered by our franchisees (the balance sheet method). Other Group entities used waste collection invoices and the Polish "Database on products, packaging and waste management".

## Targets related to resource use and circular economy

[E5-3]

We plan to establish measurable targets for Group entities from 2027 onwards. The targets related to this area, defined by Żabka Polska's Responsibility Strategy, are presented in the **ESG Framework** section.



Circularity continued

## Resource use and circularity metrics

### Resource inflows

[E5-4]

Resource inflows cover own-brand packaging, imported materials introduced to the market and logistics materials used for transportation.

Data point	Unit	2025	2024
Total weight of products and technical and biological materials used during the reporting period	Mg	37,530	21,645
Percentage of sustainably sourced biological materials used during the reporting period	%	26	10
The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture products (including packaging)	Mg	13,396	7,342
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials	%	35	34

#### Accounting policies

The "Total weight of products and technical and biological materials used during the reporting period" refers to packaging of our-own brand products, imported materials introduced to the market and logistics materials used for transportation. Biological materials from sustainable sources are packaging that have either FSC or PEFC certifications. The total weight of materials used in 2025 is the denominator for those indicators expressed in percentages.

## Resource outflows

[E5-5]

Resource outflows are materials and products that come out of our production processes and that are then put on the market (including packaging). Group entities do not have production processes per se, except for Maczfit (for the manufacture of meals). As a Group, we introduce materials such as glass, plastic, paper, wood and metal into the market, which are used in packaging forms such as trays, bowls, cups, bottles, cans, soft films for sandwich packaging, top films, labels and more. Żabka Polska introduces such materials to the market from the upstream value chain under its own brands – Foodini, Wycisk, Dobra Karma, SI and others – which are designed in line with circular principles. (For more details, see the [Circularity](#) section under [Optimised product packaging, including reduced use of virgin plastic](#)).

Data point	Unit	2025	2024
The rates of recyclable content in product packaging	%	76.3	51.9

#### Accounting policies

When compiling the rate of recyclable content in product packaging, we used as denominator the overall total weight of the materials (packaging) used during the reporting period. Data on these includes own-brand packaging, imported materials introduced to the market and logistics materials used for transport. The numerator is recyclable content in products packaging. The year-on-year change results from improved accuracy and completeness of data related to the packaging of imported products.

Waste we generate primarily covers waste generated at logistics centres (Żabka Polska), production facilities (Maczfit) and offices. The Group's largest waste streams are paper and plastic packaging waste, meaning the primary materials present in our waste are paper and plastic. At Żabka Polska we enable the collection of packaging waste from bulk containers/transport containers in which products are delivered to franchisees. Paper, cardboard and foil are collected at our logistics centres and then transferred for recycling to authorised external entities with waste-processing decisions.

## Resource outflows – waste

Data point	Unit	2025	2024
Total waste generated	Mg	30,064	22,743
Hazardous waste diverted from disposal	Mg	4	0
Preparation for reuse	Mg	0	0
Recycling	Mg	0	0
Other recovery operations	Mg	4	0
Non-hazardous waste diverted from disposal	Mg	25,008	19,154
Preparation for reuse	Mg	2	1
Recycling	Mg	21,362	17,369
Other recovery operations	Mg	3,645	1,784
Hazardous waste directed to disposal	Mg	0	33
Incineration	Mg	0	0
Landfill	Mg	0	0
Other disposal operations	Mg	0	33
Non-hazardous waste directed to disposal	Mg	5,051	3,556
Incineration	Mg	1,538	606
Landfill	Mg	2,850	2,358
Other disposal operations	Mg	663	592
Non-recycled waste	Mg	8,702	5,374
Percentage of non-recycled waste	%	29	24
<b>Total amount of hazardous waste</b>	<b>Mg</b>	<b>4</b>	<b>33</b>
<b>Total amount of non-hazardous waste</b>	<b>Mg</b>	<b>30,059</b>	<b>22,710</b>

#### Accounting policies

Data was compiled based on waste-collection invoices and the internal systems of Group entities. In our Romanian entities, the data was also collected from environmental compliance reports.



## EU Taxonomy

Article 8 of EU Taxonomy (Regulation 2020/852) mandates the Žabka Group to disclose in its consolidated sustainability statement the information on how and to what extent its activities conducted are subject to the Taxonomy classification system of sustainable activities in terms of six environmental objectives:

- » Climate change mitigation (CCM);
- » Climate change adaptation (CCA);
- » Sustainable use and protection of water and marine resources (WTR);
- » Transition to a circular economy (CE);
- » Pollution prevention and control (PPC); and
- » Protection and restoration of biodiversity and ecosystems (BIO).

The Žabka Group is required to verify the eligibility of its activities and their alignment with the specific technical screening criteria (TSC), as well as to provide the percentage share of the Group's business activities that are eligible and aligned (key performance indicators – KPIs).

In the fiscal year 2025, the Žabka Group implemented these steps for the second time. On 4 July 2025, the European Commission announced a draft amendment through delegated regulations aimed at simplifying the application of the EU Taxonomy. In this Report, we are using the simplification measures laid out in Commission Delegated Regulation 2026/73.

The assessment process involved representatives from various Group entities, including internal experts from business departments who assessed eligibility and alignment, as well as accounting and Group controlling teams responsible for data collection for KPI calculations. The Group's ESG Reporting function conducted and supported the entire process.

### Determining eligibility of Taxonomy-related activities

The Žabka Group recognised specific types of activities as Taxonomy-eligible based on the activity descriptions provided in the EU Taxonomy delegated regulations.

Activity was considered as eligible regardless of whether it made a substantial contribution to one or more of the Taxonomy's six environmental objectives and fulfilled the Do No Significant Harm (DNSH) criteria for other environmental objectives, prioritising the descriptions of activities and, secondarily, the NACE codes indicated in the regulations. Only activities that generate turnover or involve capital expenditures or operating expenditures were considered in the process (activities that do not generate revenues and in which no CAPEX/OPEX are incurred are not subject to disclosure requirements).

After analysing all types of activities listed in the EU Taxonomy delegated regulations, it was determined that the following of the Group's business activities are within scope of the climate change mitigation objective:

<b>5.5 CCM</b>	Collection and transport of non-hazardous waste in source segregated fractions
<b>6.5 CCM</b>	Transport by motorbikes, passenger cars and light commercial vehicles
<b>6.6 CCM</b>	Freight transport services by road
<b>6.15 CCM</b>	Infrastructure enabling low-carbon road transport and public transport
<b>7.3 CCM</b>	Installation, maintenance and repair of energy efficiency equipment
<b>7.5 CCM</b>	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
<b>7.7 CCM</b>	Acquisition and ownership of buildings
And one activity is within scope of the environmental objective related to the transition to circular economy:	
<b>2.3 CE</b>	Collection and transport of non-hazardous and hazardous waste

The core business of the Žabka Group is related to the retail sector, which is currently not covered by the EU Taxonomy and its delegated acts, which affects presented KPIs. However, the EU Taxonomy is subject to periodic updates and revisions, including the possibility of adding new TSC in the future, such as for the retail sector. The Žabka Group will continue to monitor changes in this area.

## Determining the alignment with substantial contribution criteria

The process of determining the alignment with the EU Taxonomy involved analysing the fulfilment of the specific TSC for substantial contribution to the environmental objectives. We have verified the substantial contribution criteria which requires confirmation that the activities described in the criteria are being carried out in accordance with the technical screening criteria as per respective EU Taxonomy Delegated Regulation. In particular, this included:

- » 5.5 CCM – confirming that agreements concluded with waste collectors explicitly require separated collection of source-segregated waste aimed at preparation for reuse or recycling (referred to in section 5.5 of Annex I to Delegated Regulation 2021/2139);
- » 2.3 CE – relevant criteria regarding waste segregation methods and processes, and related procedures, were analysed as described in Annex II to Delegated Regulation 2023/248;
- » 6.15 CCM – confirming that the Żabka Group incurred CAPEX related to infrastructure dedicated to low-carbon transport operations and exclusions related to fossil fuels meeting the TSC, as underlined in the section 6.15 of Annex I to Delegated Regulation 2021/2139;
- » 7.5 CCM – confirming that the Group incurred capital expenditures related to individual measures dedicated to measuring, regulation and controlling energy performance of buildings, as described in section 7.5 – Annex I to Delegated Regulation 2021/2139;
- » 6.5 CCM and 6.6 CCM – the level of exhaust emissions was assessed in relation to the vehicles qualified under the given activity as described in the Annex I to Delegated Regulation 2021/2139;

- » 7.3 CCM – the energy efficiency class of the equipment was assessed as described in Annex I to Delegated Regulation 2021/2139;
- » 7.7 CCM – the energy efficiency of buildings and premises used by the Żabka Group in its retail activities (including stores and logistics centres) was assessed as described in Annex I to Delegated Regulation 2021/2139.\*

## Determining alignment with the DNSH criteria

The next step in assessing alignment with the EU Taxonomy involves verifying the criteria to ensure no significant harm (DNSH) is caused to other environmental objectives. The Żabka Group conducted alignment analysis with DNSH criteria for all activities that meet substantial contribution criteria.

\* We applied Polish Ministry of Development and Technology's **method** for assessing energy efficiency threshold for Łódź logistics centre, which is under construction for own use.

This analysis included, for example:

- » physical risks analysis related to climate for all activities in accordance with the Appendix A to Delegated Regulation 2021/2139;
- » an assessment of tyres in terms of the noise pollution they generate and verification of compliance with type approval requirements regarding pollutant emissions from light vehicles in accordance with the Euro 6 standard (in the case of CCM 6.5 activity); and
- » several criteria related to waste segregation methods as well as the management system covering environmental, health and safety risks and whether vehicles used for waste management meet the requirement of Euro 5 standards (activity CCM 5.5 and 2.3 CE).

In other cases, the DNSH criteria do not apply to the activities carried out by the Żabka Group.

### Żabka Group's EU Taxonomy activities – 2025 overview

EU Taxonomy activity	Description of the Group's activity	The assessment results
<b>Climate change mitigation</b>		
<b>5.5 CCM</b>	Selective waste collection, deposit return system implementation in the Żabka stores.	Aligned
<b>6.5 CCM</b>	Leasing of hybrid and petrol cars, electric and petrol motorbikes.	Part of activity aligned
<b>6.6 CCM</b>	Leasing and purchase of petrol trucks.	Non-aligned
<b>6.15 CCM</b>	Infrastructure enabling low-carbon road transport and public transport	Aligned
<b>7.3 CCM</b>	Installation and replacement of light sources and heating, ventilation and air-conditioning devices (HVAC) and its steering devices.	Non-aligned
<b>7.5 CCM</b>	Installation of electrical switchboards and smart meters.	Aligned
<b>7.7 CCM</b>	Expenditures for premises (the Żabka stores, logistics centres and Group offices), including expenditures for the construction of a new logistics centre and renovations of existing buildings.	Part of activity aligned
<b>The transition to a circular economy</b>		
<b>2.3 CE</b>	Selective waste collection, deposit return system implementation in the Żabka stores.	Part of activity aligned

## Minimum safeguards

The assessment of the Group's alignment with minimum safeguards was carried out taking into account the recommendations contained in the Final Report on Minimum Safeguards, developed by the Platform on Sustainable Finance in October 2022. The analysis focused on assessing our alignment with the following key areas:

- » **Human rights:** we have analysed the existence and adequacy of human rights due diligence procedures within the Žabka Group, following the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. All steps of this process have been found to be implemented in the Group.
- » **Anti-corruption:** the Group maintains a zero-tolerance policy towards corruption and bribery. Internal anti-corruption framework includes comprehensive policies, regular employee training and mechanisms for reporting and investigating potential breaches.
- » **Fair competition:** the Group is dedicated to upholding the principles of fair competition and antitrust law, ensuring compliance with regulations that promote competitive markets and prevent monopolistic practices.
- » **Taxation:** the Group is committed to maintaining transparency in its tax practices and fulfilling its tax obligations in all jurisdictions where it operates.

Responsible business conduct standards are reflected in the Group's internal procedures and processes. We are committed to continuous improvement and regular review of our policies and practices to address any gaps and align with evolving standards, continually developing our approach to due diligence.

In 2025, the Žabka Group did not identify any final court cases that would significantly impact the assessment of minimum safeguards. Additionally, there were no reports in the registers of the OECD National Contact Point and the Business and Human Rights Resource Centre concerning Žabka Group SA or its subsidiaries.

For more information on minimum safeguards, please refer to the **Social information** section of the statement.

## Key performance indicators and accounting policy

The Žabka Group presents in this statement the percentage share of environmentally sustainable business activities in net turnover (derived from the sale of products or services), capital expenditure (CAPEX) and explains the approach to reporting the KPI in relation to operating expenditure (OPEX).

As at 31 December 2025 the KPIs for the aligned EU Taxonomy activities were as follows:

- » KPI CAPEX – Taxonomy-aligned CAPEX: 8.2% and Taxonomy-eligible CAPEX: 58.2%;
- » KPI Turnover – in 2025, the Žabka Group did not record any Taxonomy-eligible nor Taxonomy-aligned Turnover; and
- » KPI OPEX – OPEX as defined by the EU Taxonomy is not material to Žabka's business model. The Žabka Group has opted to use an exemption allowing the presentation only denominator for this KPI.

The breakdown of the key performance indicators presented above, in relation to the types of business activities eligible or aligned with the EU Taxonomy, has been presented on the following pages of the statement.

KPIs were calculated in accordance with the guidelines outlined in Delegated Regulation (EU) 2021/2178. To determine the proportion of turnover, capital expenditure (CAPEX), and operating expenditure (OPEX), the same accounting principles were applied as those used for the consolidated annual financial statements of the Žabka Group. The calculation of indicators for the Group also incorporated relevant consolidation adjustments used in the preparation of the financial statements.

To comply with the principle of eliminating the risk of double counting, no financial item was taken into account more than once.

In the case of activities that make a significant contribution to achieving more than one environmental objective (5.5 CCM and 2.3 CE), the KPI is presented according to the EU Taxonomy rule as follows: the Žabka Group disclosed the KPI once, in one row, indicated both activities (5.5 CCM and 2.3 CE) and allocated the KPI between the environmental objectives, assigning values to only one of them in columns (6)–(11), depending on the nature of the assets to which the expenditure related.

There has been no need to restate comparative data for the previous period. No changes have been introduced in the methods of calculating KPIs.

## Turnover KPI

The Žabka Group in 2025 does not recognise turnover from any of its business activities that fall under the scope of the Taxonomy (no eligible or aligned activities).

The general accounting rule dictates that the KPI related to turnover is calculated by dividing net revenue from the sale of products or the provision of services related to the Group's Taxonomy-eligible activities by the Group's consolidated revenue, as disclosed in the Žabka Group financial statements. More detailed information on denominator for this KPI can be found in Note 5.1 of the Consolidated Financial Statements for 2025.

In 2025, no own consumption occurred in the context of Taxonomy activities.

## CAPEX KPI

The key performance indicator related to capital expenditures was determined by dividing the sum of capital expenditures related to eligible and aligned activities by the total capital expenditures of the Žabka Group. The basis for calculating this key indicator was the capital expenditures of the Žabka Group on additions to property, plant and equipment, internally developed intangible assets, additions to capitalised right-of-use assets, additions acquired through business combinations and additions to investment properties acquired or recognised in the carrying amount that is included in the Consolidated Financial Statements for 2025 (described in Notes 6.2, 6.3 and 6.4).

The Žabka Group does not present a breakdown of the CAPEX KPI due to the fact that 100% of the increase in aligned activities relates to additions to property, plant and equipment and increase in right-of-use assets.

As a part of the KPI CAPEX calculation for activity 2.3 CE "Collection and transport of non-hazardous and hazardous waste" regarding the portion related to the implementation of the deposit return system, the Žabka Group applied allocation. Within this activity, for which the Žabka Group qualified expenditures for implementing solutions to operate the deposit return system, one of the alignment criteria regarding DNSH criteria is the use of vehicles meeting Euro V emission standards or newer for waste transport.

Based on the information obtained from waste collectors, Žabka Group determined the distance traveled by vehicles meeting the Euro 5 standard, in accordance with Regulation (EU) 2018/58, as well as the distance traveled by vehicles with lower standards. Consequently, the KPI CAPEX value for the portion of activity 2.3 CE reported as aligned was calculated on the proportion of distance traveled by vehicles meeting the Euro 5 standard in the total distance traveled by the vehicles used for the operation of the deposit return system, which as of 31 December 2025 amounts to 89%.

For financial year 2025 Žabka Group did not consider any activities non-material.

## OPEX KPI

The Žabka Group has opted to use an exemption allowing the presentation of individual OPEX KPIs with a numerator of zero, as these costs are not material to its business model.

The denominator for the OPEX KPI as of 31 December 2025 is PLN 275,197k.

The denominator includes selected types of operating expenses, such as costs related to building renovations, short-term leasing, and the maintenance and repair of the car fleet and buildings.

Additionally, the OPEX KPI encompasses any other direct expenditures related to the ongoing servicing of property, plant and equipment, whether carried out by the Group or outsourced to a third party, to ensure their continued and effective functioning. For operating expenditures, which are defined more narrowly in the Taxonomy than in financial reporting standards, the Žabka Group conducted a thorough review of all accounts to identify items meeting the EU Taxonomy OPEX definition included in Regulation (EU) 2021/2178.

EU Taxonomy continued

## Proportion of turnover, CAPEX, OPEX from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year 2025		Taxonomy-eligible and Taxonomy-aligned activities			Breakdown by environmental objectives of Taxonomy-aligned activities										
KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous reported period (2024)	Taxonomy-aligned activities in previous reported period (2024)
		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	PLN k	%	PLN k	%	%	%	%	%	%	%	%	%	%	PLN k	%
Turnover	27,152,564	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0	0%
CAPEX	2,953,500	58.2%	243,335	8.2%	7.0%	0%	0%	1.3%	0%	0%	0.0%	0%	0%	43,366	1.3%
OPEX	275,197	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0	0%

## Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI Turnover		Environmental objective of Taxonomy-aligned activities												
Financial year 2025		Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible	
Economic Activities	Code	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
		%	PLN k	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%	
<b>Sum of alignment per objective</b>					0%	0%	0%	0%	0%	0%				
<b>Total KPI (Turnover)</b>		0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	

EU Taxonomy continued

## Proportion of CAPEX from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI CAPEX		Environmental objective of Taxonomy-aligned activities											
Financial year 2025		Taxonomy-eligible KPI (proportion of Taxonomy eligible CAPEX)	Taxonomy-aligned KPI (monetary value of CAPEX)	Taxonomy-aligned KPI (proportion of Taxonomy aligned CAPEX)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
Economic Activities	Code	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(1)	(2)	%	PLN k	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Collection and transport of non-hazardous waste in source segregated fractions, Collection and transport of non-hazardous and hazardous waste	CCM 5.5, CE 2.3	1.8%	47,723	1.6%	0.4%	0%	0%	1.3%	0%	0%			91.2%
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.5%	1,356	0.0%	0.0%	0%	0%	0%	0%	0%			3.1%
Freight transport services by road	CCM 6.6	0.1%	0	0%	0%	0%	0%	0%	0%	0%			0%
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.0%	387	0.0%	0.0%	0%	0%	0%	0%	0%	E		100%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1.2%	0	0%	0%	0%	0%	0%	0%	0%			0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.0%	717	0.0%	0.0%	0%	0%	0%	0%	0%	E		100%
Acquisition and ownership of buildings	CCM 7.7	53.5%	193,152	6.5%	6.5%	0%	0%	0%	0%	0%			12.2%
<b>Sum of alignment per objective</b>					7.0%	0%	0%	1.3%	0%	0%			
<b>Total KPI (CAPEX)</b>		58.2%	243,335	8.2%	7.0%	0%	0%	1.3%	0%	0%	0.0%	0%	14.2%

EU Taxonomy continued

## Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI OPEX		Environmental objective of Taxonomy-aligned activities											
Financial Year 2025		Taxonomy eligible KPI (proportion of Taxonomy eligible OPEX)	Taxonomy aligned KPI (monetary value of OPEX)	Taxonomy aligned KPI (proportion of Taxonomy aligned OPEX)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
Economic Activities	Code	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	PLN k	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
<b>Sum of alignment per objective</b>					0%	0%	0%	0%	0%	0%			
<b>Total KPI (OPEX)</b>		0	0	0%	0%	0%	0%	0%	0%	0%			0%

## Changes year-on-year in KPIs

Compared to 2024, there were no changes to our turnover Taxonomy KPIs in 2025. In both years we did not recognise turnover from any of activities in scope of EU Taxonomy. Our approach to OPEX KPIs remained the same (OPEX is not material to our business model). We observed an increase in Taxonomy-aligned CAPEX, primarily driven by 2025 investments in our logistic centres in Kąty Wrocławskie and Łódź, as well as expenditures related to the implementation of the deposit-return system.

# Social information

## In this section

This chapter shows how our actions support people's wellbeing across our workforce, value chain and customers, reinforced by clear metrics, measurable progress and long-term value for all stakeholders.

### Material impacts, risks and opportunities related to the social matters

11	Job opportunity creation	+
12	Health and safety requirements	+
13	Pay equity	+
14	Training and development	+
15	Equity, diversity and inclusion	+
16	Working conditions of upstream value chain workers	-
17	Working conditions of downstream value chain workers	- <sup>R</sup>
18	Customer data privacy	- <sup>R</sup>
19	Consumer communication	+ <sup>R</sup>
20	Good nutrition	+ <sup>△</sup>

#### Key

#### Risk/Opportunity

<sup>R</sup> Risk

<sup>△</sup> Opportunity

#### Impact

+ Positive impact

- Negative impact

## A broad nutritious offer for our customers

We aim to ensure that all customers can access nutritious options in our stores, whether they are looking for a quick snack or a more substantial meal. To support this objective, we are systematically expanding and reformulating our product ranges, introducing products that meet defined criteria linked to a more sustainable lifestyle. The outcomes of these efforts are reflected in our commercial performance. Between 2020 and 2025, sales of products supporting a sustainable lifestyle increased from PLN 0.1 billion to over PLN 2.1 billion, representing more than a 17-fold increase.

→ Read more on page 128

More than  
**1 in 10**  
transactions  
features at least one  
product promoting a  
sustainable lifestyle



## Recognised employer of choice

Our efforts to maintain a high-quality working environment are an integral part of how we manage people, which directly supports the stability and productivity of our operations. Strengthening employee engagement, advancing equity and inclusion and investing in modern people-management practices contribute to reduced recruitment and training costs, and sustained organisational performance. External recognitions provide independent confirmation of the strength of our culture, our innovative people practices and our focus on equity.

→ Read more on pages 117-119



## Own workforce

### Impacts, risks and opportunities related to own workforce

[ESRS 2.SBM-3] [S1.SBM-3]

We directly employ thousands of people. In Poland these are the employees of logistics centres and terminals, as well as those working in the headquarters of Żabka Polska in Poznań and in other Group companies. With the acquisition of DRIM and Froo during 2024, we have also become an employer of more than 900 people in Romania. In 2025, as in 2024, we continued to collaborate with over a thousand co-workers, such as our field staff who support franchisees in their day-to-day work, or pickers in Lite e-commerce who are responsible for retrieving ordered items in dark stores (fulfilment centres).

Under our double materiality, we concluded that our material impacts on people in our own workforce are connected to: health & safety requirements, pay equity, training and development, equity and diversity, as well as creating job opportunities. Implementing high standards in these areas ensures that our impact on our own workforce is predominantly positive.

All individuals within our own workforce who may be materially impacted by the us are included in these disclosures. All material impacts identified pertain to the entire workforce rather than specific groups. As of 2025, we identified no operations at significant risk of incidents of forced labour or compulsory labour, or operations at significant risk of incidents of child labour. As of 2025, we did not identify material impacts on our own workforce that may arise from transition plans for reducing negative impacts on the environment. No material restructuring, employment loss or major upskilling is currently envisioned in connection with the Group's long-term GHG emission reduction ambitions.

### Policies related to our own workforce

[S1-1] [MDR-P]

The Żabka Group has implemented a comprehensive range of policies to manage the material impacts on our own workforce. Group policies and other related solutions (such as specific goals and measures supporting effective and efficient deployment across the Group) are intended to be gradually monitored using quantitative and qualitative measures.

#### Ethics, diversity and equity-related policies:

Three key policies were adopted by the Board of Directors of Żabka Group SA in 2024:

##### » Code of Conduct and Ethics for Employees.

This fundamental document defines the Group's expectations regarding ethical behaviour. The guidelines outlined in the Code serve the Group's own workforce by establishing the appropriate and ethical conduct that aligns with the Group's values. It covers the ethical behaviour and attitudes expected in the workplace.

» **Human Rights Policy.** This presents the Group's commitment to responsible business conduct and outlines internationally recognised human rights principles. The Group expects its own workforce to acknowledge and comply with the Policy, implemented in 2024.

» **Diversity, Equity and Inclusion Policy.** This document defines the essential terms of diversity, equity and inclusion within the Group. (Żabka Polska adopted its Equity Policy in 2021.) All of the Group's employees and co-workers are required to comply with the Policy. We seek to ensure that we care for one another and all contribute to the creation of an organisation that is fully aware of the impact that our actions have on others.

Equivalent codes and policies are also cascaded to Żabka International S.à r.l. In 2025, other Group entities (Maczfit, Lite e-commerce, DRIM and Froo) also adopted such policies adapting them on entity-level, whereas Żabka Polska sp. z o. o. has local-level HR policies.

Żabka Polska, representing the Ultimate Convenience segment, monitors the implementation of its ESG-related policies through the achievement of strategic KPIs defined under its Responsibility Strategy, as well as through the expertise of the owners of specific regulation across the organisation.



## Own workforce continued

**Labour regulations and anti-mobbing procedures:**

Additionally, the **Labour Charter** is a key internal regulation at Żabka Polska and other Group companies, defining the rights and obligations of employees and the employer, including anti-mobbing and anti-discrimination provisions. The Charter covers:

- » Work organisation;
- » Working hours, leave and absences;
- » Equal pay and treatment;
- » Prevention of mobbing and discrimination;
- » Wage payments;
- » Health and safety;
- » Employee liability; and
- » Specific issues arising from the Polish Labour Code.

At Maczfit, the internal Anti-Mobbing and Anti-Discrimination Procedure sets out the rules for preventing mobbing and discrimination. The provisions of this procedure are designed to protect employees from mobbing, discrimination and sexual harassment at the workplace or in connection with their work, as well as to safeguard them against the negative consequences of conflict situations. The local HR department is responsible for implementation of the policy.

Each policy has an appointed owner at the appropriate level. At the Group level, responsibility for workforce-related policies lies with, and is overseen by, the Group Chief People Officer.

**Health & safety policies:**

Responsibility for Żabka Polska's Occupational Health and Safety Policy, which forms an integral part of the Integrated Management System and complies with the ISO 45001 international standard, lies with the Health and Safety Director. This Policy, applicable to Żabka Polska, is an integral component of the Integrated Management System and aligns with international health and safety management standards. It is communicated to all Żabka Polska employees, ensuring its requirements are implemented across all departments, logistics centres and terminals. Key issues covered include:

- » Safe and healthy working conditions;
- » Work-related injuries and diseases;
- » Hazards and risks, particularly those associated with storage, warehousing and intra-warehouse transport; and
- » Consultations with employee representatives on all significant matters affecting safety and health.

Health and safety is also a priority matter for the Group and Group's entities. Specific measures and provisions are in line with local business needs and respective regulations.

**Engaging with our own workforce**

[S1-2] [S1-4]

All Żabka Group entities engage in various ways with their people about impacts, depending on the entity and type of impacts.

In 2025, Maczfit, Dietly, Froo and DRIM carried out employee Net Promoter Score (eNPS) surveys. After analytical work connected to the surveys, managers at these entities worked on corrective action plans at a local level. Some employees expressed satisfaction with their workplace, while some raised important areas for improvement, such as the need for better communication across teams in one Group company.

Żabka Polska conducts Gallup's employee engagement survey annually for all employees and co-workers. The engagement score reflects the degree to which employees identify with the organisation, its mission and values. Following the annual engagement survey, all managers, supported by a dedicated HR team, analyse the results from individual teams. The Company also carries out satisfaction surveys, referred to as the "Pulse Check", to evaluate and monitor the sense of belonging among its own workforce, as well as to gather feedback. This is usually conducted more than once a year.

At Żabka Polska, regular elections are conducted for employee representatives who engage the employer on matters mandated by local labour regulations, such as health and safety measures and the use of workplace monitoring. Any Company employee is eligible to run for this position. Another key avenue for engaging with workforce representatives about impacts is through the Health and Safety Committee, functioning at Żabka Polska, the Żabka Property Fund, Żabka Automatic Logistics and



## Own workforce continued

Żabka Nano. The Committee's main tasks include reviewing working conditions and collaborating with the Company to implement occupational safety and health duties. This Committee convenes at least once a quarter.

Additionally, each company in the Group organises appropriate dialogue with its workforce to ensure it is informed and engaged. At Żabka Polska, regular Q&A sessions are held during organisational town halls at our headquarters and logistics centres, where responses from the Pulse Check survey are presented. This practice is applied during meetings with management where we engage with employees. These meetings, known as Business Unit Forums, are organised separately for various departments at headquarters and for each logistics centre.

Each Group entity evaluates effectiveness of its approach in relation to specific impacts and feedback from employees and their representatives, along with survey results and management's professional knowledge. This approach allows tailored assessments to be made that reflect the unique circumstances and insights of each entity, as there is no predefined Group-level method for assessing the effectiveness of engagement with our workforce or related actions.

At the highest level, the Group Chief People Officer oversees workforce engagement initiatives along with the People Strategy. Oversight of the findings from the employee engagement survey is the responsibility of the Organisational Culture Manager, as well as relevant team leaders at a more operational level.

## Remediation and channels to raise concerns

### [S1-3]

We are committed to effective processes that address any negative impacts to our workforce we cause or contribute to.

Any Żabka Polska employee who considers that they have experienced bullying, harassment or discrimination is entitled to submit a complaint to the Anti-Mobbing Committee. The investigation into a complaint is carried out by the Committee, whose task is to determine whether the complaint is justified.

The Committee operates according to the following principles:

- » promptness;
- » confidentiality;
- » impartiality; and
- » a focus on thoroughly clarifying the facts and resolving the problem.

A similar solution exists in Maczfit. Additionally, Group employees may raise concerns during meetings and through other engagement mechanisms described in **Engaging with our own workforce section**.



Own workforce continued

[S1-17]

## Complaints, discrimination and human rights incidents

Data point	Unit	2025	2024
Number of complaints filed through channels for people in own workforce to raise concerns	Number	5	4
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	0	0
Number of incidents of discrimination and harassment	Number	0	1
Amount of material fines, penalties and compensation for damages as a result of violations regarding social and human rights factors	Polish zloty	0	0
Number of severe human rights issues and incidents connected to own workforce	Number	0	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	0	0
Number of severe human rights cases where the organisation played a role in securing remedy for those affected	Number	0	0
Amount of material fines, penalties and compensation for severe human rights issues and incidents connected to own workforce	Polish zloty	0	0

Data was compiled from Group entities' internal registries. In 2025, we received 5 employee-related complaints filed through channels for people in own workforce to raise concerns. None of these have been classified as discrimination, harassment or "severe human rights issues".

Irregularities other than mobbing and discrimination, in particular violations of Żabka Polska's Code of Conduct and Ethics for Employees, such as incidents of corruption, should be reported via our internal whistleblowing channels. We ensure our employees are informed about this grievance mechanism by building awareness into their employee experience. These mechanisms include onboarding at Żabka Polska, which includes modules of mandatory ethics training. You can read more about these procedures under [disclosure G1-1](#).

In terms of occupational health and safety (OHS), at Żabka Polska employees and co-workers can raise any health and safety concerns through the following mechanisms: a special intranet form (accessible 24/7 at [bhp.zabka.pl](http://bhp.zabka.pl)); contacting employee health and safety representatives at each major location; or by contacting an OHS specialists (verbally or via e-mail).

### Once a concern is raised, Żabka Polska follows a structured process to investigate and remediate:

- » Concerns are recorded by the OHS function in an electronic register.
- » Corrective or preventative actions are defined, implemented and communicated back to the worker(s) concerned.

The process is overseen by Żabka Polska's OHS department, ensuring independence and accountability. Examples of remediation in 2025 include: improved forklift safety measures after concerns were raised and improved warehouse signage.

Workers actively participate in the design, monitoring and improvement of health and safety measures through a joint worker-management safety committee that meets quarterly.

Own workforce continued

## Taking action on material impacts on our own workforce

[S1-4] [MDR-A]

### Key actions taken in 2025:

- » We opened the new, semi-automated logistics centre in Kąty Wrocławskie. It will ultimately **employ more than 200 people**, providing them with modern facilities and tested health and safety measures and benefits including a monthly transportation allowance and a relocation allowance for those moving to the new centre. Additionally, looking beyond our own workforce, the construction and maintenance of our facilities also **adds jobs** to the local economy.
- » We introduced **a new system of monthly bonuses in all logistic centres and terminals**, applicable to employees across operational warehouse and logistics functions to introduce a more transparent pay structure. We organised an additional employee survey to assess satisfaction with the bonus system and created an action plan in response.
- » We underwent **a successful EQUAL-SALARY recertification**. The process was conducted by the Swiss EQUAL-SALARY Foundation and followed a detailed audit conducted by PwC, covering 2,800 employees across our headquarters, logistics centres and Group companies. It included an analysis of payroll data and an assessment of HR policies and practices, as well as an employee opinion survey and interviews with employees, HR representatives and top management. The results confirmed an adjusted gender pay gap of below 5%. Successful recertification supports the claim that Żabka Polska and Group companies continue to pay men and women the same wage for the same work or work of equal value. Based on the audit findings, we are continuing to improve our HR procedures and strengthening awareness of equal treatment of employees within the organisation.

- » In partnership with an external expert, we conducted **a living wage analysis** (for a total of 3,260 employees) across all of our locations in Poland, Luxembourg and Romania to determine if our Group's current pay is below the local living wage level anywhere. As "living wage" is not a one-size-fits-all concept, the analysis focused around three levels of living wage: basic living wage; decent living wage; and comfortable living wage.

### Adequate remuneration\*

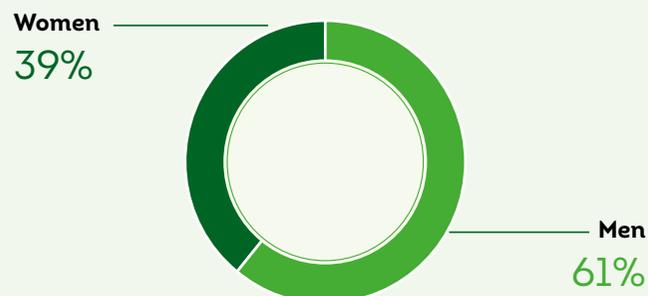
[S1-10]

Data point	Unit	2025	2024
Percentage of employees paid below the applicable adequate wage benchmark	%	0	0

\* Accounting policies: all employees receive at least the respective minimum wage in Poland and Romania. We did not include people on long-term leave in the calculations.

### Our own workforce in 2025 in metrics:

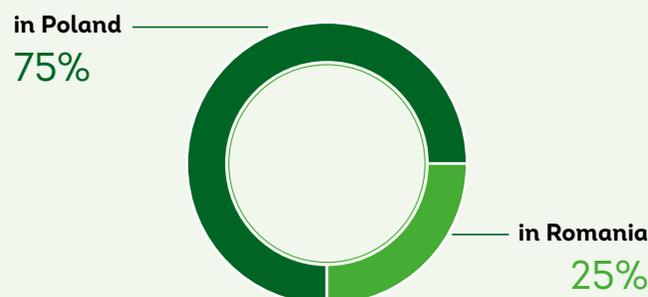
#### Group workforce by gender



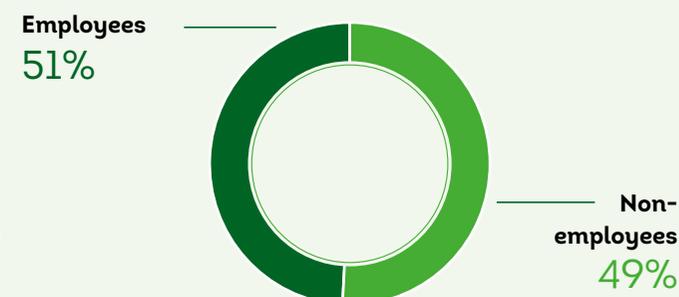
#### Group employees by company



#### Group employees by country



#### Group workforce by type



We track and assess the effectiveness of our actions using a variety of measures. Many of our impacts relate to our working conditions. We measure the quality of our working conditions by analysing factors such as employee turnover and retention. Our HR team uses this data to draw conclusions about the efficiency and effectiveness of our initiatives.

## Own workforce continued

- » To advance initiatives around equity and diversity, we published a Culture Book and organised a **Culture Festival**, comprising a series of workshops, webinars and articles for employees of Żabka Polska, coordinated by the HR team at Żabka Polska. The event was centred around three themes: “mission and sense”, “respect” and “diversity”. Webinars collectively attracted more than 550 participants. We also organised an **open workshop** for employees focused on the concept of respect and its meaning to them. Based on the insights gathered during these sessions, we conducted pilot training programmes called **‘Respect-based leadership’** for two groups of managers.
- » During the Culture Festival, particular emphasis was placed on **international diversity**. For these purposes we carried out an analysis to identify the most represented nationalities within the Company. In recognition of these and other initiatives, we were honoured with the True Equity Award, which acknowledges our ongoing commitment to promoting equity.
- » To align with the Group’s overarching approach to corporate culture, Lite e-commerce and Dietly further developed their company values.
- » The OHS teams and Health and Safety Committee at Żabka Polska continued to oversee workplace safety across logistics centres and headquarters. Regular meetings were held to review incident reports, monitor compliance, and implement corrective actions. In 2025, these included technical upgrades, for example, a project aimed at improving the safety of those working with forklifts and racking in our logistics centres, improved warehouse signage, and testing new protective workwear and raising employee awareness. We also introduced improvements to safety trainings at Żabka Polska, as well as worked on digitalisation of OHS team work to achieve more automation and real-time data. Effectiveness of actions in the OHS area is tracked through data, including the number of accidents and other key measures.

## Metrics related to our own workforce

For detailed own-workforce data required by the ESRS S1, see **Other social metrics**.

## Targets related to our own workforce

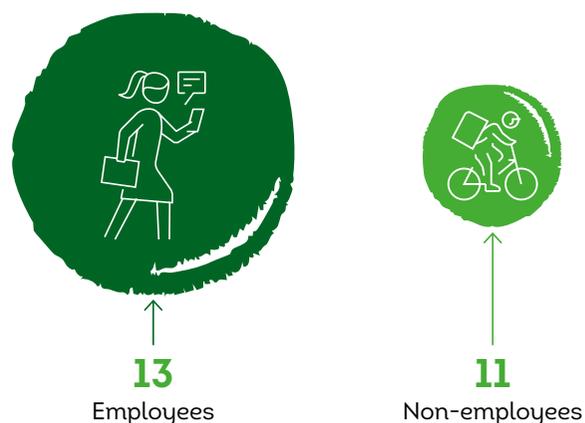
[S1-5]

We plan to establish measurable targets for Group entities. We outline our targets and supporting metrics focused on enhancing positive impacts for our workforce in alignment with Żabka Polska’s strategy under the Responsible Organisation pillar, which is described on page 77.

### Nationalities among Żabka Polska’s employees



### Number of recordable work-related accidents in 2025





## Workers in the value chain

### Impacts, risks and opportunities related to value chain workers

[ESRS 2 SBM-3] [S2.SBM-3] [S2-4]

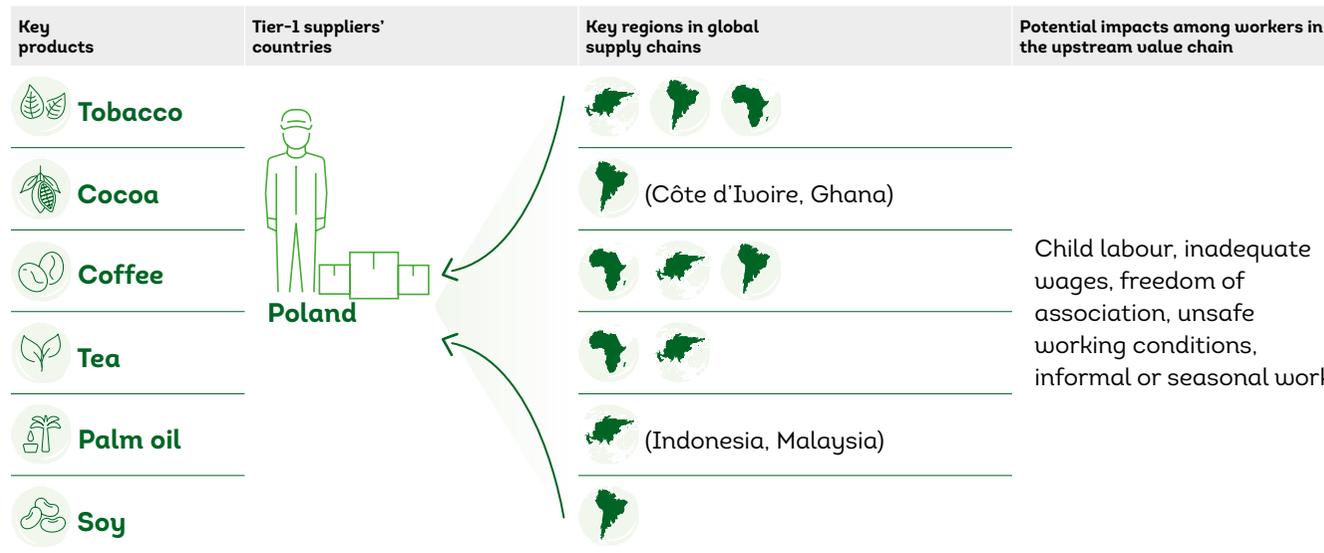
We identify\* two categories of material value-chain workers. The first is **upstream workers**: those employed by companies supplying us with goods, those in their respective supply chains and those who support our own operations, such as warehouse co-workers and delivery truck drivers. The second comprises **downstream value chain workers**, including more than 10,000 franchisees and their employees in Poland, and over 100 agents and their employees in Romania.

#### Upstream value chain workers

As a retailer and convenience ecosystem, Żabka Group relies on a vast network of suppliers and contractors to operate efficiently. Our business model, focused around providing ultimate convenience for the consumer, demands high productivity and streamlined operations.

While we do not currently observe material labour impacts connected to Żabka Polska's tier-1 suppliers of goods and services (most of them are formally registered in Poland), it is probable that workers in the further upstream value chain may face issues with working conditions. Given the complexity of modern-day global value chains, these impacts are systemic and there is insufficient data to determine their exact location and nature. Lack of established sources of granular data available on labour practices and modern-day complex and global value chains create the risk of undetected labour violations.

\* This was determined as part of the materiality assessment under ESRS 2 IRO-1 - stakeholder engagement triangulated with findings from reports and other publicly available data, as well as internal data.



Source: Based on U.S. Department of Labor's 2024 List of goods produced by child labour or forced labour and our top suppliers' sustainability disclosures.

Addressing impacts on upstream value chain workers requires a systemic, global perspective, far beyond Żabka Group's tier-1 suppliers. We recognise it is a significant issue that can only be addressed through unprecedented levels of collaboration across the value chain, including at government level.

#### Downstream value chain workers

In terms of our downstream value chain, our physical stores are operated under Żabka's scalable franchised operating model, which assumes collaboration with franchisees who are independent entrepreneurs. A comparable agency model, from the value chain perspective, operates in Romania under the Froo brand. Under the franchise-based model, where franchisees

independently recruit, train and manage their own employees, there may be variations in working conditions and employment practices for in-store employees when compared to those outlined in, for example, the Franchisee Code of Conduct. Żabka's franchise model gives independent entrepreneurs responsibility for managing in-store employees. While this supports scalability, it also creates a risk of inconsistent implementation of the labour practices promoted by Żabka across the network, which may lead to growing dissatisfaction among franchisee-employed staff, triggering increased turnover and labour shortages, and so creating risks.

## Policies related to value chain workers

### [S2-1, MDR-P]

**Żabka Group** has implemented our **Code of Conduct for Business Partners** and **Human Rights Policy for Business Partners\***, which outline the most important principles we expect our business partners to acknowledge and comply with across all their supply chains throughout the course of our business relationship. The Code is aligned with OECD standards, UN and ILO frameworks and conventions, and relates to the upstream element of our value chain. Under these policies, we commit to treating any human rights violations with the utmost seriousness and require our business partners to do the same. Under the **Human Rights Policy for Business Partners**, we reaffirm a zero-tolerance rule for all forms of human trafficking throughout our partners' operations and supply chains, as well as child labour, forced or compulsory labour. This rule also applies all forms of discrimination, whether based on race, colour, gender, sexual orientation, age, religion, disability, ethnicity, nationality, marital status and political beliefs, or any other legally protected status. We underline how important it is that business partners shall respect the right of employees to freedom of association, and strive to ensure equal pay for work of equal value. The owner of the regulation is the Group Sustainability Director. These policies are intended to cover all workers of our business partners in the upstream value chain, including at-risk persons and vulnerable groups, such as children and migrant workers.

\* These Policies were adopted by our holding Company, Żabka Group S.A., with local policies cascaded to our subsidiaries (Żabka International S.à r.l., Froo Romania Retail s.r.l., Froo Romania Holding S.A., DRIM Daniel Distribuție FMCG s.r.l.), Maczfit, and Lite e-commerce. Żabka Polska sp. z o. o. and operational subsidiaries have more detailed policies in place in this area.

Policy commitments that are relevant to downstream value chain workers are contained in Żabka Polska's **Franchisee Code of Ethics and Conduct**. We take our commitments to franchisees very seriously, as they are our most important business partners. We want them to feel secure in their cooperation with us and to have supportive assistance in carrying out their daily tasks. We created the Franchisee Code of Ethics and Conduct as an ethical framework for the foundation for building and strengthening partnerships based on mutual respect. The Code is one of the tools that make it easier for franchisees and the Company alike to fulfil their respective commitments.

The standards and guidelines outlined in the Franchisee Code of Ethics and Conduct are intended to facilitate everyday work and serve as a guide for proper and ethical behaviour, in alignment with Żabka Polska's values. The Code is a supplement to legal regulations and other internal rules that apply to every franchisee, their employees and associates. The Code is communicated to franchisees before establishing cooperation to ensure ongoing awareness and understanding of requirements.

The Franchisee Code of Conduct outlines our expectations regarding ethical behaviour, fair employment practices, timely payment of wages and social insurance, non-discrimination and respect for diversity. It is a reminder about minimum legal standards for working hours, occupational health and safety and wages in relation to franchisees' employees. Since 2022, all new franchisees sign a declaration confirming familiarity with the Code. For earlier franchisees, a legal compliance project was conducted, resulting in a network-wide familiarisation rate of 98.3% as of 31 December 2025.

Many departments are involved in the Code's implementation, with responsibility lying within the Legal and Compliance Department for updating the Code as necessary. The Franchisee Relations and ESG Strategy teams also play important roles in communicating about and supporting the practical implementation of the Code.

## Engaging with value chain workers

### [S2-2]

#### Upstream value chain workers:

In 2025, our focus was on indirect engagement with workers through ongoing contact with suppliers to familiarise them with Żabka Polska's **Business Partner Code of Conduct** (see **Policies related to value chain workers** for details of the Code). Each business-partner agreement includes a standard compliance clause with a set of norms and standards that Żabka Polska expects to be fulfilled. Additionally, business partners sign a formal statement on their adherence to them, which forms an integral part of the contract.

Because the credibility of our business partners affects the credibility of Żabka Polska, we reserve the right to verify our business partners' compliance with standards, including labour standards for their workers. This verification may be carried out in accordance with SMETA standards, BSCI, or SAI SA8000, by independent third-party entities.

Thanks to our partnership with Sedex, a recognised technology platform providing data insights to help identify, manage and mitigate risks in the supply chain, we implemented solutions on verifying suppliers via self-assessment questionnaires and audits. Currently, we are connected to 84 supplier sites on Sedex and we will engage additional suppliers in 2026.

## Workers in the value chain continued

We prioritise and encourage key strategic suppliers to join Sedex and complete the self-assessment. Suppliers have the option to share their information and results through the platform with other organisations, to help reduce audit fatigue commonly experienced by suppliers.

At Żabka Polska, labour-related aspects are part of the supplier risk assessment process. These factors influence the classification of suppliers into specific risk categories. For example, due to the heightened human rights risks associated with them, transport, cleaning and security service providers are prioritised for additional due diligence.

In terms of products that are commonly associated with human rights risks, Żabka Polska has introduced policy requirements for third-party certifications that assure their ethical sourcing, including Rainforest Alliance for coffee, tea and cocoa and Roundtable on Sustainable Palm Oil in case of palm oil (see also **Taking action related to biodiversity and ecosystems** on these certifications).

We also engage with suppliers via our Fair Business Platform, a forum for exchanging ESG experiences with direct and indirect Żabka Polska suppliers.

Additionally, Żabka Polska is a member of UN Global Compact, an organisation that acts as a proxy for workers in global value chains, and The Consumer Goods Forum (CGF). The latter works to improve labour rights within the consumer goods industry, particularly focusing on eradicating forced labour and strengthening due diligence throughout business practices.

**Downstream value chain workers:**

We engage with franchisees through day-to-day interactions between the Group representatives and franchisees, communicating through our field contractors (sales partners). We provide comprehensive support to new franchisees, including a fully equipped store, onboarding, training, know-how, access to innovative solutions such as the Żabka Assistant (providing real-time insights on stock and tasks via instore tablets) or the Cyberstore app, as well as other support. Franchisees also have the opportunity to operate stores in a range of modern formats.

A very important franchisee engagement mechanism is the Franchisee Council, a representative body of franchisees from all 12 sales regions of the Żabka Polska network. It serves as an advisory forum that strengthens cooperation and dialogue between franchisees and the Company. Its main objectives are to safeguard franchisee interests, improve operations and support innovation. Council members are elected directly by franchisees, with each term lasting two years. The Franchisee Council was established in 2011. Franchisees reach out to Council representatives by phone, email and also meet with them in the field.

Since 2005, we have published an internal magazine called *Razem*, with a key audience of franchisees. It is more informal in tone than official communications and conveys information in an easily accessible way. It also features interviews with franchisees, through which they can share their opinions. We publish six editions each year. Various ESG topics such as food waste prevention or implementation of the deposit system are often covered in this format. In addition to the printed magazine, we provide franchisees with access to the “Razem” online intranet, built on the same technological platform as the employee intranet.

For our downstream partners, oversight and developing strong partnership relationships with franchisees falls under the responsibility of the Director of Franchisee Relations, an ex-franchisee with experience of leading the Franchisee Council. ESG topics are discussed at selected Council meetings. We also monitor franchisee satisfaction through a survey (NPS). The Group Sustainability Director is responsible for assessing the overall effectiveness of engagement of suppliers with relation to ESG.



Workers in the value chain continued

## Remediation and channels to raise concerns

[S2-3]

### Upstream value chain workers:

Remediation of negative impacts on value chain workers is handled through the engagement mechanisms mentioned on pages 121-122. Anyone may raise concerns through the whistleblowing channels that are available offline, and online through the Whistle B platform and/or other dedicated whistleblowing channels in Group entities. Under Żabka Polska's **Code of Conduct for Business Partners**, the Company's business partners must enable employees to report violations of the law and the Code. Żabka Polska's business partners are required to provide their employees with an independent external system for making anonymous complaints and anonymously reporting violations, and for providing feedback.

### Downstream value chain workers:

The results of the franchisee-satisfaction survey are an important source of insight for Żabka Polska, which the Company uses to make decisions about whether changes should be implemented. The survey consists of several questions, starting with the opportunity for franchisees to assess their level of satisfaction (NPS) with their collaboration with the network. They can also indicate their degree of satisfaction with factors including the settlement system, working with their sales partner, the logistics service, our handling of failure reports and, for example, the selection of the product range.

As mentioned earlier in this Report, franchisees may reach out to their representatives from the Franchisee Council by phone and email, as well as meeting with them in the field.

Additionally, since September 2025, we have had in place a Consultant for the Support of Foreign Nationals, ensuring that foreign nationals working with Żabka receive even more comprehensive support. Among the more than 10,000 franchisees operating Żabka stores, 916 individuals originate from 15 different countries (as of September 2025). The key responsibilities of the Consultant for the Support of Foreign Nationals include:

- » Providing comprehensive operational support to entrepreneurs;
- » Coordinating effective language training and adaptation workshops;
- » Ensuring the comfort and well-being of foreign nationals in their daily professional and social lives;
- » Collecting suggestions and ideas from franchisees;
- » Delivering ongoing business support.



## Taking action on material impacts on value chain workers

[S2-4]

### Key actions in 2025 relating to working standards in the upstream value chain:

- » We continued to familiarise suppliers with Żabka Polska Suppliers' Code of Conduct, with 91.8% confirming their acquaintance with the document at the end of 2025 and 87.7% confirming their compliance with the Code provisions.
- » At Żabka Polska we continued the process of supplier "passportisation". This process enables the collection and verification of supplier data, including compliance with legal, tax and ethical standards.
- » We worked on defining and initiating deployment of dedicated codes of conduct based on Żabka Group SA's Code of Conduct for Business Partners for other Żabka Group's entities (with Żabka International, Froo, DRIM, Maczfit and Lite e-commerce having executed an entity-level supplier code of conduct at the end of 2025).

In 2026, we plan to work on Żabka Polska's sustainable supply chain masterplan and its approval, progressing further with Sedex supplier self-assessments and audits, as well as developing an internal tool with regards to identifying, managing and mitigating supplier ESG risks.

## Workers in the value chain continued

**Key actions in 2025 relating to working standards in the downstream value chain:**

- » We continued to implement projects to make everyday work in stores easier and more efficient for franchise employees. These include: Cyberstore, an AI-driven app for franchisees for automating stock replenishment and Żabka Assistant, an AI-powered component of OptiPlan, which optimises operations via in-store tablets.
- » We coordinated the introduction of the deposit system for recycling packaging with aim of minimising additional workload for the store workers: semi-automated collection was installed in selected stores to aid with manual collection; and we introduced compensation for the franchisee in connection with the deposit system.
- » As mentioned in **Managing food waste**, we started a collaboration with digital platform Too Good To Go and Foodsi apps, which also aims to reduce losses connected to food waste by franchisees.
- » We conducted a survey assessing franchisee satisfaction with the technological solutions we provide. In an overall perspective on the range of solutions made available, 86.5% of respondents recognised their positive impact on work efficiency. This represents an increase of 6.5 percentage points compared to the previous year. The evaluation of individual tools was also assessed, and during the week-long NPS survey we received over 2,200 responses. We collected feedback on the impact on work of the entire product portfolio, as well as perceptions of each individual solution.

- » We consulted with the Franchisee Council. The Council term of 2023-2025 included:
  - » consultation in a project to improve range segmentation;
  - » participation in implementing a mechanism to prevent overstocking stores;
  - » consultation in a project to optimise the quantity of products ordered;
  - » adjustment of working space in the Żabka Cafe zone; and
  - » meetings with franchisees in the field.

**Targets related to workers in the value chain****[S2-5]**

Labour and human rights present a complex area for measurement and tracking, and we recognise the limitations of reducing such issues to simple KPIs. Our focus is on increasing suppliers' awareness of our standards and providing support to franchisees and their employees in their daily work. This ambition supports our broader policy objective of ensuring ethical sourcing and sustainable supply chain practices, as well as aligning with the 10 Principles of UN Global Compact – in this context, principles 1-6 relating to human rights and labour.

Our overall objective is to make the work of franchisees and their employees as efficient as possible, and to ensure satisfactory profit for franchisees. We do this continually, for example by introducing digital tools and labour-saving technology.

**By 2026, Żabka Polska aims to:**

- » Maximise the percentage of business partners familiarised with the Code of Conduct;
- » Increase franchisees' NPS scores as a result of cooperation with Żabka;
- » Retain total franchisees' voluntary churn rate at same level as in the base year (2020).

Target-setting was guided by industry benchmarks, international standards and peer practices, and was reviewed collaboratively by our teams including compliance, procurement, sustainability and senior management. While direct input from value chain workers has not yet been integrated into this process, the Group is actively exploring ways to incorporate worker perspectives – ensuring future strategies are informed not only by top-down expertise but also from across the value chain.





## Consumers and end-users

### Impacts, risks and opportunities related to consumers and end-users

#### [ESRS.2.SBM-3] [S4.SBM-3]

Żabka Group sells products mainly aimed at consumers. This includes consumers of all ages and household types. In total, Group companies reach several million consumers in two countries. All consumers and end-users who may be materially impacted by the Żabka Group are included in the scope of this disclosure.

Many of our food products are part of regular convenience options for large numbers of people looking for quick and accessible meal solutions throughout the day. Our widespread local presence in Poland involves a significant opportunity to positively influence consumer' more conscious choices. Therefore, as a Group we continue to develop our convenience ecosystem, dedicated to providing customers with essential, high-quality products and services in a fast and accessible manner. A key pillar of this strategy is the promotion of better and conscious choices through our diversified portfolio of own brands and subsidiary companies. Maczfit delivers premium, balanced meals to support a healthier lifestyle. Dietly offers an online platform to compare and choose diet-catering tailored to individual needs. Lite e-commerce develops digital tools that can be used by customers to order the same products Żabka sells in physical stores, making them more accessible. Together, they complement Żabka's own brands, which meet standards like Nutri-Score A-C, plant-based, clean label and fortified products. The Group believes that a financial opportunity lies in responding to these health-related customer needs and market trends and has translated them into the Group's value proposition, which supports the increase of Sales to End Customers.

In connection to this, it's material how we communicate with consumers at all touchpoints. We strive to make sure all communication executed via channels such as television, the internet, social media and in stores uses simple and clear language to ensure the message is well understood and to avoid the risk of misleading consumers. Own-brand products are created in line with the clean label principle and, additionally, in Poland they feature Nutri-Score and Porcja Dobrego! markings to help consumers make informed nutritional choices. This area also poses a risk: if any part of Żabka's network uses unclear or irresponsible marketing, it could lead to legal and financial consequences.

We believe there is high potential for growth in the D2C and eGrocery markets. Consequently, we address consumer needs through our Digital Customer Offering Businesses, such as Żappka, delio and Żabka Jush!. With millions of active users and large volumes of customer data, we have a significant impact on people's privacy and personal data security. This also poses a risk, which may impact the Group's financial position. Any breach, misuse of personal information or non-compliance with GDPR or local data laws could result in financial penalties, loss of consumer trust or reputational harm.

### Policies related to consumers and end-users

#### [S4-1, MDR-P]

Our **Sustainable Food System Framework Policy** defines the directional ambitions of the Żabka Group\* relating to the creation and maintenance of a sustainable food system across our modern convenience offerings. Among its provisions, it expresses our commitment to developing and offering products that meet the highest standards of quality. In the document, the Group commits to clear labelling and transparent communication about the products offered, including their quality and nutrition profiles.

In the Policy we commit to offering variety of choice for consumers starting with our own brands, as well as transparent labelling and communication on products and nutrition. The Group Sustainability Director owns the Policy.

Under the **Żabka Group's Code of Conduct**, the concealment of information that may adversely affect the product, service levels or the health of our customers is an unacceptable employee behaviour. We expect our employees to make every effort to ensure that marketing messages or external communications are clear, honest, fair and accurate. All statements made in relation to advertised products and services must be truthful. Images used in our advertisements must be compliant with the content and reflect the advertised product.

\* The Policy was adopted by our holding Company, Żabka Group S.A., with local policies cascaded to our Romanian subsidiaries (Żabka International S.à r.L., Froo Romania Retail s.r.L., Froo Romania Holding S.A., as well as DRIM Daniel Distribuție FMCG s.r.l.), Żabka Polska sp. z o. o. and operational subsidiaries have more detailed policies in place in this area.

## Consumers and end-users continued

Under the **Responsible Communication, Sponsorship and Public Engagement Policy for Żabka Group**, we commit to ensuring full compliance with relevant communications and marketing laws, adopted self-regulations and good practices. Our Corporate Affairs Director is responsible for this Policy.

In terms of people's privacy, a set of detailed **General Data Protection Regulation (GDPR) Policies** has been implemented by Żabka Group SA, the responsibility of the GDPR Coordinator. They relate to personal data protection and other data privacy-related issues, as outlined in the EU GDPR. A **Personal Data Protection Standard Policy**, owned by the Group Compliance and Privacy Officer, was implemented in 2025. This Policy establishes mandatory minimum standards for personal data processing across all Żabka Group entities, ensuring compliance with GDPR and other relevant laws, and covers areas such as documentation, risk assessment, data subject rights, supplier management, training, monitoring and audits. Group entities are required to implement, regularly review and update these standards to ensure accountability and transparency in data protection practices.

The **Animal Welfare Policy** establishes uniform standards for the inclusion of animal products and ingredients in Żabka Polska's own-brand products, as well as for eggs from other brands. Key areas of focus include support for responsible producers and raising awareness among business partners and consumers. The Director of Quality Standards and Climate Protection is responsible for this Policy. At Group level, animal welfare issues are internally regulated within our Sustainable Food System Framework Policy.

## Engaging with our consumers

[S4-2]

Żabka Group actively engages with consumers in connection to promoting healthier dietary choices through transparent product information and initiatives like Porcja Dobrego!. The Group personnel responsible for leading consumer engagement in nutrition awareness are the Quality Standards and Climate Protection Director and the Sustainable Food Manager. At Żabka Polska, this area is managed by the Quality and Environmental Management Department, as well as New Product Development and marketing functions.

The NPS survey serves as a vital tool for Żabka Polska and Maczfit for actively engaging with consumers and gaining a deeper understanding of their needs and expectations, supporting ongoing improvements in customer satisfaction and loyalty. This survey asks customers how likely they are

to recommend the Company's products or services to others, typically on a scale from 0 to 10. The feedback collected through these surveys provides valuable insight into areas where service can be improved and helps Żabka Polska and Maczfit to monitor overall customer sentiment over time.

Responses are carefully analysed to identify trends and recurring issues, enabling both companies to make targeted improvements to their offerings and customer support. The NPS is also used as a benchmark for service quality, with results regularly reported to management and used to inform strategic decisions.

The Group takes steps to clearly communicate privacy policies, complying with GDPR, and providing channels for consumers to manage their data processing consent and raise concerns.

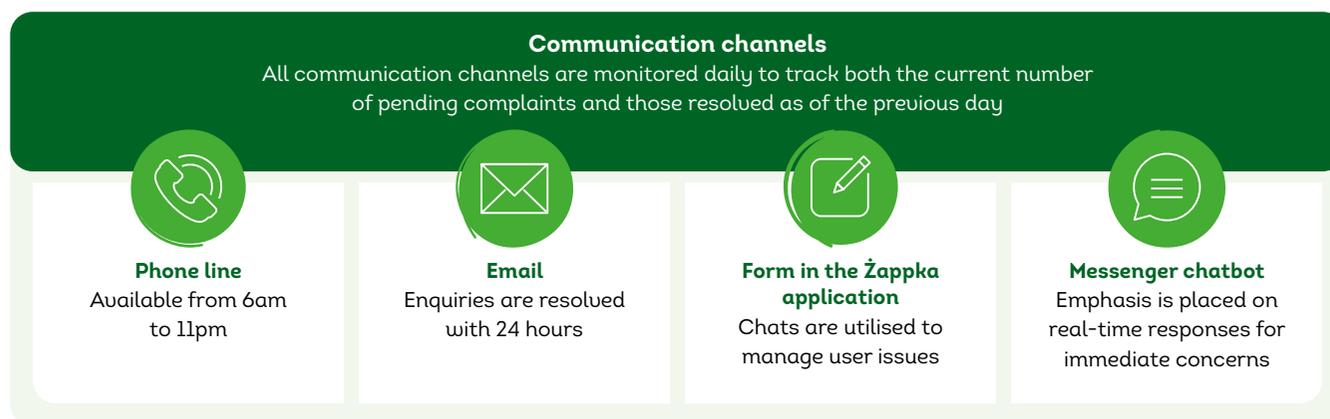


Consumers and end-users continued

## Remediation and channels to raise concerns

[S4-3] [S4-4]

Customers can share any nutritional or health concerns, as well as issues related to labelling transparency, through our customer service channels. In 2025 Group companies received a total of 510,296 complaints from consumers and end-users\*. Consumers contact us regarding a wide range of issues, such as customer care, issues with deliveries, labelling, quality and refunds.



Complaints are processed on a first-in, first-out (FIFO) basis using the Jira and Freshworks platforms.

In cases where irregularities are identified on the part of Żabka Polska, customers are compensated.



After each customer interaction, a satisfaction survey is provided to gather feedback, either in writing or by phone. All communication channels are monitored daily to track both the current number of pending complaints and those resolved on the previous day.

Emphasis is placed on real-time responses for immediate concerns and resolving email enquiries within 24 hours. Customer satisfaction is assessed regularly through surveys and feedback mechanisms, ensuring continuous improvement in service delivery. The Group companies also prioritise detailed performance metrics and regular audits to enhance their support systems, and designated personnel manage reports and evaluations to maintain high-quality service standards.

Under personal data protection regulations, we have appointed a Data Protection Officer, who can be contacted via email at [iod@zabka.pl](mailto:iod@zabka.pl) regarding any matter related to the processing of personal data. For example, we adhere to individuals' rights regarding the deletion of their personal data and consumers may contact us about this issue.

\* The number pertains to all complaints received, regardless of their confirmed nature, severity or topics raised by the consumer. We are intently monitoring any cases of inappropriate behaviour towards customers and treat each breach of customer care standards seriously. The sales partner assigned to the relevant franchisee is obliged to examine such incidents jointly with the franchisee. We oblige our franchisees and their employees through the Code of Ethics and Conduct for the Franchisee to treat customers with respect, courtesy and non-discrimination, in line with the service standards of Żabka Polska. Moreover, we provide in-store safety measures such as in-store monitoring to record events occurring in the stores. With Żabka Polska's over 4 million daily customers, and many more across the Group, we strive to pay utmost attention to each and every complaint raised. Such cases are infrequent as only 1 per 3,200 clients contacts us through the above-mentioned channels.

Consumers and end-users continued

## Taking action on material impacts related to consumers

[S4-4, MDR-A]

In 2025, we continued several actions and projects which aim to improve people's daily access to healthy, tasty food:

**porcja dobrego!**

- » The **Porcja Dobrego!** programme: a nutritionist-led programme created through strong partnerships with trusted suppliers, where we develop new recipes to ensure meals and snacks marked with the special Porcja Dobrego! sticker contain only the highest-quality ingredients and maintain a balanced nutritional profile. These products are carefully selected from our range of own-brand products, including Szamamm, Haps, Dobra Karma and Tomcio Paluch. They are meals with a nutritionally balanced composition, free from artificial additives, plant-based and/or with a Nutri-Score of A, B or C. We have been developing the programme since 2023 to promote a more sustainable lifestyle for consumers. The programme also supports more suitable portion sizes for consumers. In 2025, we introduced 65 new products meeting the Porcja Dobrego! criteria with a promising sales potential. This brought the total number of these products to 140.
- » We promoted the The Porcja Dobrego! programme through two major marketing campaigns. One of them achieved particularly good results, with 84 publications in media outlets, and an audience reach of over 220k. Our communication efforts also included a series of educational videos with our partner, Hilton Foods, on the subject of ready-made meals, aimed to change consumers' perception of ready meals. The second communication campaign was directed at people engaged in sports, promoting our brands and the benefits of healthy and balanced eating. The initiative also included participation in two family-oriented events, extending the campaign's reach to a broader audience.



In 2026, we intend to maintain the proportion of own-brand products meeting our Porcja Dobrego! programme criteria at around 62%. We will also focus on increasing the number of such products that are available in Żabka stores. Furthermore, we plan to implement comprehensive communication activities targeting three key groups of consumers – students, people doing sports and senior citizens – with the aim of raising awareness about the Porcja Dobrego! programme and its benefits.

### Targets related to consumers and end-users

[S4-5]

We plan to establish measurable targets for Group entities from 2027 onwards. We outline our targets and supporting metrics focused on enhancing positive impacts for consumers and end-users, as aligned with Żabka Polska's strategy under the Sustainable lifestyle pillar on page 75.

froo

Maczfit

Lite e-Commerce

- » We also commissioned research connected to the Porcja Dobrego! programme, as well as studies in **Romania**, to understand what constitutes good nutrition for Romanians.
- » **Maczfit** manufactures meal options tailored to the needs of consumers with different dietary preferences and health conditions. These include those who are intolerant to glucose or lactose, individuals with diabetes, and people suffering from many more conditions. Maczfit hires a team of six permanent dietitians, and consumers may contact one, to help them with a suitable meal plan. In 2025, Maczfit delivered meals to over 5,000 towns across Poland, thereby increasing the availability of healthy food. Moreover, analytical work on nutritional scores of selected Maczfit meals was carried out in partnership with Żabka Polska.
- » Some Group companies, such as **Lite e-commerce**, do not develop their own-brand products. However, Lite e-commerce requires labelling from their suppliers that is in line with applicable Polish and EU regulations on the provision of food information to consumers. Should any gaps be observed, in particular when it comes to fresh produce such as fruit and vegetables, the company reaches out to suppliers to fill in the missing information (such as country of origin or quality class).

# Governance information

## In this section

This chapter outlines how our governance practices ensure legal and internal compliance, promote responsible behaviour and provide the transparency needed to sustain resilient, long-term business relationships.

### Material impacts, risks and opportunities related to the governance matters

- 21 Corporate culture +
- 22 Anti-corruption practices +

#### Key

#### Risk/Opportunity

R Risk

O Opportunity

#### Impact

+ Positive impact

- Negative impact



## Our key initiatives



We have achieved further unification of compliance policies across subsidiaries



We hosted our inaugural Investor Day, where we welcomed over 70 fund managers and sell-side analysts



We successfully finalised the issuance of sustainability-linked bonds, supported by Moody's Second Party Opinion (SPO)



We have deployed an ESG reporting platform to enhance the sustainability reporting process across the entire Zabka Group



The draft framework for our Group's ESG KPIs has been prepared and is now in the process of detailed review in consultation with Group entities



More than  
**PLN 8m\***  
reduced interest expenses due to meeting ESG objectives

## Sustainability-linked bonds issuance

In 2025, we issued sustainability-linked bonds, with a total nominal value of PLN 1 billion. By linking financing conditions to selected ESG KPIs, the bond framework strengthens our incentives to increase the sales of own-brand products that support a sustainable lifestyle and to reduce the share of virgin plastic in own-brand packaging. These ESG-related targets help drive operational improvements that support long-term cost efficiency, product competitiveness and more resilient value creation.

\* The value was calculated as the potential incremental interest cost arising from an increased margin triggered by the non-achievement of ESG targets embedded in the green financing instruments (bonds and loans) in 2025. This amount does not account for any potential early redemption, nor does it reflect any potential reduction in tax resulting from higher interest expenses.



## Business conduct

### Governance-related impacts, risks and opportunities

In relation to governance, two matters emerged as material to the Group in our double materiality assessment. The first matter was corporate culture. With regards to this, Zabka Group SA, a listed entity, seeks to positively influence all Group entities by establishing a consistent business and ESG Framework, as well as launching ESG initiatives.

Secondly, due to the wide range of our business contacts, our approach to anti-corruption measures can positively influence good standards in mutual cooperation between Group entities and among various business partners.

### Policies and procedures related to business conduct

#### [G1-1]

We implemented a comprehensive range of policies to ensure proper business conduct among our employees and business partners. These policies, adopted at the Group level, ensure the consistent application of our business strategy across all operations, helping to enhance corporate culture at home and across our growing international footprint. Except where otherwise indicated, these policies have been adopted by the Board of Directors of Zabka Group SA.

#### Key policies that shape our corporate culture:

The **Code of Conduct and Ethics for Employees** is described in the section on **Policies related to own workforce**.

Our **Code of Conduct for Business Partners** and our **Human Rights Policy for Business Partners**, are both described in the section on **Policies related to value chain workers**.

Our **Policy of Responsible Communication, Sponsorship and Public Involvement** describes the principles under which we carry out our commitments. It serves as a guideline for our marketing and communications teams, and it acts as a promise to our employees, business partners, suppliers and all others we work with. It also defines the rules of public engagement, including sponsorship and philanthropic activities. Importantly, it affirms our commitment to neutrality by explicitly excluding any form of political involvement from our sponsorship activities. The Corporate Affairs Director is the owner of this internal regulation.

The **Public Engagement Policy** applies to Żabka Polska sp. z o.o. and outlines the principles of conduct when engaging with the public sector. It covers interactions with public sector representatives and establishes guidelines for maintaining appropriate and ethical communication. The Policy introduces a complete ban on offering, giving, accepting or requesting any benefits when working or engaging with the public sector. The function responsible for this Policy is the Director of the Legal and Compliance Department.

Our **Procedure for Payment Terms** aims to standardise payment terms with contractors, and how associated documentation is circulated. Polish subsidiaries of Żabka Polska sp. z o. o. are required to implement and adhere to this Procedure, which includes setting payment terms in commercial relations with contractors. It includes specific considerations for small and medium-sized enterprises and provides distinct payment terms for these businesses. The owner of the regulation is the Treasury Director.

#### Key policies that relate to compliance and anti-corruption measures:

Our **Compliance Strategy** is a fundamental document defining the Group's method of operation in a transparent, responsible and fair manner. It sets out the basic principles of compliance management to ensure all Group operations are conducted according to applicable laws, ethical standards, best business practices and internal regulations. Compliance management processes and roles and responsibilities are among the issues covered. The owner of the policy is the Group Compliance & Privacy Officer.

The **Compliance Policy and Procedure** ensures Żabka Polska sp. z o. o. conducts its business in a manner consistent with the law, ethical standards and internal regulations. Based on ISO 37301, its central purpose is to establish a compliance management system, with a core focus on defining the scope of compliance requirements, the compliance-management process and the roles and responsibilities of its participants. The owner of these internal regulations is the General Counsel at Żabka Polska, Group Compliance & Privacy Officer.

Our **Whistleblowing Investigation Procedure** sets out the rules for reporting irregularities, including those related to the violation of provisions on corruption, money laundering and the financing of terrorism. It also includes the rules for taking follow-up actions and protecting whistleblowers. Key issues covered include receiving internal reports and follow-up, as well as corrective actions and reporting. The document applies to Żabka Group SA and is owned by General Counsel at Żabka Polska, Group Compliance & Privacy Officer.

## Business conduct continued

The **Internal Notification Procedure and Follow-up Instruction** outlines the procedures for handling reports submitted under Żabka Polska's Internal Notification Procedure. It includes guidelines for receiving reports, gathering information on irregularities, conducting formal verification of reports and performing follow-up actions, including explanatory proceedings. It also specifies the rules for formulating recommendations for possible corrective action. The General Counsel at Żabka Polska, Group Compliance & Privacy Officer is the owner of these regulations.

Our **Conflict of Interest Management Policy for Employees and Associates** establishes rules of conduct designed to identify and mitigate the risk of conflicts of interest between employees and individuals providing services to Zabka Group SA. Exercising civil law agreements or relevant powers of attorney, it also protects the Company against the adverse effects of such conflicts. The Group Compliance Manager is responsible for the implementation of the Policy.

The **Anti-fraud Policy** aims to minimise the risk of abuse by introducing effective internal control procedures, employee training and appropriate mechanisms for reporting abuse. It specifies the actions to be taken in response to reported or suspected abuse, as well as measures to eliminate or limit the risk of abuse in business activity. The Policy introduces a simple and clear message of zero tolerance for abuse, including corruption and other behaviours inconsistent with applicable law. It applies to all Żabka Group employees and associates, including management and senior managers. The Group Compliance Officer owns this Policy.

Żabka Polska's **Procedure for Giving and Accepting Gifts and Samples** sets out the rules of conduct for making and receiving gifts with business partners. These include restrictions and standards for exchanged gifts, as well as rules for handling product samples. The Procedure's core principle is straightforward: giving a gift or sample must never lead to the faintest suspicion that such an action could be considered corrupt. The General Counsel at Żabka Polska, Group Compliance & Privacy Officer is responsible for this Procedure.

#### Other governance-related policies:

The **Responsible Sourcing of Minerals, Conflict Minerals and Cobalt Policy** establishes uniform procurement standards for Żabka Polska sp. z o. o. when purchasing products containing tantalum, tin, gold, tungsten (commonly referred to as "conflict minerals") and cobalt. The guidelines outlined in the Policy relate to products involving these materials, ensuring that business partners adhere to international and local standards covering responsible extraction, processing, import and utilisation.

## Corporate culture within our operations

### Compliance management

#### [G1-1] [G1-3]

The Żabka Group has instituted a comprehensive compliance-management system that is operational across our Group and its subsidiaries. The primary associated responsibilities are as follows:

» **Management responsibilities:** Management is responsible for establishing, developing and maintaining the compliance system, overseeing its operation and communicating compliance issues within our Group.

» **Management Committee oversight:** the Management Committee ensures that our Group's activities are in compliance with applicable laws and internal standards.

» **Audit Committee evaluation:** the Audit Committee is tasked with reviewing the system's effectiveness.

The Compliance Officer, who reports to the Management Committee, is responsible for coordinating the operation of the system within the Group. The Compliance Strategy of Zabka Group SA outlines high-level rules regarding this area. Specific solutions concerning the compliance-management system, including the responsibilities of individual entities involved in its operation, are governed by the Compliance Policy and Compliance Procedure of the Żabka Group.

## Whistleblowers

Zabka Group SA is not required to have whistleblowing channels based on the EU Whistleblower Directive (EU Directive 2019/1937). However, the Company has voluntarily adopted a whistleblowing procedure and channel.

The Polish entities of the Group, namely Żabka Polska sp. z o.o., Żabka Automatic Logistics sp. z o.o., Żabka Nano sp. z o.o., Green Hive Technology sp. z o.o., Lite e-commerce sp. z o.o., Lifestyle Solutions sp. z o.o., Fresh Meals Factory sp. z o.o. and MasterLife Solutions sp. z o.o., have implemented whistleblower-protection mechanisms by adopting relevant procedures and internal reporting channels in compliance with the aforementioned directive.

## Business conduct continued

At Żabka Polska there are three technical ways of whistleblowing, two of which allow anonymous reporting:



**Oral reporting:** direct contact with the person responsible for the channel (our Compliance Specialist)



**Written reporting:** submission of a traditional letter marked "Signalling", which is protected from unauthorised access



**Electronic reporting:** via a dedicated email address or the WhistleB Platform at <https://report.whistleb.com/en/zabka>, accessible 24/7 from any internet-enabled device

At Żabka Polska, submissions may not be processed by persons who, based on the contents of the submission, are suspected of being in any way involved in the irregularity described in the submission. If submissions concern members of the Company's (that is Żabka Polska's) management board, the Ethics Committee or the person responsible for the whistleblowing channel, they should be directed to the Board of Directors of Żabka Group SA via a designated email address.

At Żabka Polska, outcomes of the internal reporting procedure are reported to the Ethics Committee quarterly and yearly by an assigned specialist in the compliance function. The Committee then reports to the Board. We commit to not retaliate against whistleblowers.

## Anti-corruption practices within own operations

### Training programmes

[G1-3]

Żabka Polska implements the Compliance Policy, which among other factors regulates training on compliance and ethics. This programme provides practical knowledge about Żabka Polska's policies and procedures related to business conduct. All employees and associates of Żabka Polska are required to undergo this training. It is conducted annually via e-learning, and each participant must pass a final test to complete it. Additionally, every new employee and co-worker of Żabka Polska receives onboarding training, including face-to-face compliance training.

At Żabka Polska, we take a cautionary approach, and all employees, regardless of role, are deemed "functions that are most at risk in respect of corruption and bribery". In the remaining Group companies, the compliance function, together with the companies' management boards, have analysed and identified the functions that are most at risk of corruption and bribery. These include particular functions such as members of the management board, directors (direct subordinates of management board members), purchasing/sales departments, functions responsible for finance, and others as agreed with the companies' management boards.

### Information on anti-corruption training programmes coverage

	Unit	2025	2024
Functions-at-risk covered by training programmes	%	100	100

At Żabka Polska a period of mandatory anti-corruption training takes place each year for active employees, usually from January to September. Inactive employees (absent due to long-term leaves) were excluded from the calculation. New employees hired after this period signed a declaration of familiarisation and compliance with the Code of Ethics. Members of the Company's governing bodies underwent anti-corruption training in 2024.

## Incidents of corruption and bribery

[G1-4]

We did not identify any confirmed incidents of corruption or bribery during 2025.

### Incidents of corruption and bribery

	Unit	2025	2024
Convictions for violation of anti-corruption and anti-bribery laws	Number	0	0
Fines for violation of anti-corruption and anti-bribery laws	Polish zloty	0	0
Confirmed incidents of corruption or bribery	Number	0	0
Confirmed incidents in which our own workers were dismissed or disciplined for corruption or bribery-related incidents	Number	0	0
Confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	Number	0	0

Business conduct continued

## Corporate culture within the value chain Management of relationships with suppliers

[G1-2]

As a major modern convenience ecosystem operator, the Żabka Group acknowledges its significant impact and is committed to ensuring responsible practices within its operations and throughout our supply chain.

Social and environmental criteria are currently taken into consideration when business partners are onboarded at Żabka Polska. Depending on the nature of the business conducted by the business partner and the level of risk associated with our work together, assessed on the basis of turnover, strategic importance for the Company and type of activity, the supplier-verification process covers a wide range of non-financial themes. Its execution is based on well-defined processes.

Żabka Group maintains an ongoing dialogue with its business partners and suppliers. In September 2025, Żabka Polska hosted the annual Suppliers Meeting in Poznan, attended by our suppliers' representatives. This event constituted a forum where the Company presented its development vision and strategic goals also in the sustainability area, as well as shared good practices and joint initiatives. All the invited suppliers were reminded of existing ESG and sustainability provisions dedicated to business partners as well as having a chance to access and review all respective documents. To further strengthen and facilitate collaboration with business partners, Żabka Polska has been using the Fair Business Platform since 2022. It primarily serves to facilitate the efficient exchange of information.

## Payment practices

[G1-6]

The Żabka Group and its subsidiaries are committed to maintaining financial integrity and operational efficiency by avoiding payment delays. The Polish entities of the Group have implemented the Procedure for Payment Terms. A rigorous invoice processing procedure has also been established to ensure that invoices progress smoothly through the approval path. Payments are executed on a daily basis to maintain this commitment.

Our standard payment terms under the Procedure are dependent on the buying category involved. Under the Procedure, payment to small and medium enterprises (SMEs) should be made within 30-60 days after receipt of the invoice, dependent on the presence of contractual advantage and on the products' shelf life being less than 30 days. All organisational units in Poland are obliged annually to verify contracts and classify contractors in terms of product category and contractual advantage.

Data point	Unit	2025	2024
The average number of days to pay an invoice from the date when a contractual or statutory term of payment starts to be calculated	Days	31	31
Payments aligned with standard payment terms	%	93.1	92.3
Outstanding legal proceedings for late payments	Number	0	0

## Accounting policies

We provide information on the Group's payment practices based on Group entities' accounting systems. It was not feasible to generate this information for two Group entities (Cool Logistics and Maczfit were excluded from the calculation).



## Appendix

### Other ESRS metrics

In this section, we present other metrics mandated by the ESRS. For 2025, we have not disclosed the voluntary GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) indicators as part of the Annual Report, but they will be available for our most material entities (Żabka Polska sp. z o.o. and companies under our full operational control) in our “2023-2025 ESG Factsheet” on our corporate website during the first half of 2026.

### Other environmental metrics Energy consumption

[E1-5]

Data Point	Unit	2025	2024
<b>Total energy consumption</b>	MWh	137,548	123,648
Total energy consumption from fossil sources	MWh	104,959	94,239
Percentage of fossil sources in total energy consumption	%	76	76
Fuel consumption from coal and coal products	MWh	0	0
Fuel consumption from crude oil and petroleum products	MWh	69,130	67,731
Fuel consumption from natural gas	MWh	15,739	15,711
Fuel consumption from other fossil sources	MWh	0	0
Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources	MWh	20,091	10,797
Total energy consumption from nuclear sources	MWh	0	0
Percentage of energy consumption from nuclear sources in total energy consumption	%	0	0
Total energy consumption from renewable sources	MWh	32,589	29,409
Percentage of total energy consumption from renewable sources	%	24	24
Fuel consumption from renewable sources	MWh	0	0
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	MWh	31,111	29,050
Consumption of self-generated non-fuel renewable energy	MWh	1,478	359

### Energy production

#### Żabka Group

Energy production	Unit	2025	2024
Non-renewable energy production	MWh	16,970	18,104
Renewable energy production	MWh	1,478	359

#### Accounting policies

Energy consumption and energy mix data was collected and consolidated from Żabka Group entities using data collection forms. The data is reported in Mega-Watt-hours (MWh), and calculated based on energy metres and invoices received from suppliers that have been issued in the nominal units for each type of energy. To convert them into MWh, the calorific value rates provided by DEFRA for a given year were used.

We followed the calculation guidance in the ESRS (Disclosure Requirement E1-5). In particular, we report energy consumed from processes owned or controlled by us, applying the same parameters applied for reporting Scope 1 and 2 GHG emissions.

All quantitative energy-related information is reported as final energy consumption, referring to the amount of energy that we actually consumed. Also in line with ESRS, we avoided double counting fuel consumption when disclosing self-generated energy consumption. When we generated electricity from either a non-renewable or renewable fuel source and then consumed the electricity generated, the energy consumption was counted only once under fuel consumption.

Appendix continued

## Energy intensity per net revenue

[E1-5]

### Energy intensity per net revenue

Data Point	Unit	2025	2024
Total energy consumption from activities in high climate-impact sectors per net revenue from activities in high climate-impact sectors	(MWh/million Polish złoty)	5.07	5.19

#### Accounting policies

It is assumed that all activities of Żabka Group entities are in a high climate-impact sector (mostly NACE sector G – Wholesale and retail trade). Therefore all energy consumption disclosed under E1-5 Energy consumption was used as the numerator. The denominator was net revenue, which refers to total net sales generated by the Żabka Group.

## GHG emissions intensity

[E1-6]

### GHG emissions intensity (Żabka Polska)

Data Point	Unit	2025	2024
GHG emissions intensity, location-based	(total GHG emissions in metric tonnes of CO <sub>2</sub> eq per net revenue in million Polish złoty)	127.7	137.9
GHG emissions intensity, market-based	(total GHG emissions in metric tonnes of CO <sub>2</sub> eq per net revenue in million Polish złoty)	121.0	130.5
Net revenue used to calculate GHG intensity	Million Polish złoty	25,766	22,783

### GHG emissions intensity (Żabka Group)

Data Point	Unit	2025	2024
GHG emissions intensity, location-based	(total GHG emissions in metric tonnes of CO <sub>2</sub> eq per net revenue in million Polish złoty)	132.3	-
GHG emissions intensity, market-based	(total GHG emissions in metric tonnes of CO <sub>2</sub> eq per net revenue in million Polish złoty)	125.9	-
Net revenue used to calculate GHG intensity	Million Polish złoty	27,153	-

#### Accounting policies

The emissions intensity was calculated as the GHG emissions in a given Scope divided by the sales revenues in Polish złoty. For Scope 2, GHG emissions calculated on the basis of the market-based criterion were used. GHG emissions are expressed as CO<sub>2</sub> equivalent and include greenhouse gases according to the GHG Protocol.

## GHG emissions calculation methodology

### [E1-6]

We are guided by the standards of the GHG Protocol, which defines a global standardised framework for the measurement and management of GHG emissions. The calculation encompasses the Żabka Group (Żabka Group SA and all its subsidiaries) on a consolidated level similar to the Consolidated Financial Statements. Additionally, we present the GHG emission for Żabka Polska, which is the most material Group entity from the total GHG emissions point of view and we disclose it separately for our external stakeholders, who need this standalone information.

**Scope 1 GHG emissions** are direct emissions from fuel combustion in distribution centres and emissions related to the fleet and refrigerants. When calculating GHG emissions for fuels, the emission factors used were obtained from the DEFRA database (Department for Environment, Food & Rural Affairs, UK). For GHG emissions related to refrigerants, the GWP coefficients were derived from the DEFRA database or data sheets for specific refrigerants.

**Scope 2 GHG emissions** are indirect emissions from electricity and heat consumption by distribution centres and company headquarters. For the calculation of GHG emissions for electricity, data from The National Centre for Emissions Management (KOBiZE), modified by DEFRA, were used for both location- and market-based methods for Polish entities. For Romanian entities, this was calculated based on AIB (Association of Issuing Bodies) database. For the GHG emissions related to purchased grid heat, the emission factors were obtained from the DEFRA database.

The difference between location-based and market-based Scope 2 GHG emissions is driven by the consideration of certification of origins.

**Scope 3 GHG emissions** (which include upstream and downstream GHG emissions):

- » **Scope 3 (upstream):** GHG emissions related to purchased services, capital goods, fuel-related activities and transportation to stores. We calculate the emissions related to all products sold in Żabka stores (both own brands and other brands). Purchased services and capital goods emissions are calculated using emission factors derived from an environmentally extended multiregional input-output model based on 2022 EXIOBASE v3.8.2 data. Emission factors used to calculate emissions for fuel-related activities and upstream transport and distribution are sourced from the DESNZ & DEFRA UK Government GHG Conversion Factors for Company Reporting (2025). Purchased goods emissions, from energy and industry (E/I) and forestry, land use and agricultural (FLAG) sources, are calculated separately using emissions factors from the Waste and Resources Action Plan (WRAP) v1.2 FLAG Emissions database (2023) and other scientific, publicly available sources. In the energy and industry (E/I) category, packaging-related emissions are calculated using DEFRA factors.
- » **Scope 3 (downstream):** GHG emissions resulting from the consumption of electricity and refrigerants in stores. For GHG emissions related to refrigerants, the GWP coefficients were derived from the DEFRA database or data sheets for specific refrigerants. When calculating GHG emissions for electricity, with the location-based and market-based methods, data from the National Centre for Emissions Management (KOBiZE) and the National Centre for Emission Balancing and Management, modified by DEFRA, were used.

The difference between location-based and market-based Scope 3 GHG emissions is driven by the consideration of certification of origins.

Scope 3 GHG emissions categories that were considered material are: category 1) Purchased goods and services; category 2) Capital goods; category 3) Fuel- and energy-related activities; category 4) Upstream transportation and distribution; and category 14) Franchisees. The remaining categories 5-13 and 15 were excluded from calculation as they are not relevant or not material for Żabka Polska. As Żabka Polska represents over 90% of Group revenue and approximately 90% of Group total emissions in the latest inventory period, exclusions at Group level reflect the same rationale. Calculations related to approximately 80% of stores are based on real data (gathered from energy meters). Approximately 20% of calculations are estimated using a model that considers factors such as the store region.

Appendix continued

## GHG credits and internal carbon pricing

[E1-7] [E1-8]

In 2025, the Żabka Group did not carry out projects to remove greenhouse gases or reduce GHG emissions using carbon credits. In 2025, the Group did not use internal carbon-pricing schemes.

## List of sites in own operations where the impact on key biodiversity areas may be considered as moderate

[E4.SBM-3]

Site	Type	Address	Sensitivity driver
Nadarzyn Logistics Centre	Logistics hub	Katowicka 66, Nadarzyn	Permeable soils, aquifer area
Maczfit – Warehouse of ready-made meals facility	Warehouse/food facility	Podleśna 30, Łubna	Groundwater reservoir, permeable soils, protected landscape buffer
Maczfit – Main production site	Production facility	Szymanów 9m, Szymanów	High groundwater sensitivity
Maczfit – Fruit & vegetable processing	Processing facility	Geodetów 27, Józefostaw	Groundwater reservoir proximity

## Anticipated financial effects

[E1-9] [E4-6] [E5-6]

The Żabka Group has not yet quantitatively calculated the anticipated financial risks and opportunities related to climate change, biodiversity and ecosystems, or circularity. It plans to in years to come, if the regulatory environment around these requirements stabilises.

## Other social metrics

### Employees breakdown by gender and type of contract

[S1-6]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
Total number of employees	1,717	2,540	4,257	1,635	2,423	4,058
Total number of permanent employees	1,507	2,155	3,662	1,439	2,088	3,527
Total number of temporary employees	210	385	595	196	335	531
Total number of employees with non-guaranteed hours	0	0	0	0	0	0
Total number of full-time employees	1,681	2,477	4,158	1,606	2,365	3,971
Total number of part-time employees	36	63	99	29	58	87

### Accounting policies

The Żabka Group's own workforce is first and foremost comprised of its employees – those people who are in an employment relationship with an entity within the Group.

Data regarding employees was collected via data-collection forms filled out by Group entities and consolidated for the Group. All numbers are reported in headcount as of 31 December of the reporting year. In all our own workforce-related metrics, the category of "Other gender" was not applicable.

Appendix continued

## Employees breakdown by gender and country

[S1-6]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
Total number of employees in Poland	1,354	1,839	3,193	1,297	1,772	3,069
Total number of employees in Romania	363	701	1,064	338	651	989

### Accounting policies

The table above shows employee headcount in countries where we have at least 50 employees representing at least 10% of the total number of our employees as per ERSR requirements. This is why we do not report Luxembourg data.

## Turnover rate

[S1-6]

Data point	Unit	2025	2024
Total number of employees who left the organisation in the reporting period	Headcount	825	953
Employee turnover rate	%	19.4	24.4

### Accounting policies

In 2025, the Group introduced a revised methodology for calculating employee turnover. Number of departures was divided by the average number of employees during the year. This change was implemented to better reflect the dynamics of the Group's ongoing growth and organisational development.

In 2025, the employee turnover rate decreased to 19.4%, down from 24.4%, confirming an improving trend in workforce stability.

The total number of terminations should be interpreted in the context of the Group's workforce structure. More than one third of departures were concentrated in operational and logistics-related roles, where turnover levels are structurally higher and consistent with sector characteristics. A further 266 terminations were involuntary.

Taken together, these factors indicate that the level of voluntary turnover across the remaining workforce is materially lower relative to the Group's average headcount. Overall, the downward trend in turnover reflects strengthening retention and improving organisational stability.

No large-scale redundancies or significant job cuts occurred in 2025.

## People in own workforce cooperating with Żabka Group on the basis of contracts other than an employment contract

[S1-7]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
Total number of non-employees in own workforce	1,557	2,543	4,100	1,225	1,945	3,170
Self-employed (B2B, field staff)	648	902	1,550	605	837	1,442
Contracts of mandate, service contracts and deed contracts	213	167	380	169	169	338
People performing work based on an agreement with an agency conducting employment-related activities	696	1,474	2,170	451	939	1,390

Appendix continued

**Accounting policies**

Data in the previous table covers:

- » those workers who are bound to an entity within the Group by a civil-law contract, such as interns;
- » individual contractors providing services to the Group entities (i.e. self-employed people); and
- » temporary workers – those who are provided to an entity within the Group by businesses engaged in employment activities (temporary employment agencies).

Data regarding non-employees was collected via data-collection forms filled out by Group entities and consolidated for the Group. The numbers are reported in headcount as of 31 December 2025.

**Information on diversity among top management and all employees**

[S1-9]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
<b>Number of people at top management level</b>	<b>37</b>	<b>75</b>	<b>112</b>	<b>46</b>	<b>67</b>	<b>113</b>
Under 30 years old	0	1	1	1	1	2
Between 30 and 50 years old	28	70	98	41	63	104
Over 50 years old	9	4	13	4	3	7
<b>Number of employees</b>	<b>1,717</b>	<b>2,540</b>	<b>4,257</b>	<b>1,635</b>	<b>2,423</b>	<b>4,058</b>
Under 30 years old	466	749	1,215	485	718	1,203
Between 30 and 50 years old	1,138	1,540	2,678	1,058	1,468	2,526
Over 50 years old	113	251	364	92	237	329

**Accounting policies**

Top management is defined as members of the management boards of Žabka Group companies and individuals who directly report to them.

**Percentage of employees that participated in regular performance and/or career-development reviews**

[S1-13]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
Total percentage of employees that participated in regular performance and/or career-development reviews	100%	100%	100%	100%	100%	100%

**Accounting policies**

A regular performance review is defined as a review based on criteria known to the employee and his or her superior, undertaken with the knowledge of the employee at least once a year. In most Group entities, this is a review connected to the annual bonus and annual reviews were considered. Participation in reviews was calculated only for individuals who were employed as of 31 December 2025. We did not include in the calculations people on long-term leave or people under performance-review schedules other than annual (such as quarterly).

Appendix continued

## Average number of training hours offered to and completed by employees

[S1-13]

Data point	2025			2024		
	Female	Male	Total	Female	Male	Total
Average number of training hours offered to and completed by employees	11.9	6.2	8.4	10.2	7.2	8.4

### Accounting policies

To calculate the total number of training hours, we considered training conducted during 2025 for those that were employed as of 31 December 2025. We did not include people on long-term leave in the calculations. The total number of training hours offered to and completed by employees for the Romanian entities and Cool Logistics was estimated based on the management's knowledge of the type of training conducted and the number of employees participating.

## Health and safety metrics

[S1-14]

### Health and safety management system coverage

Data point	2025			2024		
	Employees	Non-employees	Total	Employees	Non-employees	Total
Percentage of people in own workforce who are covered by health and safety management system	100%	65%	83%	100%	63%	84%
Percentage of people in own workforce who are covered by a health and safety management system based on legal requirements and (or) recognised standards or guidelines, and which has been internally audited and (or) audited or certified by an external party	69%	15%	43%	70%	17%	47%

### Accounting policies

The table above shows the percentage of people in our Group's own workforce who are covered by Group entities' health and safety management systems, defined as the number of employees covered by health and safety management systems (headcount) divided by all employees (headcount). Data was collected from the occupational health and safety units in Group entities as well as entities' personnel and payroll systems.

Appendix continued

## Fatalities

Data point	2025				2024			
	Employees	Non-employees	Other workers working on the organisation's sites	Total	Employees	Non-employees	Other workers working on the organisation's sites	Total
Total number of fatalities resulting from work-related injuries and work-related ill health	0	0	0	0	0	0	0	0
Fatalities resulting from work-related injuries	0	0	0	0	0	0	0	0
Fatalities resulting from work-related ill health	0	0	0	0	0	0	0	0

## Accidents in own workforce

Data point	2025			2024		
	Employees	Non-employees	Total	Employees	Non-employees	Total
Number of recordable work-related accidents	13	11	24	40	12	52
Rate of recordable work-related accidents	1.56	5.26	2.30	6.15	4.31	5.60

## Cases of recordable work-related ill health and days lost to work-related injuries, ill health and fatalities related to employees

Data point	2025	2024
	Employees	Employees
Cases of recordable work-related ill health	0	0
Total number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	343	617
Days lost to work-related injuries	343	617
Days lost to work-related ill health	0	0
Days lost to work-related fatalities	0	0

## Accounting policies

Above we present data on work-related injuries and accidents as well as related days lost. Data was gathered manually from registers of work-related accidents from occupational health and safety units in Group entities, as well as entities' personnel and payroll systems.

Appendix continued

## Unadjusted gender pay gap

[S1-16]

Data Point	2025	2024
Gender pay gap	2.6%	-1.6%

### Accounting policies

The data table relates to the unadjusted gender pay gap in the Żabka Group and it is calculated as the difference between the average gross hourly pay for men and women divided by the average gross hourly pay for men and expressed as the percentage of the average gross hourly pay for men. The calculation is based on a cash approach and includes both fixed and variable remuneration actually paid. It covers employees with a full 12 months of service.

Methodological refinements and improved data completeness influenced the 2025 results. The data indicates that, on average, men earned approximately 3% more than women.

## Annual remuneration ratio

[S1-16]

The annual total remuneration ratio of the highest-paid individual to the median annual total remuneration for all Żabka Group employees (excluding the highest paying individual) amounted to 1:51. In 2024, this ratio amounted to 1:48 in the Group's largest entity, Żabka Polska.

The calculations include the main components of compensation, covering both basic and variable remuneration. Exclusions were applied for individuals who were not employed for the full year, as well as for severance and settlement-related components.

## Other governance metrics

### Political contributions and lobbying expenses

[G1-5] [BP-2]

Data Point	Unit	2025	2024
Financial and in-kind political contributions made	Polish złoty	0	0*
Internal and external lobbying expenses	Polish złoty	0	0
Amount paid for membership to lobbying associations	Polish złoty	1,325,929	1,926,194

### Accounting policies

Amounts paid for membership associations relate to TÜV NORD Polska and others listed below. The monetary value of in-kind contributions made was determined based on Group entities' internal accounting systems.

The Żabka Group works closely with leading industry and business organisations whose statutory activities include, among other matters, influencing the shape of public policy in areas that are key to the functioning of the trade sector. These activities include initiatives aimed at supporting effective legislative solutions and promoting good practices. In 2025, dialogue was conducted with stakeholders primarily relating to the introduction of a deposit system on the Polish market, as well as potential regulatory changes in the area of Sunday trading. The Żabka Group remains a member of: Polish Chamber Of Trade (Polska Izba Handlu), Polska Organizacja Handlu i Dystrybucji, Polish Economic Society (Polskie Towarzystwo Gospodarcze), Polish Confederation Lewiatan (Konfederacja Lewiatan), Employers of Poland (Pracodawcy Rzeczypospolitej Polskiej), The Polish Franchisor Organization (Polska Organizacja Franczyzodawców), Consumer Goods Forum, IMS Luxembourg, Friends of EFRAG and UN Global Compact. The CEO and Corporate Affairs department are the representatives in administrative, management and supervisory bodies responsible for oversight of political influence and lobbying activities.

\* In 2024, the amount of PLN 10,183,698 was initially presented as political contributions; however, this figure relates to charity donations. The correct amount for financial and in-kind political contributions for 2024 is PLN 0.

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## Disclosure requirements – index

### Disclosure requirements in ESRS covered by this Sustainability statement

#### [IRO-2]

The following tables list all of the ESRS disclosure requirements in ESRS 2 and the six topical standards material to Žabka Group that have guided the preparation of our Sustainability statements. We have omitted all the disclosure requirements in the topical standards E2, E3 and S3 as these are below our materiality thresholds. The tables can be used to navigate to information in this sustainability statement relating to a specific disclosure requirement. The tables also show where the information relating to a specific disclosure requirement lies outside of the sustainability statement and is “incorporated by reference” to either the management’s report or the financial statements.

#### Immaterial matters

#### [IRO-1]

We concluded that IROs related to pollution, water and affected communities did not meet the materiality thresholds (see section Double materiality assessment). No dedicated screenings or stakeholder consultations were conducted for these topics.

Based on severity, scope and financial relevance thresholds, no pollution-related matters met the criteria for materiality. The topics related to ESRS E2 were considered non-material for reporting purposes.

Water-related dependencies are relevant within our biodiversity assessment under ESRS E4, but they did not meet the thresholds required for standalone materiality under ESRS E3.

Impacts on affected communities were evaluated across the Group’s operational footprint. No significant actual or potential impacts, nor material risks or opportunities, were identified. Our stores are small, mostly urban, neighbourhood convenience outlets. They do not trigger systemic community-level harms typically captured under S3 (e.g., displacement, land-use conflict, noise/air pollution burdens). Accordingly, ESRS S3 was not included among the Group’s material social topics.

Disclosure requirement	Section/report*	Page	Additional information
<b>ESRS 2 – General disclosures</b>			
BP-1	General basis for preparation of the sustainability statement	SUS	79
BP-2	Disclosures in relation to specific circumstances	SUS	79, 142
	Datapoints that derive from other EU legislation	SUS	n/a
GOV-1	The role of the administrative, management and supervisory bodies	MR	43-45, 80-81
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	SUS	80-81
GOV-3	Integration of sustainability-related performance in incentive schemes	SUS	81
GOV-4	Statement on due diligence	SUS	155
GOV-5	Risk management and internal controls over sustainability reporting	SUS	81
SBM-1	Strategy, business model and value chain (products, markets, customers)	MR, SUS	85, 12
SBM-2	Interests and views of stakeholders	SUS	82
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	84, 86
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SUS	83-84, 143
IRO-2	Disclosure requirements in ESRS covered by the undertaking’s sustainability statement	SUS	143

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Disclosure requirement	Section/report*	Page	Additional information	Disclosure requirement	Section/report*	Page	Additional information	
<b>ESRS E1 – Climate change</b>				<b>ESRS E4 – Biodiversity and ecosystems</b>				
E1-1	Transition plan for climate change mitigation	SUS	93-94	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	SUS	98	
E1-2	Policies related to climate change mitigation and adaptation	SUS	88-89	E4-2	Policies related to biodiversity and ecosystems	SUS	88-89	
E1-3	Actions and resources in relation to climate change policies	SUS	94-96	E4-3	Actions and resources related to biodiversity and ecosystems	SUS	100-101	
E1-4	Targets related to climate change mitigation and adaptation	SUS	76, 78, 93-94	E4-4	Targets related to biodiversity and ecosystems	SUS	101	
E1-5	Energy consumption and mix	SUS	134-135	E4-5	Impact metrics related to biodiversity and ecosystems change	SUS	101	
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	SUS	97, 135-136	E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	-	137	Not reported for 2025.
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SUS	-	In 2025 the Group did not use carbon credits.	E4.	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	99, 137
E1-8	Internal carbon pricing	SUS	-	In 2025 the Group did not use internal carbon pricing schemes.	E4. SBM-3	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	SUS	98-99
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SUS	91, 137	Qualitative information.	E4. IRO-1			
E1. GOV-3	Integration of sustainability-related performance in incentive schemes	SUS	81					
E1. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	90-92					
E1. IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	SUS	91					

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Disclosure requirement	Section/report*	Page	Additional information	Disclosure requirement	Section/report*	Page	Additional information
<b>ESRS E5 – Resource use and circular economy</b>							
E5-1	Policies related to resource use and circular economy	SUS	88-89	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	77, 119
E5-2	Actions and resources related to resource use and circular economy	SUS	102-104	S1-6	Characteristics of the undertaking's employees	SUS	137-138
E5-3	Targets related to resource use and circular economy	SUS	75, 78, 104	S1-7	Characteristics of non-employees in the undertaking's own workforce	SUS	138-139
E5-4	Resource inflows	SUS	105	S1-8	Collective bargaining	-	- Below materiality threshold.
E5-5	Resource outflows	SUS	105	S1-9	Diversity metrics	SUS	139
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	-	137	S1-10	Adequate wages	SUS	118
E5. IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities		102	S1-13	Training and skills development metrics	SUS	139-140
<b>ESRS S1 – Own workforce</b>							
S1-1	Policies related to own workforce	SUS	114-115	S1-14	Health and safety metrics	SUS	140-141
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	SUS	115-116	S1-15	Work-life balance metrics	-	- Below materiality threshold.
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SUS	116	S1-16	Remuneration metrics (pay gap and total remuneration)	SUS	142
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SUS	115-116, 118-119	S1-17	Incidents, complaints and severe human rights impacts	SUS	117
				S1. SBM-2	Interests and views of stakeholders	SUS	82
				S1. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	114
				<b>ESRS S2 – Workers in the value chain</b>			
				S2-1	Policies related to value chain workers	SUS	121
				S2-2	Processes for engaging with value chain workers about impacts	SUS	121-122

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Disclosure requirement	Section/report*	Page	Additional information	Disclosure requirement	Section/report*	Page	Additional information
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SUS	123-124	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	SUS	127-128
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	SUS	120	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	75, 78, 128
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	124	S4.	Interests and views of stakeholders	SUS	82
S2.	Interests and views of stakeholders	SUS	82	SBM-2	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	125
S2.	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	120	SBM-3			
SBM-3				<b>ESRS G1 – Business conduct</b>			
<b>ESRS S4 – Consumers and end users</b>				G1-1	Business conduct policies and corporate culture	SUS	130-132
S4-1	Policies related to consumers and end-users	SUS	125-126	G1-2	Management of relationships with suppliers	SUS	133
S4-2	Processes for engaging with consumers and end-users about impacts	SUS	126	G1-3	Prevention and detection of corruption and bribery	SUS	131-132
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SUS	127	G1-4	Incidents of corruption or bribery	SUS	132
				G1-5	Political influence and lobbying activities	SUS	142
				G1-6	Payment practices	SUS	133
				G1.	The role of the administrative, supervisory and management bodies	SUS	80-81
				GOV-1			

SUS – Sustainability statement

MR – Management report

REM – Remuneration report

FIN – Financial report

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## Data points from other EU legislation

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS 2 GOV-1</b> Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		48
<b>ESRS 2 GOV-1</b> Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		43-45
<b>ESRS 2 GOV-4</b> Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				155
<b>ESRS 2 SBM-1</b> Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	<b>Article 449a Regulation (EU) No 575/2013;</b> Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		n/a
<b>ESRS 2 SBM-1</b> Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		n/a
<b>ESRS 2 SBM-1</b> Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n/a
<b>ESRS 2 SBM-1</b> Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n/a
<b>ESRS E1-1</b> Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	93

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Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS E1-1</b> Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		94
<b>ESRS E1-4</b> GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		94
<b>ESRS E1-5</b> Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				134
<b>ESRS E1-5</b> Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				134
<b>ESRS E1-5</b> Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				135
<b>ESRS E1-6</b> Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		97

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Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS E1-6</b> Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		135
<b>ESRS E1-7</b> GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not used
<b>ESRS E1-9</b> Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not reported
<b>ESRS E1-9</b> Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			Not reported
<b>ESRS E1-9</b> Location of significant assets at material physical risk paragraph 66 (c).					
<b>ESRS E1-9</b> Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		<b>Article 449a</b> Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not reported
<b>ESRS E1-9</b> Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not reported

Appendix continued

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS E2-4</b> Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Below materiality threshold
<b>ESRS E3-1</b> Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Below materiality threshold
<b>ESRS E3-1</b> Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Below materiality threshold
<b>ESRS E3-1</b> Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Below materiality threshold
<b>ESRS E3-4</b> Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Below materiality threshold
<b>ESRS E3-4</b> Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Below materiality threshold
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				137
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ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				137

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Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS E4-2</b> Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				88
<b>ESRS E4-2</b> Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				88
<b>ESRS E4-2</b> Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				88
<b>ESRS E5-5</b> Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				105
<b>ESRS E5-5</b> Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				105
<b>ESRS 2- SBM3 - S1</b> Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				114
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<b>ESRS S1-1</b> Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				114

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Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
<b>ESRS S1-1</b> Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		114-115
<b>ESRS S1-1</b> Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				114-115
<b>ESRS S1-1</b> Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				114-115
<b>ESRS S1-3</b> Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				116
<b>ESRS S1-14</b> Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		141
<b>ESRS S1-14</b> Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				141
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<b>ESRS S1-17</b> Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		117
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<b>ESRS S2-1</b> Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				121
<b>ESRS S2-1</b> Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		121
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<b>ESRS S2-4</b> Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				120
<b>ESRS S3-1</b> Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1			Below materiality threshold	
<b>ESRS S3-1</b> Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Below materiality threshold	
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## Statement on sustainability due diligence

[GOV-4]

Core elements of due diligence	PEOPLE Sections in the sustainability statement	ENVIRONMENT Sections in the sustainability statement
Embedding due diligence in governance, strategy and business model	<b>ESG Strategy highlights, Policies related to our own workforce, Policies related to value chain workers, Policies related to consumers and end-users</b>	<b>ESG Strategy highlights, Policies relating to the environment</b>
Engaging with affected stakeholders in all key steps of the due diligence process	<b>Interests and views of stakeholders, Engaging with our own workforce, Engaging with value chain workers, Engaging with our consumers</b>	<b>Interests and views of stakeholders</b>
Identifying and assessing adverse impacts	<b>Impacts, risks and opportunities related to own workforce, Impacts, risks and opportunities related to value chain workers, Impacts, risks and opportunities related to consumers and end-users</b>	<b>Double materiality analysis, Climate-related impacts, risks and opportunities, Biodiversity-related impacts, risks and opportunities, Resource use and circularity-related impacts, risks and opportunities</b>
Taking actions to address those adverse impacts	<b>Taking action on material impacts on own workforce, Taking actions on material impact related to value chain workers, Taking action on material impacts related to consumers</b>	<b>Actions and resources in relation to climate change policies, Actions and resources related to biodiversity and ecosystems, Actions and resources related to resource use and the circular economy</b>
Tracking the effectiveness of these efforts and communicating performance	<b>01 Sustainable lifestyle, 03 Responsible organisation</b>	<b>01 Sustainable lifestyle, 04 Green planet</b>

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## Task Force on Climate-related Financial Disclosures – mapping index

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Describe the board's oversight of climate-related risks and opportunities.	80
Describe management's role in assessing and managing climate-related risks and opportunities.	80
<b>Strategy</b>	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	92
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	92-93
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	90-94
<b>Risk Management</b>	
Describe the organisation's processes for identifying and assessing climate-related risks.	90-91
Describe the organisation's processes for managing climate-related risks.	78, 93
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	78, 93
<b>Metrics and Targets</b>	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	78
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	97
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	78, 94

## Supplementary information on KPIs used for sustainability-linked financing

Within this report, we present the two KPIs covered by Sustainability-Linked Bond Framework. These indicators focus on increasing the value of sales of own brand food products promoting a sustainable lifestyle and reducing the use of virgin plastic, reflecting our commitment to driving meaningful progress in both nutrition and circularity. The KPIs were carefully selected to reflect our material sustainability priorities and have been independently reviewed and approved through a Second Party Opinion (SPO).

KPI	Definition	2025	Baseline year	Baseline result
Increase of the value of sales of own brand food products promoting a sustainable lifestyle (mPLN)	The indicator covers net revenue (in mPLN) from the sales of own-brand food products generated by our stores in Poland, which meet one of the four following criteria: 1. Clean label products, 2. Products, that as per the product label, meet Nutri-Score A, B or C, 3. Products that are plant-based, 4. Products that have a health/nutrition claim	2,108	2020	370
Reduction of the share of virgin plastic in the weight of own brand packaging	We calculate this KPI as the share of virgin plastic within the total weight of plastic (primary and secondary) used in the packaging of the own brand products we sell to our franchisees.	36.1%	2019	0%

More detailed information on the KPIs, including definitions, calculation methodologies, and underlying assumptions, can be found in the Sustainability-Linked Bonds Framework published on our website.



# Limited assurance report



Our other responsibilities in respect of the Sustainability Statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures performed in a limited assurance engagement vary in nature and form, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect of the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management of the company (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the double materiality assessment and relevant updates performed by the Company's management and reviewing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in note ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Statement by making inquiries and interviews;
- Evaluated whether all information identified by the Process to identify the information reported in the Sustainability Statement is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;

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- Performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Statement;
- Compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and management report;
- Evaluated the methods, assumptions and data for developing estimates and forward looking information;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the "Introduction and management report" and "Financial Statements", but does not include the sustainability statement and our assurance report thereon.

Our conclusion on the Sustainability Statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our limited assurance engagement on the Sustainability Statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Sustainability Statement or our knowledge obtained in the limited assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Alban Aubree

Luxembourg, 19 March 2026

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# Financial statements



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## Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2025	2024
Revenue	5.1	27,152,564	23,797,040
Cost of sales	5.2	(22,052,772)	(19,406,266)
<b>Gross profit on sales</b>		<b>5,099,792</b>	<b>4,390,774</b>
Marketing costs	5.2	(315,847)	(267,367)
General and administrative costs	5.2	(581,525)	(461,238)
Costs of technology, innovation and development	5.2	(335,916)	(285,720)
Other operating income	5.3	45,958	30,801
Other operating costs	5.3	(28,769)	(37,423)
Expected credit losses on trade receivables and other financial assets	6.7-6.8	(7,776)	(7,030)
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>3,875,917</b>	<b>3,362,797</b>
Depreciation and amortisation	6.2-6.4	(1,889,514)	(1,704,012)
<b>Operating profit</b>		<b>1,986,403</b>	<b>1,658,785</b>
Financial income	5.4	132,731	175,121
<i>Interest income</i>		<i>23,254</i>	<i>50,072</i>
<i>Other</i>		<i>109,477</i>	<i>125,049</i>
Financial costs	5.4	(1,013,026)	(1,030,622)
<i>Interest costs</i>		<i>(905,959)</i>	<i>(981,653)</i>
<i>Other</i>		<i>(107,067)</i>	<i>(48,969)</i>
Reversal of expected credit losses on loans	6.8	39	426
<b>Profit before tax</b>		<b>1,106,147</b>	<b>803,710</b>
Income tax expense	5.5	(49,064)	(210,960)
<b>NET PROFIT</b>		<b>1,057,083</b>	<b>592,750</b>
Attributable to:			
<i>Equity holders of the parent</i>		<i>1,101,592</i>	<i>624,262</i>
<i>Non-controlling interests</i>		<i>(44,509)</i>	<i>(31,512)</i>

	Note	2025	2024
<b>Other comprehensive income</b>			
Items that will be reclassified to profit or loss:		(10,044)	(101,272)
<i>Exchange differences on translation of foreign operations</i>		<i>(2,665)</i>	<i>(629)</i>
<i>Cash flow hedge</i>	8.1	<i>(7,379)</i>	<i>(100,643)</i>
Income tax relating to other comprehensive income that will be reclassified to profit or loss	5.5	1,402	19,122
Items that will not be reclassified to profit or loss:		(815)	187
<i>Actuarial gains on employee benefits</i>	6.14	<i>(815)</i>	<i>187</i>
Income tax relating to other comprehensive income that will not be reclassified to profit or loss	5.5	157	(36)
<b>Other comprehensive income net of tax</b>		<b>(9,300)</b>	<b>(81,999)</b>
<b>Total comprehensive income</b>		<b>1,047,783</b>	<b>510,751</b>
Attributable to:		1,047,783	510,751
<i>Equity holders of the parent</i>		<i>1,088,910</i>	<i>542,263</i>
<i>Non-controlling interests</i>		<i>(41,127)</i>	<i>(31,512)</i>
Weighted average number of ordinary shares (million)		987.99	973.64
Basic earnings per share (in PLN)	5.6	1.10	0.62
Diluted earnings per share (in PLN)	5.6	1.10	0.62

Material accounting policies and other explanatory notes are an integral part of these Consolidated Financial Statements.

## Consolidated Statement of Financial Position

	Note	31.12.2025	31.12.2024		Note	31.12.2025	31.12.2024
Goodwill	6.1	3,436,997	3,438,813	Loans and borrowings	7.3	3,829,468	4,218,930
Other intangible assets	6.2	1,274,166	1,148,109	Lease liabilities	6.4	4,444,804	4,090,432
Property, plant and equipment	6.3	4,438,276	3,939,764	Liability for a written put option over non-controlling interest	6.11	111,983	71,004
Right-of-use assets	6.4	4,899,207	4,527,088	Employee benefits liabilities	6.14	4,200	2,826
Deferred tax assets	5.5	45,799	62,019	Other financial liabilities	6.12	129,515	119,671
Shares and stocks	6.8	22,735	22,735	Deferred tax liabilities	5.5	51,873	111,110
Other financial assets	6.8	29,175	37,236	Other non-financial liabilities and deferred income	6.15	232	307
Other non-financial assets	6.10	8,952	12,010	<b>Non-current liabilities</b>		<b>8,572,075</b>	<b>8,614,280</b>
<b>Non-current assets</b>		<b>14,155,307</b>	<b>13,187,774</b>	Loans and borrowings	7.3	318,202	329,886
Inventory	6.6	1,149,939	1,092,314	Lease liabilities	6.4	856,596	764,215
Right of return assets	6.9	12,424	12,271	Trade payables and other financial liabilities	6.12	6,630,591	5,870,729
Trade receivables	6.7	2,793,509	2,277,481	Liability for a written put option over non-controlling interest	6.11	29,659	27,811
Income tax receivables	5.5	162,055	101	Refund liabilities	6.13	410,076	340,448
Loans granted	6.8	5,855	6,769	Income tax liabilities	5.5	147	50,973
Other financial assets	6.8	27,885	30,388	Employee benefits liabilities	6.14	119,543	113,834
Other non-financial assets	6.10	127,733	212,572	Contract liabilities	6.16	29,871	27,931
Cash and cash equivalents	7.4	1,078,992	749,578	Other non-financial liabilities and deferred income	6.15	51,383	39,594
<b>Current assets</b>		<b>5,358,392</b>	<b>4,381,474</b>	Provisions	6.17	1,848	653
<b>Total assets</b>		<b>19,513,699</b>	<b>17,569,248</b>	<b>Current liabilities</b>		<b>8,447,916</b>	<b>7,566,074</b>
				<b>Total liabilities</b>		<b>17,019,991</b>	<b>16,180,354</b>

## Consolidated Statement of Financial Position continued

	Note	31.12.2025	31.12.2024
<b>NET ASSETS</b>		<b>2,493,708</b>	<b>1,388,894</b>
Share capital	7.2	120,119	119,790
Share premium	7.2	8,447,714	8,382,968
Put option reserve	6.11	(128,399)	(71,613)
Share-based payments reserve	9.2	145,622	34,823
Treasury shares	7.2	(82,304)	-
Retained earnings		(5,869,095)	(6,949,807)
Exchange differences on translation of foreign operations		(36,799)	(30,754)
Actuarial gains/ (losses)		(282)	378
Cash flow hedge	8.1	(102,868)	(96,891)
<b>Equity attributable to owners of the parent</b>		<b>2,493,708</b>	<b>1,388,894</b>
Non-controlling interests		-	-
<b>Total equity</b>		<b>2,493,708</b>	<b>1,388,894</b>

Material accounting policies and other explanatory notes are an integral part of these Consolidated Financial Statements.

## Consolidated Statement of Cash Flows

	Note	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		<b>1,106,147</b>	<b>803,710</b>
Adjusted for:			
Depreciation and amortisation	6.2-6.4	1,889,514	1,704,012
(Gains) / Losses due to foreign exchange differences		(6,017)	(30,631)
(Gains) / Losses from investing activities	7.5	(4,035)	13,447
Changes in fair value of financial instruments		2,467	(7,518)
Net interest (income) / cost	5.4	882,705	931,581
Change of estimated cash flows	5.4	(29,372)	(71,106)
Share-based payments expense	9.2	170,273	34,823
Share of loss of a joint venture	6.10	4,109	-
Changes in working capital and provisions:		391,275	557,263
<i>Receivables</i>	7.5	<i>(420,813)</i>	<i>(224,922)</i>
<i>Inventory</i>	7.5	<i>(57,625)</i>	<i>(266,006)</i>
<i>Right of return assets</i>	6.9	<i>(153)</i>	<i>(1,012)</i>
<i>Payables (except loans and borrowings)</i>	7.5	<i>748,580</i>	<i>931,528</i>
<i>Refund liabilities</i>	6.13	<i>69,628</i>	<i>61,852</i>
<i>Contract liabilities</i>	6.16	<i>1,940</i>	<i>9,143</i>
<i>Prepayments and deferred income</i>	7.5	<i>48,523</i>	<i>48,873</i>
<i>Provisions</i>	6.17	<i>1,195</i>	<i>(2,193)</i>
Other		(73)	(318)
Income tax paid	5.5	(297,676)	(166,883)
<b>Net cash flows from operating activities</b>		<b>4,109,317</b>	<b>3,768,380</b>

	Note	2025	2024
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment and intangible assets	7.5	(1,623,801)	(1,507,228)
Proceeds from sale of property, plant and equipment and intangible assets		4,899	136,573
Acquisition of subsidiaries, net of cash		-	(50,180)
Acquisition of shares in a joint venture and non-related entities		-	(6,300)
Loans granted	6.8	(20,414)	(58,708)
Repayments from loans granted		17,636	247,508
Other investments (term deposits)	6.8	10,253	(10,350)
Interest received		22,652	57,591
Proceeds from non-controlling interests	3	3,143	-
<b>Net cash flows from investing activities</b>		<b>(1,585,632)</b>	<b>(1,191,094)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Acquisition of non-controlling interests		-	(134,918)
Repayment of lease liabilities	7.3	(822,032)	(762,768)
Lease interest paid	7.3	(366,987)	(320,195)
Proceeds from loans and borrowings	7.3	2,693,596	1,022,215
Repayment of loans and borrowings	7.3	(3,097,555)	(1,633,516)
Other interest paid		(518,726)	(647,665)
Acquisition of treasury shares	7.2	(82,567)	-
<b>Net cash flows from financing activities</b>		<b>(2,194,271)</b>	<b>(2,476,847)</b>

## Consolidated Statement of Cash Flows continued

	Note	2025	2024
<b>Net change in cash and cash equivalents</b>		<b>329,414</b>	<b>100,439</b>
Cash and cash equivalents at the beginning of the period	7.4	749,578	649,139
Cash and cash equivalents at the end of the period	7.4	1,078,992	749,578

Material accounting policies and other explanatory notes are an integral part of these Consolidated Financial Statements.

## Consolidated Statement of Changes in Equity

	Share capital	Share premium	Legal reserve	Put option reserve	Share-based payments reserve	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Actuarial gains/(losses)	Cash flow hedge	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>As of 01.01.2025</b>	119,790	8,382,968	-	(71,613)	34,823	-	(6,949,807)	(30,754)	378	(96,891)	<b>1,388,894</b>	-	<b>1,388,894</b>
Total comprehensive income for the period	-	-	-	-	-	-	1,101,592	(6,045)	(660)	(5,977)	<b>1,088,910</b>	(41,127)	<b>1,047,783</b>
<i>Net profit / (loss) for the period</i>	-	-	-	-	-	-	<i>1,101,592</i>	-	-	-	<b><i>1,101,592</i></b>	<i>(44,509)</i>	<b><i>1,057,083</i></b>
<i>Other comprehensive income for the period</i>	-	-	-	-	-	-	-	<i>(6,045)</i>	<i>(660)</i>	<i>(5,977)</i>	<b><i>(12,682)</i></b>	<i>3,382</i>	<b><i>(9,300)</i></b>
Capital increase	329	64,746	-	-	-	-	-	-	-	-	<b>65,075</b>	-	<b>65,075</b>
Transaction with non-controlling interest	-	-	-	(56,786)	-	-	(20,880)	-	-	-	<b>(77,666)</b>	41,127	<b>(36,539)</b>
<i>Put option over non-controlling interest (Note 6.11)</i>	-	-	-	<i>(56,786)</i>	-	-	-	-	-	-	<b><i>(56,786)</i></b>	<i>13,959</i>	<b><i>(42,827)</i></b>
<i>Contribution from non-controlling interests (Note 3)</i>	-	-	-	-	-	-	-	-	-	-	-	<i>6,288</i>	<b><i>6,288</i></b>
<i>Acquisition of non-controlling interests (Note 3)</i>	-	-	-	-	-	-	<i>(20,880)</i>	-	-	-	<b><i>(20,880)</i></b>	<i>20,880</i>	<b>-</b>
LTIP and IPO Award	-	-	-	-	110,799	-	-	-	-	-	<b>110,799</b>	-	<b>110,799</b>
Acquisition of treasury shares	-	-	-	-	-	(82,304)	-	-	-	-	<b>(82,304)</b>	-	<b>(82,304)</b>
<b>As of 31.12.2025</b>	<b>120,119</b>	<b>8,447,714</b>	<b>-</b>	<b>(128,399)</b>	<b>145,622</b>	<b>(82,304)</b>	<b>(5,869,095)</b>	<b>(36,799)</b>	<b>(282)</b>	<b>(102,868)</b>	<b>2,493,708</b>	<b>-</b>	<b>2,493,708</b>
Note	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>6.11</b>	<b>9.2</b>	<b>7.2</b>				<b>8.1</b>			

## Consolidated Statement of Changes in Equity continued

	Share capital	Share premium	Legal reserve	Put option reserve	Share-based payments reserve	Treasury shares	Retained earnings	Exchange differences on translation of foreign operations	Actuarial gains/(losses)	Cash flow hedge	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>As of 01.01.2024</b>	119,790	8,114,482	268,486	(112,001)	-	-	(7,447,360)	(30,125)	227	(15,370)	<b>898,129</b>	-	<b>898,129</b>
Total comprehensive income for the period	-	-	-	-	-	-	624,262	(629)	151	(81,521)	<b>542,263</b>	(31,512)	<b>510,751</b>
<i>Net profit / (loss) for the period</i>	-	-	-	-	-	-	<i>624,262</i>	-	-	-	<i>624,262</i>	<i>(31,512)</i>	<i>592,750</i>
<i>Other comprehensive income for the period</i>	-	-	-	-	-	-	-	<i>(629)</i>	<i>151</i>	<i>(81,521)</i>	<i>(81,999)</i>	-	<i>(81,999)</i>
Non-available reserve	-	268,486	(268,486)	-	-	-	-	-	-	-	-	-	-
Transaction with non-controlling interest	-	-	-	40,388	-	-	(126,709)	-	-	-	<b>(86,321)</b>	31,512	<b>(54,809)</b>
<i>Put option over non-controlling interest (Note 6.11)</i>	-	-	-	<i>(86,321)</i>	-	-	-	-	-	-	<i>(86,321)</i>	<i>(19,843)</i>	<i>(106,164)</i>
<i>Acquisition of non-controlling interests (Note 3)</i>	-	-	-	<i>126,709</i>	-	-	<i>(126,709)</i>	-	-	-	-	<i>(5,779)</i>	<i>(5,779)</i>
<i>Acquisition of subsidiaries</i>	-	-	-	-	-	-	-	-	-	-	-	<i>57,134</i>	<i>57,134</i>
LTIP and IPO Award	-	-	-	-	34,823	-	-	-	-	-	<b>34,823</b>	-	<b>34,823</b>
<b>As of 31.12.2024</b>	<b>119,790</b>	<b>8,382,968</b>	<b>-</b>	<b>(71,613)</b>	<b>34,823</b>	<b>-</b>	<b>(6,949,807)</b>	<b>(30,754)</b>	<b>378</b>	<b>(96,891)</b>	<b>1,388,894</b>	<b>-</b>	<b>1,388,894</b>
Note	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>6.11</b>	<b>9.2</b>	<b>7.2</b>				<b>8.1</b>			

Material accounting policies and other explanatory notes are an integral part of these Consolidated Financial Statements.

# 1. General information

## Basic information about the Group's parent company

<b>Name</b>	Zabka Group société anonyme
<b>Headquarters</b>	2, rue Jean Monnet, L-2180 Luxembourg
<b>Registration</b>	the municipality of Luxembourg-City, Grand Duchy of Luxembourg
<b>Duration of the Group</b>	Indefinite
<b>Activities of the Group</b>	<ul style="list-style-type: none"> <li>» Establishing, developing and managing retail stores,</li> <li>» trade in groceries and industrial products and related services,</li> <li>» holding of participating interests, in any form whatsoever,</li> <li>» ownership, administration, development and management of its portfolio,</li> <li>» other business and management consultancy.</li> </ul>

The Consolidated Financial Statements of Zabka Group S.A. and its subsidiaries (together hereinafter referred to as Zabka Group or the Group), were prepared for the year ended 31 December 2025 with comparative information for the year ended 31 December 2024. The financial year of the Company runs from 1 January to 31 December.

Zabka Group S.A. ('the Company'/ 'the Parent'/ 'the Parent Company') was incorporated on 2 December 2021 as a public limited liability company 'société anonyme' within the definition in the Luxembourg Law 10 August 1915, as amended, on commercial companies for an unlimited period of time. The Company's registered office is established in Luxembourg City.

Zabka Group S.A. succeeded the former parent company of the Group, Heket Holdings S.à r.l., following the Group's internal reorganisation process whereby the former shareholders of Heket Holdings S.à r.l. contributed in kind its entire share capital against new shares issued by Zabka Group S.A. Effectively, the Consolidated Financial Statements of Zabka Group S.A. are a continuation of Heket Holdings S.à r.l.'s (the former parent's) consolidated financial statements.

Zabka Group S.A. is a public listed company with Heket Topco S.à r.l. being the largest minority shareholder, holding significant block of shares corresponding to 37.62% of shares and votes in the Company. CVC Capital Partners indirectly controls and owns the shares in Heket Topco S.à r.l.

The shares of Zabka Group S.A. have been listed on the Warsaw Stock Exchange ('WSE') since 17 October 2024.

## The Board of Directors during the reporting period and as of the date of signing the Consolidated Financial Statements

<b>Tomasz Suchański</b>	from 3 May 2024
<b>István Szőke</b>	from 3 May 2024
<b>Krzysztof Krawczyk</b>	from 3 May 2024
<b>Stephan Schäli</b>	from 3 May 2024
<b>Giulia Fitzpatrick</b>	from 3 May 2024
<b>Olga Grygier-Siddons</b>	from 3 May 2024
<b>Anna Pawlak-Kuliga</b>	from 17 June 2025

## Authorisation of the Consolidated Financial Statements for issue

These Consolidated Financial Statements were authorised by the Board of Directors of the Company on 19 March 2026. Under Luxembourg law, the consolidated financial statements are approved by the shareholders at their Annual General Meeting.

## 2. Basis for the preparation and application of accounting policies

This chapter sets out the basis for the preparation of these Consolidated Financial Statements, their currency, judgements and estimates affecting amounts recognised in them. Moreover, it describes the macroeconomic environment in which the Group operates and climate-related matters. This section also explains new accounting standards as well as amendments and interpretations that the Group has adopted in 2025 or will adopt in subsequent years. The material accounting policies applied in the preparation of these Consolidated Financial Statements are presented in the following notes.

### Basis for the preparation of the Consolidated Financial Statements and statement of compliance

These Consolidated Financial Statements include the financial statements of Zabka Group S.A. and the financial statements of its subsidiaries prepared for the year ended 31 December 2025.

These Consolidated Financial Statements have been prepared in accordance with the IFRS Accounting Standards as endorsed by the European Union ('IFRS'), which are effective for annual periods beginning on or after 1 January 2025.

These financial statements have been prepared on the historical cost basis, except for financial assets and liabilities measured at fair value, as described in note 8.1. These Consolidated Financial Statements are presented in Polish zlotys ('PLN'), and all values, unless otherwise stated, are given in thousands of PLN.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. When assessing the Group's ability to continue as a going concern, the Management considered the existing and anticipated risks and circumstances described below.

The Group's current liabilities exceeded its current assets by: as at 31 December 2025 PLN 3,089,524 thousand, as at 31 December 2024 PLN 3,184,600 thousand. Most of the difference is related to trade and other short-term liabilities where the Group uses reverse factoring to a large extent. In the opinion of the Management, use of reverse factoring is typical for the fast-moving consumer goods (FMCG) industry to manage its working capital. The Group recorded PLN 1,057,083 thousand net profit

for 2025 financial year and the Group's net operating cash inflow amounted to PLN 4,109,317 thousand.

Significant part of negative cash flows from investing activities can be explained by the fact that the Group is dynamically developing the Ultimate Convenience segment, increasing the number of operating stores and their profitability. The process of investing into stores is fully under control of the Group and may be slowed down by the Management's decision. If necessary, the Group is able to redirect cash from those operations for other purposes. The total amount of the investment planned for 2026 does not differ significantly from previous years.

According to its business plan, the Group has financial stability and no liquidity issues. Actual results are in line with the results included in the Management's forecast.

As at 31 December 2025, the Group had unused factoring limits, unused overdraft limits and unused investment loan limits with the total amount of PLN 1.1 billion (31 December 2024: PLN 1.6 billion). As at 31 December 2025, the terms of the loan agreements have not been breached and in the Management's opinion, there is no risk of termination of these agreements within 12 months from the reporting date. The Management assumed that the Group will be able to use the concluded factoring agreements for at least the next 12 months to the same extent as at the end of 2025.

Detailed information on liquidity risk management is included in note 8.2.

The Management believes that the combination of these initiatives will provide the Group with the necessary liquidity and that there is no going concern threat.

These financial statements are based on current expectations and projections. As of the date of these financial statements, all the operations are based on the assumption that the business will be continued and that these financial statements have been prepared on a going concern basis that contemplates the realization of assets and settlement of liabilities and commitments in the ordinary course of business.

## 2. Basis for the preparation and application of accounting policies continued

### Macroeconomic environment

The Group is exposed to a number of risks in the conduct of its business, arising from macroeconomic environment beyond its control, including, but not limited to credit crunches, interest rates, exchange rates, inflation, government policy (including taxes and labour policy), legislation, consumer behaviour, wars, geopolitics or other events and circumstances that could potentially impact the Group's business operations.

The Group is responding to the dynamically changing environment and the potential consequences that the changing macroeconomic situation may have on the Group. Proper identification risks processes have been implemented to derive from the abovementioned factors. Continuous actions taken to mitigate identified risks resulted in further building the Group's resilience. For this purpose, the Group analysed and assessed the following risks, among others:

- » changes in consumer behaviour due to competition actions and changes in consumer sentiment,
- » cyberattacks,
- » changes in the interest rates,
- » currency risk,
- » liquidity risk,
- » covenants breach in the Group credit agreements,
- » energy prices risk,
- » risk associated with the development of new business activities,
- » adverse legislative and regulatory changes,
- » limited availability and increased costs of suppliers' key services.

Having analysed the abovementioned risks, the Group has taken actions to reduce their impact. The actions are adequate in particular risk assessment and the level of risk appetite and risk tolerance for each identified risk.

Detailed information on financial risk management is provided in note 8.2.

The Group operates in a highly competitive market that is volatile to changes in consumer trends, for example customer preferences for shopping at discount stores or supermarkets and the demand for e-commerce and q-commerce solutions. Changes in consumer preferences might be driven by factors such as disposable income, unemployment rate, inflation rate, or socio-political situations (e.g., the outbreak of war

in Ukraine or elsewhere). These and other trends can lead to increased competition in the market where the Group operates, as consumers may become more price-sensitive and consequently prioritize product prices over shopping convenience.

The Ultimate Convenience segment in which the Group operates may be vulnerable to a slowdown due to a range of factors, such as high inflation rates, government actions, pandemics or geopolitical events, which may also contribute to changes in customer behaviours and habits.

A separate group of threats related to the Group's cyber security, triggered by geopolitical tensions and the growing use of information technology also exists. The Group has not identified a significantly increased scale of cyber attacks, due to preventive measures taken. However, the Group cannot rule out being a target of such attacks in the future, especially in the situation of intensification of conflicts in Europe.

In 2025, the Monetary Policy Council reduced the main interest rates in Poland by 1.75 percentage point. Interest rates forecasts pointed out probability of slight rate decreasing in 2026. From the Group perspective, it reduces the interest risk.

The Group has also monitored energy price fluctuations and has estimated the emerging risk accordingly. The risk is driven by trade tensions and prediction of industry production. On the other hand, increasing share of renewable source of energy in Polish energy mix has positive influence on stability of the energy price market. The Group has implemented the energy purchase strategy (including signed Power Purchase Agreements) which resulted in reduction of energy prices volatility.

In the first half of 2024, the Group finalized the acquisition of the DRIM Daniel Distributie FMCG S.R.L conducting business on the Romanian market and began expansion to this market. By the end of 2025, 173 convenience stores under Froo brand have been opened. As a result, the Group is now also exposed to risks related to the macroeconomic environment in Romania, for example a risk related to law variability (mainly tax law) and to increasing public financial debt, which caused pressure on foreign exchange rates. The Group will consider appropriate actions related to the scale of its involvement.

The escalation of the armed conflict in the Middle East since 28 February 2026 constitutes a significant geopolitical risk factor which may have an adverse effect on

## 2. Basis for the preparation and application of accounting policies continued

the Group's operations through increased volatility in financial and commodity markets. In particular, this situation may expose the Group to foreign exchange risk, energy price risk and supply risk.

Depending on the duration of the ongoing conflict in the Middle East, it may result in increased levels and heightened volatility of energy prices, which could lead to cost pressure on the Group. This risk is monitored and assessed on an ongoing basis, in particular in the context of the electricity procurement strategy and the potential impact of energy price increases on operating costs.

Furthermore, geopolitical instability and the related increase in investor risk aversion may contribute to elevated foreign exchange rate volatility and exert pressure on the Polish zloty and the Romanian leu. If such pressure were to persist, it could affect the Group's exposure to foreign exchange risk, in particular in relation to settlements with foreign counterparties, purchases of goods and services, and indirectly the overall cost base.

In addition, the unstable geopolitical situation may lead to disruptions in global supply chains, including longer delivery lead times, reduced availability of certain raw materials, or increased logistics costs.

As a part of building the Group's resilience to the continuously changing business environment, a business continuity management system has been put into further development. Macroeconomic threats have been taken into consideration during our analysis and tests of disruption of the Group's critical operational processes. In response, the Group takes adequate action to strengthen critical operational areas.

Management assessed that the above risks do not affect the Group's ability to continue as a going concern. In addition, the Management found no material impact on the valuation of assets and liabilities.

## 2. Basis for the preparation and application of accounting policies continued

### The functional currency and the presentation currency of the Consolidated Financial Statements

#### Accounting policy

##### Translation of items expressed in foreign currencies

The Group's presentation currency is Polish zloty ('PLN'). Functional currency of the entities located in Poland is PLN. Functional currency of the entities located in Luxembourg (holding entities) and Germany (minor operations) is euro ('EUR'). Functional currency of the entities located in Romania is Romanian leu ('RON'). The presentation currency of these Consolidated Financial statements is PLN as vast majority of the operations of the Group are conducted in PLN.

For entities which have PLN as a functional currency, transactions denominated in currencies other than PLN are translated into Polish zlotys using the average exchange rate established for a given currency by the National Bank of Poland on the day preceding the transaction date.

As at the reporting date, monetary assets and liabilities expressed in currencies other than PLN are translated into Polish zlotys using the average exchange rate established by the National Bank of Poland for a given currency at the end of the reporting period. The resulting exchange differences are recognised respectively as financial income or financial cost or, in cases specified in the accounting policies, are capitalised in the cost of assets.

Non-monetary foreign currency assets and liabilities recognised at historical cost are translated at the historical foreign exchange rate prevailing on the transaction date. Non-monetary foreign currency assets and liabilities recognised at fair value are translated using the foreign exchange rate prevailing on the date of the fair value measurement. Gains and losses on translation of non-monetary assets and liabilities measured at fair value are recognised in correspondence with gains and losses on the change in fair value of a given asset, meaning that translation gains and losses are posted to other comprehensive income or profit or loss, depending on where the change in fair value is recognised. The accounting policy relating to fair value measurement is presented the note 8.1.

During consolidation, the assets and liabilities of foreign operations are translated into Polish zlotys at the exchange rate applicable on the reporting date (using the average exchange rate of the National Bank of Poland), while their statements of profit or loss and other comprehensive income are translated using the annual average rate of the National Bank of Poland except for material transactions to which the Group applies foreign exchange rates as of the transaction date. Exchange differences resulting from translation are recognised in other comprehensive income.

## 2. Basis for the preparation and application of accounting policies continued

The following annual average exchange rates were used for the purpose of translation of items of the consolidated statement of profit or loss and other comprehensive income by entities with functional currencies other than PLN:

	2025	2024
EUR	4.2402	4.3065
RON	0.8410	0.8657

The following exchange rates were used for reporting date valuation purposes and translation of balance sheets into presentation currency by entities with functional currencies other than PLN:

	31.12.2025	31.12.2024
USD	3.6016	4.1012
EUR	4.2267	4.2730
RON	0.8291	0.8589
GBP	4.8399	5.1488

### Material amounts based on professional judgements and estimates

In the process of applying the accounting principles (policy) the Management has made some judgements, estimates and assumptions that affect the presented revenues, costs, assets and liabilities. Uncertainties in these assumptions and estimates may result in adjustments to the carrying amounts in the future.

For a clearer meaning and better understanding of the information presented in these Consolidated Financial Statements, the judgements (J) and estimates (E) made are presented in relevant notes in accordance with the table below.

Title	Note	J	E
Consolidation and business mergers/acquisitions	3	X	X
Revenue	5.1	X	X
Taxation	5.5	X	X
Other intangible assets	6.2	X	X
Property, plant and equipment	6.3		X
Right of use assets and lease liabilities	6.4	X	X
Impairment of non-financial fixed assets	6.5		X
Trade receivables	6.7	X	X
Liability for a written put option over non- controlling interest	6.11		X
Trade payables and other liabilities	6.12	X	X
Financial instruments	8.1	X	X
Share-based payments	9.2	X	X

## 2. Basis for the preparation and application of accounting policies continued

The most material judgements and estimates are indicated in the following table.

Title	Note	J	E
Revenue:			
Determining the performance obligations	5.1		
Determining the date of fulfilment of performance obligations		X	
Revenue:			
Estimating of variable consideration for price discounts granted	5.1		X
Right-of-use assets and lease liabilities:			
Sale and leaseback transactions	6.4	X	
Impairment of non-financial fixed assets	6.5		X
Trade receivables:			
Accounting for factoring arrangements	6.7	X	
Liability for a written put option over non-controlling interest	6.11		X
Trade payables and other liabilities:			
Recognition and presentation of settlements for reverse factoring	6.12	X	
Financial instruments:			
Recognition and valuation of vPPA contracts	8.1	X	X

### Climate-related matters

The Group is exposed to climate-related risk, including:

- » Physical risk (e.g., risk arising from more frequent and severe weather events);
- » Transition risk (e.g., risk associated with energy transition).

The Group has conducted a climate-related risk scenario analysis based on the current regulatory expectations (CSRD) and best market practices. Climate-related risks are assessed from a double materiality perspective, meaning they are considered both from the standpoint of the impact of climate change on the operations of Žabka Group and the impact of our business on climate. This analysis covered a broad range of potential impacts, risks and opportunities, including physical and transition risks.

The analysis indicates that the general level of climate risk in the short term (one year perspective) is lower than in the medium and long term.

In the short-term perspective, climate-related risks do not significantly affect the resilience of the business model. This is primarily due to the more predictable environment, the decarbonisation and pro-efficiency measures already undertaken by the Group, such as those in the adopted Environmental and Climate Framework Policy, Environmental, Social and Governance (ESG) Framework, Responsibility Strategy ('ESG'), and climate targets validated by the Science Based Target initiative ('SBTi').

In 2023, the Group entered into three Virtual Purchase Power Agreements ('vPPA'), which have been utilized during 2025: (1) a 10-year contract that will provide more than 0.5 TWh of electricity generated by the photovoltaic group for the duration of the agreement, and (2) two 15-year contracts that will provide more than 1.7 TWh of electricity from photovoltaic and wind farms for the duration of the agreement. Ensuring an adequate volume of renewable energy has a positive impact on the achievement of decarbonisation objectives and reduces the price risk associated with purchasing guarantees of origin as the method of supplying renewable electricity. The impact of the vPPAs on the Consolidated Financial Statements is described in note 8.1.

In 2025, the Group possesses the portfolio of financing instruments, for which interest rates depend on meeting ESG targets (including decarbonisation), used for the Group's operations: (1) reducing emissions by 25% in its operations by 2026 compared to the 2020 base year, (2) reducing emissions per PLN million of sales revenue by 70% in franchisees' stores by 2026 compared to the 2020 base year. Linking financial instruments margin to ESG targets is not an embedded derivative, as the indicators of sustainability are non-financial variables specific to the Group.

In May 2025, the Group issued 1 million sustainability-linked bonds (SLB) that comply with International Capital Market Association (ICMA) standards setting targets.

While the sustainability performance targets for the bonds issuance established by the Group are not directly tied to decarbonization efforts, they indirectly contribute to reduction of the Group's overall environmental footprint including GHG emissions.

## 2. Basis for the preparation and application of accounting policies continued

When preparing these financial statements, the Group took into account climate change, in particular judgements and estimates in relation to the following areas:

- » determining the useful life of property, plant and equipment,
- » provisions,
- » going concern assumption.

Based on the best available information and to the best effort, climate-related issues are not material to the Group's Consolidated Financial Statements.

### Changes in accounting and presentation principles

The accounting principles (policies) applied to prepare these Consolidated Financial Statements for the year ended 31 December 2025 are consistent with those applied in the preparation of the Group's Consolidated Financial Statements for the year ended 31 December 2024 except for the application of new or amended standards and interpretations applicable to annual periods beginning on or after 1 January 2025, described below.

The Group changed retrospectively the separate presentation of investment in a joint venture PLN 434 thousand (PLN 4,543 thousand as at 31 December 2024) - it is now included in non-current other non-financial assets, and the Group's share of the result of this joint venture PLN -4,109 thousand (PLN 0 thousand as at 31 December 2024) - it is now included in other financial costs. The Group discontinued presenting these items as separate line items due to their immateriality.

The new or amended standards and interpretations that were applicable for the first time in 2025 did not have a material impact on the Group's Consolidated Financial Statements. They include:

- » IAS 21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* - The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

### New standards and interpretations published but not yet effective

The standards and interpretations that have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee, and have not yet come into force are listed below with their potential impact on the Group's Consolidated Financial Statements:

#### New standards and interpretations endorsed in the European Union

- » Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* (issued on 30 May 2024) - effective for financial years beginning on or after 1 January 2026;
- » *Annual Improvements Volume II* (issued on 18 July 2024) - effective for financial years beginning on or after 1 January 2026;
- » Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* (issued on 18 December 2024) - effective for financial years beginning on or after 1 January 2026;
- » IFRS 18 *Presentation and disclosure in financial statements* (issued on 9 April 2024) - effective for financial years beginning on or after 1 January 2027.

#### New standards and interpretations not endorsed in the European Union yet

- » IFRS 14 *Regulatory Deferral Accounts* (issued on 30 January 2014) - The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard - effective for financial years beginning on or after 1 January 2016;
- » Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* (issued on 11 September 2014) - the endorsement process of these Amendments has been postponed by EU - the effective date was deferred indefinitely by IASB;
- » IFRS 19: *Subsidiaries without Public Accountability: Disclosures* (issued on 9 May 2024) - effective for financial years beginning on or after 1 January 2027;
- » Amendments to IFRS 19 *Subsidiaries without public accountability: Disclosures* (issued on 21 August 2025) - effective for financial years beginning on or after 1 January 2027;
- » Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency* (issued on 13 November 2025) - effective for financial years beginning on or after 1 January 2027.

## 2. Basis for the preparation and application of accounting policies continued

Effective dates are dates provided by the International Accounting Standards Board. Effective dates in the European Union may differ from the effective dates provided in standards and are published when the standards are endorsed by the European Union.

The Group has not elected to early adopt any of the standards, interpretations or amendments that have been issued but are not yet effective in accordance with the European Union regulations.

Management does not expect the introduction of the above standards, amendments and interpretations, apart from IFRS 18, to have a material impact on the Group's accounting principles (policy).

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. Moreover, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on the Group's financial statements are, as follows:

- » Foreign exchange differences will be classified in the category where the related income and expense from the item giving rise to the foreign exchange difference is classified.
- » Share of profit/loss of a joint venture will be classified in the investing category within the statement of profit or loss.
- » Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows.
- » Gains and losses on both the derivatives and the income and expenses arising from the hedged risks will be classified in the same category, in particular ineffective part of vPPA valuation will be classified in the operating category.
- » New disclosure will be added, i.e. management-defined performance measures and a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.

### 3. Composition of the Group and changes in the financial year

This chapter presents the subsidiaries that are part of the Žabka Group and describes the changes that occurred during the financial year, including the business combinations and the Group's material accounting policies, which apply to the consolidation process.

#### Accounting policy

##### Consolidation and business mergers/acquisitions

Subject to the adjustments made to ensure compliance with IFRS, the financial statements of the subsidiaries are prepared for the same reporting period as the parent's financial statements, by using uniform accounting policies, and with accounting policies which are consistently applied to economic events and transactions of a similar nature.

Any balances and transactions of material value between companies within the Group, including unrealised gains, are fully eliminated. Unrealised losses are eliminated unless they indicate evidence of impairment.

Subsidiaries are consolidated from the date when the Group assumes control over them and cease to be consolidated when the control is lost. The parent controls if it:

- » has power over a given entity,
- » is exposed or has rights to variable returns from its involvement with a given entity,
- » has the ability to use power to affect the amount of the returns.

The Group verifies its control of other entities if there is an indication of change of one or more of the above conditions for exercising control.

When assessing whether the Group's voting rights in a given entity are sufficient to have control, the Group considers all relevant circumstances, including:

- » the portion of the voting rights held compared to the total number of shares and the degree of dispersion of voting rights held by other shareholders,
- » potential voting rights held by the Group, other shareholders and other parties,
- » rights arising from other contractual arrangements, and

- » additional circumstances that may demonstrate that the Group does or does not have the ability to direct relevant actions in decision-making moments, including voting patterns observed at previous shareholder meetings.

Changes in share ownership by the parent which do not result in loss of control over the subsidiary are recognised as equity transactions. In such cases, in order to reflect changes in relative equity interests in the subsidiary, the Group adjusts the carrying amount of the non-controlling interests.

Any differences between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity and attributed to the parent's owners.

If the initial accounting of a business combination is not completed before the end of the reporting period in which the combination occurred, the Group presents approximate amounts for items whose fair values are not yet determined. The accounting process ends when the Group receives the information it sought about facts or circumstances that existed as of the acquisition date or becomes convinced that no further information can be obtained. The period lasts no longer than twelve months from the date of acquisition.

The Group accounts for business combinations using the acquisition method. As at the date of obtaining control, the Group recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interests in the acquired entity. The Group measures the identifiable assets acquired and liabilities assumed at their fair values as at the date of obtaining control.

The consideration transferred in a business combination is measured at fair value calculated as the sum, determined as of the acquisition date, of the fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to the previous owners of the acquiree and the equity interests issued by the acquirer.

Transaction costs associated with acquisitions are recognised in profit or loss as incurred.

### 3. Composition of the Group and changes in the financial year continued

As of the acquisition date, the Group measures non-controlling interests in the acquiree that, in the event of liquidation of the acquiree, entitle their holders to a pro rata share of the net assets of the acquiree. Non-controlling interests are measured either at fair value or at a proportionate share (representing a non-controlling interest) in the identifiable net assets of the acquiree.

#### Amounts based on professional judgement

##### Identification of non-controlling interests

When less than 100% of the acquiree's shares is acquired in an acquisition and the remaining shares of the acquiree have been put under a put option, the Group makes a judgement as to whether the risks and rewards of holding the put option shares are attributable to the non-controlling interest or the parent. The Group recognises non-controlling interests if the risks and rewards of ownership remain with the non-controlling interests. The Group does not recognise non-controlling interests if the risks and rewards of ownership have been transferred to the parent. In making its judgement, the Group considers the following criteria, among others: whether the put option has a call option symmetrical to it, i.e., based on the same (symmetrical) terms and conditions, whether the price of the shares covered by the put option is fixed, whether the legal owners of the shares have voting rights and rights to receive dividend.

Information on the option obligation to purchase non-controlling interests is presented in note 6.11. Changes during the year due to the non-controlling interests are presented in the consolidated statements of changes in equity.

### 3. Composition of the Group and changes in the financial year continued

List of subsidiaries included in the Group as at 31 December 2025 and as at 31 December 2024:

Name	Headquarters	The main activity	Parent company	Date of obtaining control / incorporation	% of share capital owned as at	
					31.12.2025	31.12.2024
Żabka Polska sp. z o.o.	Poznan, Poland	franchisor of retail stores	Zabka Group S.A.	10 February 2017	100.00%	100.00%
Retail Technology Investments sp. z o.o.	Poznan, Poland	activities related to IT consultancy	Żabka Polska sp. z o.o.	16 April 2012	100.00%	100.00%
Green Hive Technology sp. z o.o. (formerly Logistic Property Investment sp. z o.o. )	Poznan, Poland	software development services (formerly real estate construction)	Żabka Polska sp. z o.o.	16 September 2020	100.00%	100.00%
Żabka Automatic Logistics sp. z o.o.	Poznan, Poland	warehousing and storage of goods	Żabka Polska sp. z o.o.	8 October 2020	100.00%	100.00%
Żabka Property Fund sp. z o.o.	Poznan, Poland	rental and management of own or leased real estate	Żabka Polska sp. z o.o.	12 March 2021	100.00%	100.00%
Żabka Development sp. z o.o.	Poznan, Poland	rental and management of own or leased real estate	Żabka Property Fund sp. z o.o.	12 March 2021	100.00%	100.00%
Żabka Construction sp. z o.o.	Poznan, Poland	real estate construction	Żabka Property Fund sp. z o.o.	12 March 2021	0.00%	100.00%
Kalestico Investments sp. z o.o.	Poznan, Poland	real estate construction	Żabka Property Fund sp. z o.o.	6 September 2023	100.00%	100.00%
Żabka Nano sp. z o.o.	Poznan, Poland	sales of merchandise	Żabka Polska sp. z o.o.	12 April 2021	100.00%	100.00%
Lite e-commerce sp. z o.o.	Warsaw, Poland	sales of merchandise	Żabka Polska sp. z o.o.	24 May 2021	100.00%	100.00%
Lite 24 sp. z o.o.	Warsaw, Poland	sales of merchandise	Lite e-commerce sp. z o.o.	24 May 2021	100.00%	100.00%
Bocastonby Investments sp. z o.o.	Warsaw, Poland	retail sale of tobacco products in specialised stores	Lite e-commerce sp. z o.o.	6 June 2023	100.00%	100.00%
Fresh Meals Factory sp. z o.o. (formerly Maczfit Foods sp. z o.o.)	Warsaw, Poland	production of ready meals (box diets)	Żabka Polska sp. z o.o.	29 April 2021	98.34%	98.34%
Zabka Deutschland GmbH	Berlin, Germany	sales of merchandise	Zabka International S.à r.l.	29 April 2021	100.00%	100.00%

### 3. Composition of the Group and changes in the financial year continued

Name	Headquarters	The main activity	Parent company	Date of obtaining control / incorporation	% of share capital owned as at	
					31.12.2025	31.12.2024
Masterlife Solutions sp. z o.o.	Warsaw, Poland	activities connected with catering platform Dietly	Żabka Polska sp. z o.o.	28 May 2021	100.00%	100.00%
Food Property Investment sp. z o.o.	Poznan, Poland	real estate activities	Żabka Property Fund sp. z o.o.	9 March 2022	100.00%	100.00%
Żabka BS sp. z o.o.	Poznan, Poland	real estate activities	Żabka Polska sp. z o.o.	9 November 2023	100.00%	100.00%
Cool-Logistics sp. z o.o.	Baniocha, Poland	transport of goods	Retail Technology Investments sp. z o.o.	4 March 2022	100.00%	100.00%
Froo Romania Holding S.A.	Bucharest, Romania	activities of holding companies	Zabka International S.à r.l.	14 December 2023	77.51%	67.00%
Froo Romania Retail S.R.L.	Bucharest, Romania	retail stores	Froo Romania Holding S.A.	31 January 2024	77.51%	67.00%
DRIM Daniel Distribuție FMCG S.R.L.	Mărăcineni, Romania	distribution of FMCG products	Froo Romania Holding S.A.	29 February 2024	77.51%	67.00%
Zabka International S.à r.l.	Luxembourg, Grand Duchy of Luxembourg	other activities supporting financial services	Zabka Group S.A.	12 February 2024	100.00%	100.00%
izidrop sp. z o.o. (formerly Flostertil Investments sp. z o.o.)	Warsaw, Poland	logistic services	Żabka Polska sp. z o.o.	13 May 2025	60.63%	0.00%
Lifestyle Solution sp. z o.o.	Warsaw, Poland	sale of ready meals (box diets)	Fresh Meals Factory sp. z o.o.	26 May 2025	98.34%	0.00%
Żappka Pay sp. z o.o.	Poznan, Poland	financial activities	Żabka Polska sp. z o.o.	2 July 2025	100.00%	0.00%

### 3. Composition of the Group and changes in the financial year continued

#### Increase of share in Froo Romania Holding S.A.

On 20 February 2025, Zabka International S.a r.l. made a cash contribution to Froo Romania Holding S.A. in the amount of EUR 14,500 thousand (PLN 60,593 thousand), increasing its share in the company by 6.18% to 73.18%. As a result non-controlling interests amount increased by PLN 11,335 thousand. On 12 May 2025, Zabka International S.a r.l. made a cash contribution to Froo Romania Holding S.A. in the amount of EUR 14,500 thousand (PLN 62,905 thousand), increasing its share in the company by 4.33% to 77.51%. As a result non-controlling interests amount increased by PLN 9,545 thousand.

#### Acquisition of izidrop sp. z o.o.

On 13 May 2025, the Group acquired 100% of shares in the company Flosteril Investment sp. z o.o. for PLN 13 thousand, what did not meet the definition of a business combination. On 28 May 2025, the Group acquired 60.53% of shares in the increased share capital of the entity in exchange for a cash contribution of PLN 11.712 thousand, the remaining shares were acquired by a non-controlling shareholder for PLN 6.288 thousand. The amount paid in cash amounted to PLN 3,143 thousand, the remaining part was settled by offsetting. This contribution increased non-controlling interests in equity. After the transaction, the Group's share in the company is 60.63%. On 12 June 2025, the company's name was changed to izidrop sp. z o.o.

#### Fresh Meals Factory sp. z o.o. reorganisation

On 26 May 2025, Fresh Meals Factory sp. z o.o. established a new entity Lifestyle Solutions sp z o.o. On 1 July 2025, Fresh Meals Factory sp. z o.o. formally separated organized part of an enterprise ('OPE') within its structure, covering sales and logistics operations (together with relevant employees, assets, trademark, receivables, liabilities and agreements) and performed in kind contribution of OPE to a newly established entity Lifestyle Solutions sp. z o.o. The reorganization does not impact the Consolidated Financial Statements.

#### Incorporation of Żappka Pay sp z o.o.

On 2 July 2025, Żappka Pay sp z o.o. was incorporated.

#### Merger of Żabka Construction sp. z o.o. with Food Property Investment sp. z o.o.

On 12 December 2025, Żabka Construction sp. z o.o. merged with Food Property Investment sp. z o.o. Food Property Investment sp z o.o. is a surviving entity and will continue its operations.

## 4. Segments

The following section presents the Group's results by segment for the years ended 31 December 2025 and 31 December 2024. Disclosures relate to revenues generated by reportable operating segments, material expense items and segment results.

The Group identifies reportable operating segments taking into account factors such as the nature of their business activities, the existence of managers responsible for them and information reviewed by the Management.

The 'Ultimate Convenience' segment covers operations of all stores under the 'Żabka' brand in Poland and real estate operations related directly to the store business including most of the companies from the Property Fund Group: Żabka Property Fund sp. z o.o., Żabka Development sp. z o.o. and Kalestico Investments sp. z o.o.

The 'New Growth Engines' segment includes operations conducted using the latest technologies, including, in particular, online sales technology, digital business and international expansion. The segment is composed of activities of the following companies:

- » Fresh Meals Factory sp. z o.o. (formerly Maczfit Foods sp. z o. o.) and Lifestyle Solutions sp. z o.o.: production and D2C (Direct-to-Customer), sales of ready-to-eat meals,
- » Cool-Logistics sp. z o.o.: logistics services for Fresh Meals Factory sp. z o. o. as well as for external D2C ready meals manufacturers,
- » Food Property Investment sp. z o.o.: warehouse management for Fresh Meals Factory sp. z o. o.,
- » Masterlife Solutions sp. z o.o.: Dietly.pl, SaaS marketplace services for D2C ready meals services, as well as SaaS services and software for D2C ready meals manufacturers, who in many cases are also vendors on the dietly.pl marketplace,
- » Lite Group consisting of Lite e-commerce sp. z o.o., Lite 24 sp. z o.o. and Bocastonby Investments sp. z o.o.: q-commerce services under Żabka Jush & Delio brands,
- » Żabka Nano sp. z o.o. and Żabka Deutschland GmbH: fully autonomous stores,
- » Żabka International S.a.r.l and Romanian companies: operations under the "Froo" brand and logistic operations in Romania, and international expansion,
- » Green Hive Technology sp. z o.o.: in-house software development hub responsible for designing new and developing existing mobile & web applications in our portfolio,

- » Żappka Pay sp. z o.o.: pre-operating activities in 2025.
- » Izidrop sp. z o.o.: reverse logistics (returns management) and economy parcel services.

The Group's other activities are combined under 'Corporate Functions and Other'. Corporate functions and other include central functions such as finance, HR, IT, PR strategy, risk management and compliance. These are activities relevant to both operating segments: 'Ultimate Convenience' and 'New Growth Engines' but are not allocated to these segments, as the Management does not apply such allocation and evaluates the performance of operating segments separately from the corporate component. This is in line with how the Group is organised for management purposes and how responsibility for individual activities and functions is allocated among the Management members.

The Management does not analyse operating segments in terms of the value of assets and the value of liabilities.

Financial income and expenses and income taxes are not allocated to individual segments.

Assessment of the Group's financial performance is made mainly on the basis of Adjusted EBITDA. This indicator should be viewed as an addition to, and not a substitute for, the results of operations presented under IFRS. Adjusted EBITDA is not defined in the IFRS and may be calculated differently by other entities. The reconciliation and definitions used by the Group are presented in the current note.

EBITDA is one measure of the efficiency of the business presented in the consolidated statement of profit or loss and other comprehensive income. The Group defines EBITDA as net income for the reporting period before the effect of income taxes, financing activities and depreciation and amortisation expense.

## 4. Segments continued

Adjusted EBITDA is one of the main performance measures of the Group's operations, which is used by the Management in the day-to-day management of the Group and decision-making process. The Group defines this measure as EBITDA adjusted by costs from the following categories:

- » Costs related to changes in the ownership structure and obtaining financing - include costs associated with obtaining bank loans, costs related to Initial Public Offering of Zabka Group on Warsaw Stock Market and cost of Share Based Payment related to the IPO.
- » Funds spent on ensuring business continuity in the face of unforeseen events within the Group's environment, protection of employees, franchisees and society - in 2024 they represent mostly additional costs incurred in connection with the flood that affected the southern region of Poland.
- » Group reorganization and new businesses setup costs - costs related to the reorganisation of the Group including the development of the Group's long-term strategy and resources for business expansion, the set-up of new companies as well as implementation of pillars of the ESG strategy, in particular advisory and consulting fees.
- » Reclassification of result on the disposal of property, plant and equipment and right of use - result on sale and liquidation of tangible fixed assets and right of use assets, the impairment charge and fixed assets derecognised as a result of stocktake, representing reclassification from other operating costs/income to depreciation and amortization (the category does not include the result of transactions carried out as part of the Group's core business).
- » Incentive schemes and additional compensation in connection with the termination of cooperation with key employees - costs related to additional remuneration for key managerial staff related to the change of shareholders, including exit bonuses, incentive schemes, share-based payments and additional remuneration of key management personnel in connection with the termination of cooperation.
- » Transaction costs in respect of M&A - incremental costs directly related to the development of new types of business, including acquisition costs (due diligence and advisory costs).
- » Recognition of tax refund related to prior-periods financing costs - the total impact of the 2018 and 2019 tax refund and the expected refunds for 2020-2024, arising from the individual tax ruling obtained regarding the deductibility of debt financing costs.

- » Reclassification of minimal tax paid abroad - reclassification from general and administrative costs to income tax expense.

Additionally, the Group makes adjustments relating to income tax effect of the above adjustments and reclassifications influencing Adjusted Net profit.

The financial information reported for each reportable operating segment is determined in line with the IFRS Accounting Standards (including, in particular, the manner in which income and individual expense items are determined).

Intersegment transactions are eliminated upon consolidation and reflected in the 'Consolidation Eliminations' column. The Group accounts for inter-segment sales/transfers and costs as if the sales/transfers or costs were to third parties on an arm's-length basis in a manner similar to transactions with third parties. The intersegment transactions are accounted in line with the IFRS Accounting Standards.

The Group operates mainly in Poland. In 2024, it entered into Romanian market. Moreover, a part of the Group's operations is conducted in Luxembourg (Zabka Group S.A. and Zabka International S.à r.l.) and small part of the Group's operations regarding autonomous Nano stores is conducted in Germany (Zabka Deutschland GmbH).

Revenue from external customers attributed to foreign countries and non-current assets located in foreign countries are an immaterial part of revenue and non-current assets of the whole Group.

## 4. Segments continued

The tables below present a reconciliation of the segment data to the consolidated statement of profit or loss and other comprehensive income.

Item	Note	Operating segments		Corporate Functions and Other	Consolidation Eliminations	2025			
		Ultimate Convenience	New Growth Engines			Total adjusted	Reclassifications	Adjustments	Total statutory
Revenue from sales to external customers		25,636,922	1,538,519	4,357	-	27,179,798	-	(27,234)	27,152,564
Revenue from inter-segment sales		102,772	53,526	4,490	(160,788)	-	-	-	-
<b>Total revenue</b>	5.1	<b>25,739,694</b>	<b>1,592,045</b>	<b>8,847</b>	<b>(160,788)</b>	<b>27,179,798</b>	<b>-</b>	<b>(27,234)</b>	<b>27,152,564</b>
Cost of sales	5.2	(20,742,635)	(1,421,581)	(3,018)	137,839	(22,029,395)	-	(23,377)	(22,052,772)
Marketing costs	5.2	(260,443)	(53,076)	(403)	199	(313,723)	-	(2,124)	(315,847)
General and administrative costs	5.2	(126,894)	(128,013)	(220,335)	551	(474,691)	(7,235)	(99,599)	(581,525)
Costs of technology, innovation and development	5.2	(44,035)	(81,951)	(167,268)	98	(293,156)	-	(42,760)	(335,916)
Other operating income	5.3	27,616	8,138	2,113	10	37,877	8,081	-	45,958
Other operating costs	5.3	(21,122)	(7,992)	(3,624)	-	(32,738)	3,969	-	(28,769)
Expected credit losses on trade receivables and other financial assets	6.7-6.8	(6,584)	(1,196)	4	-	(7,776)	-	-	(7,776)
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>4,565,597</b>	<b>(93,626)</b>	<b>(383,684)</b>	<b>(22,091)</b>	<b>4,066,196</b>	<b>4,815</b>	<b>(195,094)</b>	<b>3,875,917</b>
Depreciation and amortisation						(1,877,464)	(12,050)	-	(1,889,514)
<b>Operating profit</b>						<b>2,188,732</b>	<b>(7,235)</b>	<b>(195,094)</b>	<b>1,986,403</b>
Profit/ (Loss) on financial activity	5.4, 6.8					(880,256)	-	-	(880,256)
<b>Profit before tax</b>						<b>1,308,476</b>	<b>(7,235)</b>	<b>(195,094)</b>	<b>1,106,147</b>
Income tax expense	5.5					(305,200)	7,235	248,901	(49,064)
<b>Net profit</b>						<b>1,003,276</b>	<b>-</b>	<b>53,807</b>	<b>1,057,083</b>

## 4. Segments continued

Item	Note	Operating segments		Corporate Functions and Other	2025		Reclassifications	Adjustments	Total statutory
		Ultimate Convenience	New Growth Engines		Consolidation Eliminations	Total adjusted			
Costs related to changes in the ownership structure and obtaining financing							-	(64,705)	
Reclassification of result on disposal of PP&E and ROU - from Other operating income/ costs to Depreciation and amortisation							+/- 12,050	-	
Incentive schemes and additional compensation in connection with the termination of cooperation with key employees							-	(130,389)	
Reclassification of minimal tax paid abroad - from General and administrative costs to Income tax expense							+/- 7,235	-	
Recognition of tax refund related to prior-periods financing costs							-	212,188	
Income tax attributed to adjustments							-	36,713	
<b>Impact of Reclassifications and Adjustments on Net Profit</b>							<b>-</b>	<b>53,807</b>	

## 4. Segments continued

Item	Note	Operating segments		Corporate Functions and Other	Consolidation Eliminations	2024			
		Ultimate Convenience	New Growth Engines			Total adjusted	Reclassifications	Adjustments	Total statutory
Revenue from sales to external customers		22,689,676	1,114,013	918	-	23,804,607	-	(7,567)	23,797,040
Revenue from inter-segment sales		78,503	36,617	3,609	(118,729)	-	-	-	-
<b>Total revenue</b>	5.1	<b>22,768,179</b>	<b>1,150,630</b>	<b>4,527</b>	<b>(118,729)</b>	<b>23,804,607</b>	<b>-</b>	<b>(7,567)</b>	<b>23,797,040</b>
Cost of sales	5.2	(18,472,307)	(1,017,393)	(4,545)	99,551	(19,394,694)	-	(11,572)	(19,406,266)
Marketing costs	5.2	(220,731)	(46,465)	(157)	289	(267,064)	-	(303)	(267,367)
General and administrative costs	5.2	(117,358)	(76,889)	(177,538)	1,267	(370,518)	(5,163)	(85,557)	(461,238)
Costs of technology, innovation and development	5.2	(41,736)	(77,790)	(149,240)	(254)	(269,020)	-	(16,700)	(285,720)
Other operating income	5.3	21,886	2,076	1,532	-	25,494	4,417	890	30,801
Other operating costs	5.3	(11,803)	(2,580)	(2,819)	-	(17,202)	(19,802)	(419)	(37,423)
Expected credit losses on trade receivables and other financial assets	6.7-6.8	(6,110)	17	(937)	-	(7,030)	-	-	(7,030)
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>3,920,020</b>	<b>(68,394)</b>	<b>(329,177)</b>	<b>(17,876)</b>	<b>3,504,573</b>	<b>(20,548)</b>	<b>(121,228)</b>	<b>3,362,797</b>
Depreciation and amortisation						(1,719,397)	15,385	-	(1,704,012)
<b>Operating profit</b>						<b>1,785,176</b>	<b>(5,163)</b>	<b>(121,228)</b>	<b>1,658,785</b>
Profit/ (Loss) on financial activity	5.4, 6.8					(855,075)	-	-	(855,075)
<b>Profit before tax</b>						<b>930,101</b>	<b>(5,163)</b>	<b>(121,228)</b>	<b>803,710</b>
Income tax expense	5.5					(216,459)	5,163	335	(210,960)
<b>Net profit</b>						<b>713,642</b>	<b>-</b>	<b>(120,893)</b>	<b>592,750</b>

## 4. Segments continued

Item	Note	Operating segments			Corporate Functions and Other	2024		Adjustments	Total statutory
		Ultimate Convenience	New Growth Engines	Consolidation Eliminations		Total adjusted	Reclassifications		
Costs related to changes in the ownership structure and obtaining financing							-	(80,995)	
Funds spent on ensuring business continuity in the face of unforeseen events within the Group's environment, protection of employees, franchisees and society							-	(1,615)	
Group reorganization and new businesses setup costs							-	(11,783)	
Reclassification of result on disposal of PP&E and ROU - from Other operating income/ costs to Depreciation and amortisation							+/- 15,385	-	
Incentive schemes and additional compensation in connection with the termination of cooperation with key employees							-	(26,422)	
Transaction costs in respect of M&A							-	(413)	
Reclassification of minimal tax paid abroad - from General and administrative costs to Income tax expense							+/- 5,163	-	
Income tax attributed to adjustments							-	335	
<b>Impact of Reclassifications and Adjustments on Net Profit</b>							-	<b>(120,893)</b>	

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income

### 5.1. Revenue

#### Accounting policy

The Group recognises revenue in a way to reflect the delivery of the promised goods or services to the customer in an amount that reflects the remuneration to which - in accordance with the Group's expectations - will be entitled to in exchange for these goods or services. When recognising the revenues, the principles presented below also apply.

#### Franchise agreements

The main source of the Group's revenues are contracts concluded with franchisees under which the Group, among other things, sells goods, rents out stores with equipment and provides the know-how. The Group identifies one performance obligation under the contracts with the franchisees based on the conducted analysis, which revealed a high correlation between the sale of goods and the delivery of services, their mutual integration and matching.

Revenue is recorded as goods are delivered. Revenue from services that accompany sale of physical goods to the franchisee is, in principle, dependent on the turnover of physical goods and is not separate from that revenue stream. Their value is part of the variable remuneration per performance obligation under the franchise agreement.

The goods offered by the Group are often sold with retrospective discounts and rebates based largely on quantitative indicators, i.e., the value of goods sold by the franchisee. The Group includes part or all of the variable remuneration, relating to retrospective granted price discounts, in the transaction price if the uncertainty about the amount of variable remuneration has ceased.

The franchisee is obliged to pay for the goods delivered by the Group or the services provided on the next day after the sale of the goods or the provision of the service to the customer.

Financial liabilities between the Group and the franchisee are settled after the end of each calendar month during the term of the agreement.

In evaluating whether collectability of an amount of consideration is probable, the Group considers only the customer's ability and intention to pay that amount of consideration when it is due.

All franchise contracts are concluded under the same conditions and are related to the operation of stores under the 'Zabka' brand.

#### Own stores

Revenue is recognized as goods are sold to the final customer. This model relates to stores under 'Froo', 'Nano' and 'Lite' brands.

#### Sales of catering products

The Group recognises revenue based on product delivery. All operations related to the production process and almost all distribution are carried out by the Group. Nutrition plans are offered on a subscription basis. Subscription periods are determined by customers. Revenue is recognised upon monthly product delivery to the customers. Advances received from customers related to future deliveries are recognised as contract liabilities.

#### Agent's consideration

The Group is a party to contracts in which it acts as an intermediary. As a result, the Group recognises revenue in the amount of the commission to which it will be entitled, in line with Group's expectations, in exchange for the provision of goods or services by the franchisee. The Group's fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. The Group discloses that revenue stream as commissions, including among others: electronic and postal services.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

In addition, the Group acts as an intermediary for two smaller revenue streams: revenue from the Dietly.pl marketplace - taking commissions on catering orders through Dietly.pl not directly from the catering provider, and revenue from CRM payment processing - taking commissions on online payments made by customers ordering catering (CRM subscribers) directly from the catering provider. In both streams, recognised revenues are net of expenses.

### Incremental costs of obtaining a contract

The incremental costs of obtaining a contract with a customer (e.g., franchisee) are recognised by the Group as an asset within intangible assets if the Group expects to recover these costs. Incremental costs of obtaining a contract are those costs

incurred by the Group in order to obtain a contract with a customer (e.g., a franchisee), which the Group would not have incurred if the contract had not been obtained (e.g., a success fee for the recruiter). Costs to obtain a contract that would have been incurred regardless of whether the contract has been obtained, are recognised as an expense when incurred, unless these costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The asset is amortised on a systematic basis, considering the period of providing the customer with the goods or services to which it relates. The Group updates the amortisation period to reflect a significant change in the expected period of providing the customer with the goods or services to which the asset relates.

### Values based on professional judgement

#### Determining the performance obligations

The main source of the Group's revenues are contracts with franchisees. Under these contracts, the Group has identified one performance obligation, and therefore the entire consideration received from franchisees is assigned to one performance obligation. To assess whether there are one or more performance obligations in agreements with franchisees, the Group has performed an analysis focusing, inter alia, on the assessment of the correlation of the sale of goods with the provision of services, the occurrence of integration or specific matching for the assessed components. The Group concluded that due to the significant interdependence, integration and alignment there is one performance obligation.

- » transfer of legal title,
- » transfer of physical possession and confirmation of receipt,
- » transfer of significant risks and benefits,
- » limitations in the right to return.

In the Group's opinion, the performance obligation under the agreements with franchisees in relation to goods and services is satisfied at the time of delivery of the goods to the store, because this is the point in time when the franchisee obtains control over the goods, i.e., has the possibility to use them directly (physical disposal and title deed ownership) and obtains basically all benefits (e.g., from sale) and takes over the risks (e.g., due to theft and limited right of return) arising from these goods.

#### Determining the date of fulfilment of performance obligations

For the purposes of determining the date of fulfilment of performance obligations, the Group has analysed the following criteria and conditions:

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### Determining whether the Group acts as a principal or an agent

In the event that another entity is involved in providing goods or services to the customer, the Group determines whether the nature of the Group's promise is a performance obligation to provide the specified goods or services itself (in this case, the Group is the principal) or to arrange for those goods or services to be provided by another entity (in this case, the Group acts as an agent).

The Group has identified contracts under which it acts as an agent, because it does not control specific goods or services provided by other entities, it does not bear the risk of storing stocks, it does not bear the main responsibility for fulfilling the promise to provide a specific good or service, and it does not freely set the price. The Group, as an intermediary, among other things, organizes the settlement system and ensures the provision of services by franchisees to clients on behalf of providers of such services as betting in games of chance, small payments, money transfers.

#### Estimates

### Estimating of variable consideration for price discounts granted and the right to return goods in the event of termination of the franchise agreement

Under the franchise agreement, the Group grants franchisees price discounts, the amount of which depends on the turnover made by the franchisee. In the event of

termination of the franchise agreement, franchisees also have the right to return goods of full value.

Therefore, at the end of each reporting period, the Group estimates the amount of remuneration to which it will be entitled in exchange for the transfer of the promised goods or services to the franchisee, taking into account the offered retrospective discounts and expected returns of goods and includes part or all of the variable remuneration in the transaction price only to the extent that there is a high probability that a significant part of the amount of previously recognised accumulated revenues will not be reversed. The amount of the variable remuneration is estimated using the expected value due to the large number of contracts with franchisees.

### Revenue by category

Revenue	Value		Share %	
	2025	2024	2025	2024
Franchise	25,455,728	22,554,631	93.8	94.8
Own stores and wholesale	1,021,445	682,860	3.8	2.9
Revenue from sale of products	457,032	405,462	1.7	1.7
Revenue from agency services	130,997	108,858	0.5	0.5
Software services	3,099	2,880	0.0	0.0
Other	84,263	42,349	0.2	0.1
<b>Revenue</b>	<b>27,152,564</b>	<b>23,797,040</b>	<b>100</b>	<b>100</b>

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### Revenue by segments

Revenue	2025					Total
	Ultimate Convenience	New Growth Engines	Corporate Functions and Other	Adjustments	Consolidation Eliminations	
Franchise	25,507,708	-	-	(27,234)	(24,746)	25,455,728
Own stores and wholesale	90,743	1,002,177	-	-	(71,475)	1,021,445
Revenue from sale of products	-	462,208	-	-	(5,176)	457,032
Revenue from agency services	103,669	27,434	-	-	(106)	130,997
Software services	-	49,038	-	-	(45,939)	3,099
Other	37,574	51,188	8,847	-	(13,346)	84,263
<b>Revenue</b>	<b>25,739,694</b>	<b>1,592,045</b>	<b>8,847</b>	<b>(27,234)</b>	<b>(160,788)</b>	<b>27,152,564</b>

Revenue	2024					Total
	Ultimate Convenience	New Growth Engines	Corporate Functions and Other	Adjustments	Consolidation Eliminations	
Franchise	22,583,010	-	-	(7,670)	(20,709)	22,554,631
Own stores and wholesale	77,634	660,395	-	-	(55,169)	682,860
Revenue from sale of products	-	405,695	-	-	(233)	405,462
Revenue from agency services	83,094	25,764	-	-	-	108,858
Software services	-	37,633	-	-	(34,753)	2,880
Other	24,441	21,143	4,527	103	(7,865)	42,349
<b>Revenue</b>	<b>22,768,179</b>	<b>1,150,630</b>	<b>4,527</b>	<b>(7,567)</b>	<b>(118,729)</b>	<b>23,797,040</b>

Revenue from sales under the franchise agreement includes all fees from franchisees, revenue from the sale of goods and revenue from store space with equipment. Revenue from own stores and wholesale includes Žabka Nano autonomous stores and vending machines sales, Lite e-commerce group q-commerce services, Froo Romania Retail stores sales and DRIM Daniel wholesale.

The increase in revenue in 2025 was attributable, among other things, to an increase in a number of stores. As at 31 December 2025, the Žabka chain consisted of 12,339 stores, with 1,270 new stores opened in 2025 (increase by 11%) and revenue growth per franchisee/store. The increase was driven by a mix of traffic and basket growth.

Entire revenue is revenue from contracts with customers within the meaning of IFRS 15.

The value of the costs of obtaining franchise agreements is presented in note 6.2.

The cost of transactions settled with franchisees in equity instruments as a part of IPO Award was recognised under IFRS 15 as a reduction of revenue. The program is measured (in accordance with IFRS 2) by reference to the fair value of Company's share as at the date of granting rights. More details regarding the cost of IPO Award were presented in note 9.2.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### 5.2. Costs by nature

#### Accounting policy

##### Cost of sales

Cost of sales includes:

- » cost of goods, including the amount of any write-downs to net realizable value and inventory losses,
- » distribution costs,
- » operating and maintenance costs of stores (including repair and renovation costs, utility costs),
- » costs of external services (including remuneration of the agents running own stores of the Group).

All expenses are recognised when incurred unless they meet specific capitalization criteria.

##### Cost of goods

When goods are sold, the carrying amount of these goods is determined using the weighted average method and recognised as a cost in the period in which the respective revenues are recognised.

The amount of any write-downs of the value of inventory to the level of net realizable value and all losses in inventory are recognised as a cost of goods sold in the period in which the write-down or loss took place. Reversal of the write-down of inventory, resulting from the increase in their net realizable value, is recognised as a decrease of a cost of goods sold in the period in which the reversal of the write-down took place.

##### Marketing costs

Marketing costs include expenditure on advertising activities aimed at mass recipients (mass media) and individual recipients (advertising at points of sale). Such costs include among others:

- » remuneration of employees,

- » costs of materials and external services (including, advertising costs).

##### General and administrative costs

General and administrative costs include the costs of managing the overall business of the Group and the Group's general costs. Such costs include, among others:

- » administrative costs,
- » representation costs,
- » insurance costs.

##### Costs of technology, innovation and development

The costs of technology, innovation and development are recognised by the Group as:

- » costs related to new technologies and IT, including salaries and advisory services,
- » costs of innovative projects (e.g., related to artificial intelligence), mainly including salaries and external services,
- » Group development costs, including expansion of operations, costs of the introduction of new products and services and an increase in the number of stores, as well as remuneration and external services costs.

Although the Group does not have a specific department dedicated to research and development, such activities are performed throughout the organization. Development expenditure that meets the capitalization criteria is recognised as an intangible assets. Research and development expenditure that does not meet the capitalization criteria is recognised as an expense as incurred in the costs of technology, innovation and development.

Development work is the practical application of research findings or other knowledge to plan or design the production of new or substantially improved materials, devices, products, technological processes, systems or services.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

The Group's development costs relate to production of software containing new or significantly improved functionalities by the technology department and incurred before the software is launched. The value of development work is measured based on expenditures incurred, in particular staff costs and related charges for the employees

involved in a project, costs of contractors, costs of third-party services and other project costs. Unsuccessful developments are expensed on a one-off basis at the time a decision is made to terminate the project.

	2025				Total
	Cost of sales	Marketing costs	General and administrative costs	Costs of technology, innovation and development	
Cost of goods sold	(19,413,280)	-	(44)	-	(19,413,324)
Materials and energy used	(766,007)	(342)	(11,518)	(2,072)	(779,939)
External services	(1,470,493)	(7,021)	(157,354)	(200,150)	(1,835,018)
Taxes and fees	(10,594)	(6)	(27,194)	(38)	(37,832)
Employee benefits costs	(364,867)	(22,225)	(314,167)	(129,175)	(830,434)
Other costs by nature	(27,531)	(286,253)	(71,248)	(4,481)	(389,513)
<b>Operating costs</b>	<b>(22,052,772)</b>	<b>(315,847)</b>	<b>(581,525)</b>	<b>(335,916)</b>	<b>(23,286,060)</b>

	2024				Total
	Cost of sales	Marketing costs	General and administrative costs	Costs of technology, innovation and development	
Cost of goods sold	(17,023,016)	-	-	-	(17,023,016)
Materials and energy used	(776,836)	(387)	(6,104)	(2,929)	(786,256)
External services	(1,274,888)	(7,299)	(179,709)	(179,685)	(1,641,581)
Taxes and fees	(8,536)	(4)	(14,292)	(15)	(22,847)
Employee benefits costs	(305,292)	(18,439)	(208,868)	(94,306)	(626,905)
Other costs by nature	(17,698)	(241,238)	(52,265)	(8,785)	(319,986)
<b>Operating costs</b>	<b>(19,406,266)</b>	<b>(267,367)</b>	<b>(461,238)</b>	<b>(285,720)</b>	<b>(20,420,591)</b>

Costs of external services consist mainly of transport, logistics, PP&E repairs and maintenance, IT and communication services and remuneration of the agents running own stores of the Group.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### 5.3. Other operating income and costs

#### Accounting policy

The Group's results are also affected by other operating income and other operating costs that include income and costs from activities that are not the Group's core operating activities.

The key components of other non-core activities mainly include gains and losses resulting from disposal of assets including termination of lease contracts, asset impairment losses, insured losses and insurance recoveries. Accounting policy related to impairment is discussed in note 6.5.

	2025	2024
<b>OTHER OPERATING INCOME</b>		
Profit on disposal of assets	370	2,775
<i>Intangible assets</i>	-	618
<i>Property, plant and equipment</i>	370	137
<i>Gain on sale and leaseback transactions</i>	-	2,020
Remeasurement and termination of lease contracts	17,591	3,773
Recoveries from receivables impaired on a business combination	1,108	1,474
Refund of losses and contractual penalties received	3,809	2,062
Indemnities from insurers received	5,563	6,106
Sale of materials	9,817	8,498
Other	7,700	6,113
<b>Total other operating income</b>	<b>45,958</b>	<b>30,801</b>

	2025	2024
<b>OTHER OPERATING COSTS</b>		
Loss on disposal and liquidation of assets	(2,033)	(3,991)
<i>Property, plant and equipment</i>	<i>(2,033)</i>	<i>(3,991)</i>
Remeasurement and termination of lease contracts	(226)	-
Impairment loss	(3,233)	(15,743)
<i>Intangible assets</i>	<i>(1,200)</i>	<i>(238)</i>
<i>Property, plant and equipment</i>	<i>(2,027)</i>	<i>(15,387)</i>
<i>Right-of-use assets</i>	<i>(6)</i>	<i>(118)</i>
Donations	(957)	(1,208)
Damage covered by insurance	(10,374)	(8,404)
Change of provisions for litigation	(1,349)	(246)
Membership fees	(1,244)	(1,954)
Other	(9,353)	(5,877)
<b>Total other operating costs</b>	<b>(28,769)</b>	<b>(37,423)</b>

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### 5.4. Financial income and costs

#### Accounting policy

Financial income and costs are related to the financial activities conducted by the Group, that include transactions such as loans, borrowings, sale and purchase of financial instruments and valuation of derivatives including the ineffective portion of the gain or loss on hedging instruments.

Interest income is accrued using the effective interest method, which uses the rate that exactly discounts estimated future cash inflows over the expected life of the financial instruments to the net carrying amount of the financial asset.

The costs of debt interest payable are determined based on the effective interest rate.

Financial costs include share of loss of a joint venture.

	2025	2024
<b>FINANCIAL INCOME</b>		
Interest	23,254	50,072
<i>Loans</i>	572	12,904
<i>Deposits and bank accounts</i>	21,817	32,349
<i>Discount on receivables and liabilities</i>	317	2,657
<i>Other</i>	548	2,162
Other	109,477	125,049
<i>Foreign exchange gains</i>	-	27,993
<i>Gain on bank loans modifications</i>	108,152	92,234
<i>Valuation and settlement of other financial instruments</i>	-	3,627
<i>Other</i>	1,325	1,195
<b>Total financial income</b>	<b>132,731</b>	<b>175,121</b>

	2025	2024
<b>FINANCIAL COSTS</b>		
Interest	(905,959)	(981,653)
<i>Lease agreements</i>	(366,699)	(320,247)
<i>Borrowings</i>	(1,200)	(1,686)
<i>Bonds</i>	(38,808)	-
<i>Bank loans</i>	(304,589)	(468,873)
<i>Other liabilities</i>	(193,332)	(189,284)
<i>Discount on receivables and liabilities</i>	(1,331)	(1,563)
Other	(107,067)	(48,969)
<i>Foreign exchange losses</i>	(2,093)	-
<i>Other expenses relating to bank loans</i>	(10,179)	(19,679)
<i>Commissions</i>	(3,017)	(2,034)
<i>Valuation and settlement of other financial instruments</i>	-	(1,490)
<i>Changes in expected cash flows resulting from original bank loans</i>	(78,780)	(21,128)
<i>Valuation and settlement of derivatives</i>	(8,875)	(4,638)
<i>Share of loss of a joint venture</i>	(4,109)	-
<i>Other</i>	(14)	-
<b>Total financial costs</b>	<b>(1,013,026)</b>	<b>(1,030,622)</b>
<b>Net financial income / costs</b>	<b>(880,295)</b>	<b>(855,501)</b>

Foreign exchange gains/losses mainly relate to the reporting date valuation of bank loans, lease liabilities and intercompany loans eliminated in the process of consolidation.

Interest presented under other liabilities mainly includes interest on factoring.

Non-interest finance costs included in the 'Other' category, such as other expenses relating to bank loans and commissions, mainly consist of amortised bank commissions for arranging and providing the revolving credit facility, undrawn credit facilities as well as fees for bank guarantees provided to the Group's suppliers.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

Gain on bank loans modifications recognized in 2025 and 2024 is a result of modifications to senior facility agreement described in note 7.3 that was analyzed and assessed as not substantial.

Changes in expected cash flows resulting from original bank loans include the effect of the early bank loan repayments.

Loss on valuation and settlement of derivatives includes the valuation of forward contracts and options as well as it includes ineffective portion of vPPA cash flow hedges in the amount of PLN 8,875 thousand (PLN 3,670 thousand for the year 2024). Detailed information on hedge accounting is described in note 8.1.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### 5.5. Taxation

#### Accounting policy

Current tax liabilities and receivables for the current and previous periods are measured at the amounts of the expected payment to the tax authorities (subject to reimbursement from tax authorities) using tax rates and tax regulations that have been enacted or substantively enacted at the reporting date.

For financial reporting purposes, deferred tax is calculated using the liability method on all temporary differences as at the reporting date between the tax base of assets and liabilities and their carrying amount as shown in these Consolidated Financial Statements.

The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered. The unrecognised deferred tax asset is subject to reassessment at each reporting date and is recognised to the extent that it is probable that the future taxable profit will be available, allowing the asset to be recovered.

Deferred tax assets are also recognised for unused tax losses and are recognised only when it is probable that taxable income will be generated in the future, allowing the temporary differences or tax credits to be utilised on the same type of tax.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the

tax rates (and tax regulations) that have been enacted or substantively enacted at the reporting date.

Income tax relating to items recognised outside profit or loss is recognised outside profit or loss: in other comprehensive income relating to items recognised in other comprehensive income or directly in equity relating to items recognised directly in equity. The Group offsets deferred tax assets with deferred tax liabilities if and only if it has a legally enforceable right to offset current tax receivables and current tax liabilities, and deferred tax is related to the same taxpayer and the same tax authority.

If, in the Group's opinion, it is probable that a taxation authority will accept an uncertain tax treatment or a group of uncertain tax treatments, the Group determines taxable profit (tax loss), tax base, unused tax losses, unused tax credits and tax rates taking into account the tax treatment approach planned or used in its tax return.

If the Group determines that it is unlikely that a taxation authority will accept an uncertain tax treatment or a group of uncertain tax treatments, the Group reflects the impact of uncertainty in determining taxable profit (tax loss), unused tax losses, unused tax credits or tax rates by using most likely scenario or using the expected value, whichever method better predicts the resolution of the uncertainty.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### Values based on professional judgement

#### Uncertain tax treatment

Regulations concerning value added tax, corporate income tax and social security contributions are subject to frequent changes. These frequent changes result in a lack of appropriate benchmarks, inconsistent interpretations and few established precedents that may be followed. The applicable regulations also contain uncertainties, resulting in differences in opinions as to the legal interpretation of tax regulations, both between government bodies and government bodies and companies.

Tax and other settlements (for example, customs or foreign currency settlements) may be subject to inspection by authorities that are entitled to impose high penalties and fines, and any additional tax liabilities calculated as a result must be paid together with high interest. These conditions mean that the tax risk in Poland is greater than in countries with more established tax systems.

Consequently, the amounts presented and disclosed in these Consolidated Financial Statements may change in the future as a result of the final decision of the tax inspection authority.

As of 15 July 2016, amendments to the Tax Ordinance Act were introduced in Poland to reflect the provisions of the General Anti-avoidance Rule ('GAAR'). GAAR is targeted to prevent the origination and use of fictitious legal structures designed to avoid paying tax in Poland. GAAR defines tax evasion as an activity performed primarily for the purpose of obtaining a tax advantage, contrary in the given circumstances to the object and purpose of the provisions of the tax act.

According to GAAR, such an activity does not result in obtaining a tax advantage if the mode of operation was artificial. Any instances of (i) unreasonable division of operations, (ii) the involvement of agents despite the lack of economic rationale for such involvement, (iii) mutually exclusive or mutually compensating elements, and (iv) other activities similar to those previously mentioned, may be treated as an indication of the existence of artificial activities subject to GAAR. The regulations require considerable judgement in assessing the tax implications of individual transactions.

The GAAR clause should be applied to transactions performed after its effective date and to transactions that were carried out before the effective date of the GAAR clause, but for which tax gains were or are still achieved after the effective date of the clause. The implementation of the above provisions enables Polish tax inspection authorities to question the legal arrangements and agreements implemented by taxpayers, such as the restructuring and reorganisation of the Group.

The Group discloses and measures current and deferred assets or liabilities using the requirements of IAS 12 *Income Taxes* ('IAS 12') based on taxable profit (tax loss), tax base, unused tax losses, unused tax credits and tax rates, taking into consideration uncertainties related to tax settlements. When there is uncertainty as to whether and to what extent the tax authority will accept individual tax settlements of a transaction, the Group recognises these settlements taking into account the assessment of uncertainty (note 9.1).

### Estimates

#### Deferred tax asset

The Group recognises a deferred tax asset based on the assumption that sufficient taxable profits will be generated in the future that will allow for its use. A deterioration in the future taxable profits may render this assumption unreasonable.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### Current tax

#### Income tax expense

Main components of the income tax cost for the period ended as at 31 December 2025 and as at 31 December 2024 are as follows:

	2025	2024
Current tax	(311,484)	(214,870)
Current tax regarding previous periods	225,581	1,699
Deferred tax	38,398	21,297
<b>Income tax in the statement of profit or loss and other comprehensive income</b>	<b>(47,505)</b>	<b>(191,874)</b>
<i>Profit / Loss</i>	<i>(49,064)</i>	<i>(210,960)</i>
<i>Other comprehensive income</i>	<i>1,559</i>	<i>19,086</i>
	2025	2024
<b>Current income tax in profit or loss</b>	<b>(85,903)</b>	<b>(213,171)</b>
Change in income tax receivables / liabilities	(212,780)	47,068
<i>The balance of receivables / (liabilities) at the beginning of the period</i>	<i>(50,872)</i>	<i>(4,323)</i>
<i>Acquisition of subsidiaries</i>	<i>-</i>	<i>519</i>
<i>The balance of (receivables) / liabilities at the end of the period</i>	<i>(161,908)</i>	<i>50,872</i>
Offsetting the overpayment of other taxes towards the income tax liability	-	(544)
Income tax recognized in Share-based payments reserve	1,022	-
Other	(15)	(236)
<b>Income tax in the statement of cash flows (paid)</b>	<b>(297,676)</b>	<b>(166,883)</b>

### Effective tax rate reconciliation

The reconciliation of the income tax on the accounting profit before taxation according to the statutory tax rate and the income tax calculated according to the effective tax rate of the Group is as follows:

	2025	2024
<b>Profit before tax</b>	<b>1,106,147</b>	<b>803,710</b>
Tax rate	24%	25%
<b>Tax according to the tax rate</b>	<b>(264,037)</b>	<b>(200,445)</b>
Adjustments by:		
Permanent differences between accounting regulations and tax law	(27,365)	(43,410)
<i>Interest, exchange differences and other costs related to loans</i>	<i>(18,431)</i>	<i>(38,047)</i>
<i>Other</i>	<i>(8,934)</i>	<i>(5,363)</i>
Write-off of deferred tax assets	29	(2,793)
Deferred tax assets not recognised on temporary differences and tax losses not to be recovered	(38,619)	(39,240)
Deferred tax assets recognized on previous years' tax losses	-	9,747
Effect of lower tax rates in Poland (19%) and Romania (16%)	51,896	50,427
Effect of tax relief due to business in Special Economic Zone	-	10,177
Previous years adjustments	225,558	1,699
Other	3,474	2,878
<b>Income tax in profit or loss</b>	<b>(49,064)</b>	<b>(210,960)</b>
<i>Effective tax rate</i>	<i>4.4%</i>	<i>26.2%</i>

As of 1 January 2025, the applicable aggregate corporate income tax rate for companies registered in Luxembourg City is 23.87%. Deferred tax has been calculated applying the tax rate of 23.87%.

Permanent differences between the accounting and tax law relate mainly to interest and exchange differences on bank loans and borrowings received recognized as tax non-deductible costs.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

As at 31 December 2024 deferred tax assets recognized on previous years' tax losses result from the change in operations of one subsidiary. According to current tax budgets based on the changed profile previous years' tax losses will be utilized.

In 2025 the Group received the positive Supreme Administrative Court Judgement regarding the income tax relating to the debt financing costs and first refund of overpayment in the amount of PLN 14,500 thousand (for 2018). The Group received another refund of overpayment in the amount of PLN 25,307 thousand (for 2019) in 2026. The Group believes that obtaining the refund of overpaid corporate income tax for 2018 and 2019 also affects Żabka Polska's tax position in other reporting periods. Additionally, Żabka Polska filed amended annual returns for 2023-2024 and plans to apply for a refund of overpaid corporate income tax for the non-expired years 2020 - 2022 and obtain the refund in line with the approach confirmed by the Court Judgement and the Proceedings. As a consequence the Group recognized income tax receivable in the amount of PLN 197,804 thousand.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### Deferred tax

The table below presents the items from which the deferred income tax results.

The abbreviations used mean:

CSoFP	Consolidated statement of financial position
NPL	Net profit/ (loss)
OCI	Other comprehensive income
OB.	Opening balance of acquired subsidiaries

	31.12.2025			31.12.2024		
	CSoFP	Deferred tax included in: NPL	Equity*	CSoFP	Deferred tax included in: NPL	OB.
<b>Deferred tax assets</b>						
Accrued interest on bank loans at effective interest method	3,997	3,997	-	-	-	-
Accrued interest on borrowings received at effective interest method	7,480	6,823	-	657	(4,485)	-
Unbilled revenue reductions	7,021	25	-	6,996	2,984	-
Unbilled rebates for franchisees	117,193	31,249	-	85,944	15,004	-
Refund liability	77,947	13,222	-	64,725	11,731	-
Allowance for expected credit losses on receivables	17,807	(1,290)	-	19,097	(748)	-
Allowance for expected credit losses on loans	153	(1,182)	-	1,335	821	-
Impairment of property, plant and equipment	5,614	(666)	-	6,280	2,111	-
Impairment of shares	-	-	-	-	(1,282)	-
Impairment of inventory	1,681	(4)	(9)	1,694	887	-
Temporary difference in property, plant and equipment and intangible assets	11,068	(495)	-	11,563	596	-
Provisions and accruals	117,415	22,968	(13)	94,460	2,083	-

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

	31.12.2025 Deferred tax included in:			31.12.2024 Deferred tax included in:		
	CSoFP	NPL	Equity*	CSoFP	NPL	OB.
Settlement of trade discounts and rebates	15,032	174	-	14,858	6,344	-
Lease liability	1,000,691	86,973	(789)	914,507	151,399	-
Foreign exchange gains and losses	59	15	-	44	(55)	-
Carry-forward of unused tax losses	16,578	2,560	(124)	14,142	4,894	711
Special economic zone tax relief	39,586	(2,200)	-	41,786	10,178	-
Deferred income	5,111	(184)	-	5,295	5,295	-
Valuation of derivatives	-	-	-	-	(1,020)	-
Long term incentive plans	29,064	24,485	4,579	-	-	-
Other	5,631	1,361	-	4,270	928	-
<b>Deferred tax assets</b>	<b>1,479,128</b>	<b>187,831</b>	<b>3,644</b>	<b>1,287,653</b>	<b>207,665</b>	<b>711</b>

	31.12.2025 Deferred tax included in:			31.12.2024 Deferred tax included in:		
	CSoFP	NPL	Equity*	CSoFP	NPL	OB.
<b>Deferred tax liabilities</b>						
Right of return assets	(2,361)	(30)	-	(2,331)	(192)	-
Accrued interest on bank loans at effective interest method and revaluation of financial instruments as a result of changes of cash flows	(30,653)	(11,340)	-	(19,313)	(12,133)	-
Accrued interest on loans at effective interest method and foreign exchange gains and losses	(331)	157	-	(488)	(549)	-
Unbilled revenue	(6,283)	(473)	-	(5,810)	(102)	-
Temporary difference in property, plant and equipment and intangible assets	(420,360)	(60,911)	199	(359,648)	(51,254)	(5,989)
Subscription fees settlement and other non-financial assets	(5,377)	(1,300)	-	(4,077)	141	-



## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

In the consolidated statement of financial position, deferred tax assets and liabilities are recognised after offsetting at the particular entities level or at the level of the Tax Capital Group.

In 2023 Żabka Polska sp. z o.o. and four subsidiaries (Żabka Nano sp. z o.o., Lite e-commerce sp. z o.o., Retail Technology Investments sp. z o.o., Żabka BS sp. z o.o.) concluded the Tax Capital Group, for which the first year of operation was 2024. The Tax Capital Group became a corporate income tax payer in place of five entities that were previously separate taxpayers of this tax, with Żabka Polska sp. z o.o. acting as the parent of the Tax Capital Group.

The Group recognised the deferred tax asset for tax losses as at 31 December 2025 and 31 December 2024 in several subsidiaries. The companies operating in Poland or the Tax Capital Group (in case of companies that have joined the Tax Capital Group) may reduce income in the next 5 consecutive tax years by the amount of the reported loss, provided that the amount of the reduction in any of these years does not exceed 50% of the amount of this loss and the company that is a member of the Tax Capital Group will generate income. These companies will generate enough revenue to offset tax losses over 5 years according to the forecasts. In Romania, corporate income tax losses can be carried forward and offset against future taxable profits, but the carryforward is limited to up to 5 years and the amount used in any year is capped at 70% of that year's taxable profit.

Tax losses of subsidiaries for which a deferred tax asset has not been recognised amount to PLN 198,979 thousand for 2025, PLN 191,374 thousand for 2024. Under the applicable tax law, the tax losses of these companies can be used over the period of 5 years in Poland and Romania and over the period of 17 years in Luxembourg. Unrecognized deferred tax asset resulting from those tax losses amounts to PLN 38,619 thousand for 2025, PLN 39,240 thousand for 2024.

On 5 November 2020 one of the Group's subsidiaries received a decision on support, entitling it to a long-term corporate income tax relief for the Group's new investment. On 31 October 2023 an amended decision was issued, extending the deadline to meet the conditions of the original decision. Public support depends on fulfilment of the following conditions:

1. the entity has to create at least 30 new workplaces by 31 December 2023 and maintain this level for 5 consecutive years,
2. the entity has to incur qualifying investment costs in the amount at least PLN 180,000 thousand by 30 June 2024,
3. the maximum level of qualifying costs amounts to PLN 234,000 thousand,
4. other minor qualitative conditions related mainly to the development of the R&D activities, creation of new workplaces for skilled and highly paid specialists, pursuit of activities with minor impact on the environment and support in education and improving qualifications.

In the Management's opinion, as at the reporting date, there is reasonable assurance that the conditions for obtaining the tax relief have been met, taking into account starting the investment maintenance period. The investment was completed within the time specified in the support decision, i.e. 30 June 2024.

Therefore, the investment maintenance period began on 1 July 2024. Accordingly, the Group recognised a deferred tax asset arising from the unused tax relief available as at the reporting date for incurred qualified costs, to the extent that it is probable that future taxable income will be available against which it can be utilised. The amount of PLN 39,586 thousand recognised as at 31 December 2025 (PLN 41,786 thousand as at 31 December 2024) was determined based on tax forecasts prepared up to the end of the exemption period resulting from the support decision using the best available knowledge of the economic content of events and tax regulations.

The support received is conditional and is associated with the probability of the occurrence of tax inspections. If the entity fails to fulfil the relevant requirements, the decision on support may be revoked, resulting in the obligation to pay outstanding tax liabilities with interest. The decision may be revoked if the entity:

1. ceases business activities specified in the decision on support in the area indicated in the decision, or
2. violates the conditions specified in the support decision, or
3. fails to address deficiencies in the implementation of the conditions referred to in point 2, as found during the inspection, in due time.

Accordingly, the amounts recognised in the Consolidated Financial Statements may change at a later date, once their final amount is determined by the tax authorities.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### International Tax Reform – Pillar Two rules – Amendments to IAS 12

The Group is within the scope of the OECD/EU Pillar Two rules. Pillar Two legislation has been enacted in the jurisdictions in which the Group operates. The Ultimate Parent Entity (i.e. Zabka Group S.A.) is located in Luxembourg. The legislation came into effect for the Group's financial year beginning on 1 January 2024.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate.

The Group performed an impact assessment of the OECD Pillar Two rules (as transposed into national legislation). Based on the GloBE (Global Anti-Base Erosion Rules) calculations performed in line with the OECD Guidelines for Pillar Two, the Group concluded that no Top-up Taxes are to be paid with respect to fiscal year 2025. Hence, the group did not recognise any Pillar Two current tax for the year.

The Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

## 5. Explanatory notes to the consolidated statement of profit or loss and other comprehensive income continued

### 5.6. Earnings per share

#### Accounting policy

Basic earnings per share is calculated by dividing the net profit for a given period by the weighted average number of ordinary shares of Zabka Group outstanding during the given period.

Diluted earnings per share is calculated by dividing the net profit for a given period by the weighted average number of ordinary shares outstanding during the period adjusted for the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The calculation of the basic and diluted earnings per share is presented below.

	2025	2024
<b>The number of shares used as the denominator of the formula</b>		
Weighted average number of shares	987,994,185	973,635,854
Diluting effect of call options (weighted average number of ordinary shares subject to recall)	11,051,271	26,364,146
Diluting effect of unvested ordinary shares subject to performance conditions	1,491,245	-
Diluting effect of unvested ordinary shares granted for service	1,272,983	-
Diluted weighted average number of shares	1,001,809,684	1,000,000,000
<b>Earnings</b>		
Net profit attributable to the equity holders of the parent (Net profit attributable to outstanding ordinary shares)	1,089,406	607,804
Net profit attributable to the ordinary shares subject to recall	12,186	16,458
Net profit attributable to ordinary equity holders of the parent	1,101,592	624,262
<b>Earnings per share</b>		
Basic earnings per share in PLN	1.10	0.62
Diluted earnings per share in PLN	1.10	0.62

In the period between the balance sheet date and the date of approval of these Consolidated Financial Statements, there were no transactions involving ordinary shares or potential ordinary shares.

## 6. Explanatory notes to the consolidated statement of financial position

### 6.1. Goodwill

#### Accounting policy

Goodwill on acquisition of a business is measured as the amount by which the aggregate of: the excess of the sum of the fair value of consideration transferred and the amount of any non-controlling interest recognized, exceeds the acquisition date fair value of the acquired assets, liabilities and contingent liabilities.

Goodwill is not amortised. As at the acquisition date, goodwill acquired is allocated to each of the cash generating units (CGU) that may benefit from the synergies of the business combination. An impairment loss is determined by estimating the recoverable amount of the cash-generating unit to which goodwill has been allocated. Goodwill is annually tested on impairment.

Goodwill as at 31 December 2025 and as at 31 December 2024 by acquisitions:

Note	Żabka Polska sp. z o.o.	Fresh Meals Factory sp. z o.o. (formerly Maczfit Foods sp. z o.o.)	Masterlife Solutions sp. z o.o.	DRIM Daniel Distribuție FMCG S.R.L.	Total goodwill
CGU	Ultimate Convenience	Maczfit activity	Masterlife Solutions activity	Romanian FMCG activity	
Acquisition date	April 2017	April 2021	May 2021	February 2024	
<b>As at 01.01.2025</b>	<b>3,166,432</b>	<b>175,746</b>	<b>45,091</b>	<b>51,544</b>	<b>3,438,813</b>
Exchange differences	-	-	-	(1,816)	(1,816)
<b>As at 31.12.2025</b>	<b>3,166,432</b>	<b>175,746</b>	<b>45,091</b>	<b>49,728</b>	<b>3,436,997</b>
<i>Carrying amount</i>	<i>3,166,432</i>	<i>175,746</i>	<i>45,091</i>	<i>49,728</i>	<i>3,436,997</i>

Note	Żabka Polska S.A.	Fresh Meals Factory sp. z o.o. (formerly Maczfit Foods sp. z o.o.)	Masterlife Solutions sp. z o.o.	DRIM Daniel Distribuție FMCG S.R.L.	Total goodwill
CGU	Ultimate Convenience	Maczfit activity	Masterlife Solutions activity	Romanian FMCG activity	
Acquisition date	April 2017	April 2021	May 2021	February 2024	
<b>As at 01.01.2024</b>	<b>3,166,432</b>	<b>175,746</b>	<b>45,091</b>	-	<b>3,387,269</b>
Acquisitions - final settlement	-	-	-	52,178	52,178
Exchange differences	-	-	-	(634)	(634)
<b>As at 31.12.2024</b>	<b>3,166,432</b>	<b>175,746</b>	<b>45,091</b>	<b>51,544</b>	<b>3,438,813</b>
<i>Carrying amount</i>	<i>3,166,432</i>	<i>175,746</i>	<i>45,091</i>	<i>51,544</i>	<i>3,438,813</i>

Information on the impairment tests performed is presented in note 6.5.

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.2. Other intangible assets

#### Accounting policy

The Group identifies and recognises an intangible asset when the following criteria are met: it is identifiable, it is controlled by the Group as a result of past events and from which the Group is expected to obtain future economic benefits. The Group's intangible assets constitute mainly of:

- » software (acquired and internally developed),
- » trademarks and relationships with customers recognized at the acquisition of new businesses,
- » costs of obtaining franchise agreements.

Intangible assets acquired in a separate transaction or developed (if they meet the recognition criteria for development costs) are initially measured at cost. The cost of intangible assets acquired in a business combination is equal to their fair value as at the acquisition date.

After initial recognition, intangible assets are measured at cost less accumulated amortisation and impairment losses. Expenditure incurred on internally generated intangible assets, except for capitalised development costs, are not capitalised and are charged against profit in the period in which they were incurred.

The initial value of software licenses and copyrights recognised as intangible assets also includes costs incurred in implementing, coding, configuring, or customizing the software.

In case of cloud computing arrangements, the Group recognises an intangible asset when both the definition and the criteria for recognition are met, in particular when it receives a resource that it can control.

One situation in which an intangible asset for a software licence is recognised in a cloud computing arrangement is when both of the following are met at the inception of the arrangement:

- » the Group has the contractual right to take possession of the software during the hosting period without significant penalty, and

- » it is feasible for the Group to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

A contract that conveys to the Group only the right to receive access to the supplier's application software in the future is a service contract, for which costs are expensed when the service is received. If the Group pays a supplier before receiving a service, it recognises a prepayment asset.

Where costs incurred to configure or customise cloud computing arrangements, which do not give rise to an intangible asset, result in the creation of a resource that is identifiable, and from which the Group has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits (in particular: development of a new software or new functionalities to existing software) costs are recognised as a separate intangible software asset. Costs that are capitalisable for developing software or obtaining a software licence included in a cloud computing arrangement include payroll and payroll related costs (benefits) for employees who are directly involved with and who devote time to developing the cloud computing system, to the extent the time is directly attributed to preparing the asset for use.

Where costs incurred to configure or customise do not result in the recognition of a separate intangible software asset, then those costs that provide the Group with a distinct service (in addition to the cloud computing service) are recognised as expenses when the supplier provides the service. When such costs incurred do not provide a distinct service, costs are recognised as expenses over the duration of the cloud computing arrangement.

The useful lives of intangible assets are assessed by the Group to be either finite or indefinite. Intangible assets with a finite useful life are amortised throughout their useful life and tested for impairment each time when there is an indicator of impairment (more information in note 6.5). Both period and method of amortisation of intangible assets with a finite useful life are reviewed at least once at the end of each financial year.

## 6. Explanatory notes to the consolidated statement of financial position continued

Intangible assets with an indefinite useful life as well as those not yet available for use are tested for impairment each year in relation to individual assets or at the level of the cash generating unit (more information in note 6.5).

The policies applied in relation to the Group's intangible assets are summarised as follows:

Software, copyrights and other licenses - for licenses used on the basis of a fixed-term contract, the estimated useful life takes into account the additional period for which the use may be extended. Amortisation is recognised using the straight-line method.

Trademarks - the useful life is indefinite, Assets with an indefinite useful life are not amortised or revalued.

Relationships with franchisees and customers - the estimated useful life is based on the expected period of cooperation. The amortisation method reflects the pattern in

which the relationships' future economic benefits based on the revenue are expected to be consumed by the Group.

Gains or losses resulting from the derecognition of intangible assets from the balance sheet are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss upon their derecognition from the balance sheet.

### Borrowing costs

Borrowing costs are capitalized as part of the cost of intangible assets. Borrowing costs include interest calculated using the effective interest rate method and finance costs under lease contracts as well as foreign exchange differences arising in connection with external financing to the extent they are regarded as an adjustment to the interest cost.

Capitalisation rules apply only for qualified assets.

### Estimates

#### Amortisation rates

The amortisation rates are determined on the basis of the expected period of economic useful lives of intangible assets. The annual amortisation rates for software, copyrights and other licences and costs of obtaining franchise agreements are

within the 20-50% range. The amortisation period for relationships with franchisees is 7 years and for relationships with customers depending on the expected period of cooperation.

## 6. Explanatory notes to the consolidated statement of financial position continued

	Software, copyrights and other licences	Trademarks	Relationships with franchisees	Relationships with customers	Costs of obtaining franchise agreements	Intangible assets under construction	Total
<b>Net carrying amount as at 01.01.2025</b>	<b>417,503</b>	<b>335,903</b>	-	<b>34,593</b>	<b>36,362</b>	<b>323,748</b>	<b>1,148,109</b>
<i>Gross carrying amount</i>	<i>906,773</i>	<i>367,908</i>	<i>429,000</i>	<i>50,916</i>	<i>119,605</i>	<i>323,912</i>	<i>2,198,114</i>
<i>Accumulated amortisation</i>	<i>(489,270)</i>	<i>(32,005)</i>	<i>(429,000)</i>	<i>(16,323)</i>	<i>(83,243)</i>	-	<i>(1,049,841)</i>
<i>Accumulated impairment</i>	-	-	-	-	-	<i>(164)</i>	<i>(164)</i>
<b>Net carrying amount as at 01.01.2025</b>	<b>417,503</b>	<b>335,903</b>	-	<b>34,593</b>	<b>36,362</b>	<b>323,748</b>	<b>1,148,109</b>
Additions	1,285	-	-	-	32,645	321,635	<b>355,565</b>
Disposals	-	-	-	-	-	(1,730)	<b>(1,730)</b>
<i>Gross carrying amount</i>	<i>(90,187)</i>	<i>(1,200)</i>	<i>(429,000)</i>	-	<i>(51,108)</i>	<i>(1,894)</i>	<i>(573,389)</i>
<i>Accumulated amortisation</i>	<i>90,187</i>	-	<i>429,000</i>	-	<i>51,108</i>	-	<i>570,295</i>
<i>Accumulated impairment</i>	-	<i>1,200</i>	-	-	-	<i>164</i>	<i>1,364</i>
Transfers from intangible assets under construction	313,705	-	-	-	-	(313,705)	-
Amortisation	(210,905)	-	-	(5,419)	(9,018)	-	<b>(225,342)</b>
Impairment loss for the year	-	(1,200)	-	-	-	-	<b>(1,200)</b>
Exchange differences	(42)	-	-	(1,194)	-	-	<b>(1,236)</b>
<b>Net carrying amount as at 31.12.2025</b>	<b>521,546</b>	<b>334,703</b>	-	<b>27,980</b>	<b>59,989</b>	<b>329,948</b>	<b>1,274,166</b>
<i>Gross carrying amount</i>	<i>1,131,510</i>	<i>366,708</i>	-	<i>49,722</i>	<i>101,142</i>	<i>329,948</i>	<i>1,979,030</i>
<i>Accumulated amortisation</i>	<i>(609,964)</i>	<i>(32,005)</i>	-	<i>(21,742)</i>	<i>(41,153)</i>	-	<i>(704,864)</i>
<i>Accumulated impairment</i>	-	-	-	-	-	-	-

## 6. Explanatory notes to the consolidated statement of financial position continued

	Software, copyrights and other licences	Trademarks	Relationships with franchisees	Relationships with customers	Costs of obtaining franchise agreements	Intangible assets under construction	Total
<b>Net carrying amount as at 01.01.2024</b>	<b>363,182</b>	<b>335,903</b>	<b>6,000</b>	<b>7,749</b>	<b>32,085</b>	<b>264,758</b>	<b>1,009,677</b>
<i>Gross carrying amount</i>	<i>709,856</i>	<i>367,908</i>	<i>429,000</i>	<i>16,541</i>	<i>93,205</i>	<i>269,259</i>	<i>1,885,769</i>
<i>Accumulated amortisation</i>	<i>(346,674)</i>	<i>(32,005)</i>	<i>(423,000)</i>	<i>(8,792)</i>	<i>(61,120)</i>	-	<i>(871,591)</i>
<i>Accumulated impairment</i>	-	-	-	-	-	<i>(4,501)</i>	<i>(4,501)</i>
<b>Net carrying amount as at 01.01.2024</b>	<b>363,182</b>	<b>335,903</b>	<b>6,000</b>	<b>7,749</b>	<b>32,085</b>	<b>264,758</b>	<b>1,009,677</b>
Increase due to acquisition of subsidiaries	1,178	-	-	34,790	-	-	<b>35,968</b>
Additions	727	-	-	-	26,400	324,007	<b>351,134</b>
Disposals	-	-	-	-	-	(2,369)	<b>(2,369)</b>
<i>Gross carrying amount</i>	<i>(67,619)</i>	-	-	-	-	<i>(6,706)</i>	<i>(74,325)</i>
<i>Accumulated amortisation</i>	<i>67,619</i>	-	-	-	-	-	<i>67,619</i>
<i>Accumulated impairment</i>	-	-	-	-	-	<i>4,337</i>	<i>4,337</i>
Transfers from intangible assets under construction	262,648	-	-	-	-	(262,648)	-
Amortisation	(210,219)	-	(6,000)	(7,531)	(22,123)	-	<b>(245,873)</b>
Exchange differences	(13)	-	-	(415)	-	-	<b>(428)</b>
<b>Net carrying amount as at 31.12.2024</b>	<b>417,503</b>	<b>335,903</b>	<b>-</b>	<b>34,593</b>	<b>36,362</b>	<b>323,748</b>	<b>1,148,109</b>
<i>Gross carrying amount</i>	<i>906,773</i>	<i>367,908</i>	<i>429,000</i>	<i>50,916</i>	<i>119,605</i>	<i>323,912</i>	<i>2,198,114</i>
<i>Accumulated amortisation</i>	<i>(489,270)</i>	<i>(32,005)</i>	<i>(429,000)</i>	<i>(16,323)</i>	<i>(83,243)</i>	-	<i>(1,049,841)</i>
<i>Accumulated impairment</i>	-	-	-	-	-	<i>(164)</i>	<i>(164)</i>

## 6. Explanatory notes to the consolidated statement of financial position continued

The value of interest on bank loans capitalised under intangible assets in 2025 amounted to PLN 8,653 thousand (in 2024: PLN 6,095 thousand).

As for the year ended 31 December 2024 increase in intangible assets is mainly due to implementation of new client application, ERP platform and customized backend software.

As for the year ended 31 December 2025 increase in intangible assets is mainly related to purchase of licenses and computer programmes, customized platform supporting product sales and continuation of the implementation of new ERP platform.

The table below presents description, fair value as at the acquisition date and a carrying amount as at 31 December 2025 and as at 31 December 2024 of intangibles recognized at business combinations in the previous periods.

Position	CGU	Description	Fair value at the acquisition date	Carrying amount as at	
				31.12.2025	31.12.2024
'Żabka'	Ultimate	Trademarks used by stores engaged in retail trade in food, alcohol and tobacco products, managed by the Group	277,000	277,000	277,000
'Freshmarket'	Convenience		32,000	0	0
'Zielone okienko'	Ultimate Convenience	Services provided under the 'Zielone Okienko' trademark include: payment acceptance services that enable customers to pay bills in Żabka stores, photocopying services, prepayments for mobile telephone	1,200	0	1,200
'Maczfit'	Maczfit activity	Trademark used by internet website and mobile application used to deliver professional dietary catering	47,671	47,671	47,671
'Dietly'	Masterlife Solutions activity	Trademark used by comparison website that helps customers to find and order the most accurate dietary catering	10,037	10,037	10,037
<b>Trademarks total</b>			<b>367,908</b>	<b>334,708</b>	<b>335,908</b>
Relationships with franchisees	Ultimate Convenience	Commercial relations of Żabka Polska S.A. with franchisees running stores	429,000	0	0
<b>Relationships with franchisees total</b>			<b>429,000</b>	<b>0</b>	<b>0</b>
Relationships with customers of 'Maczfit'	Maczfit activity	B2C relations of former Maczfit Foods sp z o.o. with customers of its internet website and mobile application 'Maczfit'	14,801	988	3,948
Relationships with customers of 'Dietly'	Masterlife Solutions activity	B2B relations of Masterlife Solutions sp. z o.o. with customers of 'Dietly' comparison website	1,740	145	493
Relationships with customers of 'DRIM Daniel'	Romanian FMCG activity	B2B relations of DRIM Daniel Distribuție FMCG S.R.L. with customers which include supermarkets, convenience stores, grocery stores and local stores	34,790	26,847	30,152
<b>Relationships with customers total</b>			<b>51,331</b>	<b>27,980</b>	<b>34,593</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

The Group determines indefinite useful life for the trademarks: 'Żabka', 'Maczfit' and 'Dietly'. Based on our analysis of all the relevant factors, there is no foreseeable limit to the period over which those trademarks are expected to generate net cash inflows for the Group.

In 2025 the Group derecognized trademark 'Zielone okienko' as it no longer intends to use this brand (as at 31 December 2024 the carrying amount amounted to PLN 1,200 thousand).

### 6.3. Property, plant and equipment

#### Accounting policy

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The initial cost of an item of property, plant and equipment includes its purchase price increased by all costs directly attributable to bringing the asset to working condition for its intended use. The cost also includes the cost of replacing components of machines and devices when incurred, if the recognition criteria are met. Costs incurred after the date of putting the fixed asset into use, such as maintenance and repair costs, are charged to profit or loss when incurred.

The Group recognises expenditure on the adaptation of rented premises (leasehold improvements) as property, plant and equipment.

Property, plant and equipment, at the time of their purchase, are divided into components that represent items of significant value, for which a separate useful life can be allocated. Major overhauls also represent an asset component.

The residual value and depreciation method of assets are reviewed annually and, if necessary, adjusted prospectively.

The useful life is reviewed on a systematic basis and the effect of change is recognized prospectively.

An item of property, plant and equipment may be derecognised from the balance sheet after it is sold or when no economic benefits are expected from the further use of such an asset. Any profits or losses resulting from derecognition of a given

asset from the balance sheet (calculated as the difference between any net disposal proceeds and the carrying amount of a given item) are recognised in profit and loss for the period in which derecognition takes place.

In connection with the assumption of an indefinite useful life for the above-mentioned trademarks, the Group performed an impairment test - details are presented in note 6.5.

The 'Freshmarket' trademark was fully amortised at the end of September 2020 due to the completed chain remodelling process.

Assets under construction relate to property, plant and equipment under construction or assembly and are recognised at purchase price or cost of construction, less any impairment losses. If the purchase price or cost of construction includes variable / contingent consideration, the Group takes into account the fair value of all contingent consideration in the initial measurement of the asset. Fixed assets under construction are not depreciated until the construction is completed and the fixed asset is ready to be used.

Property, plant and equipment also include advances paid for fixed assets and fixed assets under construction.

Property, plant and equipment also include advances paid for fixed assets and fixed assets under construction.

#### Borrowing costs

Borrowing costs are capitalised as part of the cost of property, plant and equipment. Borrowing costs include interest calculated using the effective interest rate method and finance costs under lease contracts as well as foreign exchange differences arising in connection with external financing to the extent they are regarded as an adjustment to the interest cost.

Capitalisation rules apply only for qualified assets.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Values based on professional judgement and estimates

#### Depreciation rates

The depreciation rates are determined based on the expected economic useful lives of property, plant and equipment. The Group reviews the applied economic useful lives based on current estimates.

Depreciation is calculated using the straight-line method over the estimated useful life of the asset, amounting to:

Type	Period
Land	No depreciation
Buildings and structures	10-22 years
Machines, devices and other:	
Machines and technical devices including:	3-10 years
Air-conditioning devices	5 years
Refrigerating racks	8 years
Refrigerating units and installations	10 years
Alarm systems	10 years
Office equipment	5 years
Vehicles	5 years
Computers	3 years
Leasehold improvements	10 years

## 6. Explanatory notes to the consolidated statement of financial position continued

	Land	Buildings and structures	Machines, devices and other	Assets under construction	Total
<b>Net carrying amount as at 01.01.2025</b>	<b>69,923</b>	<b>847,262</b>	<b>2,471,237</b>	<b>551,342</b>	<b>3,939,764</b>
<i>Gross carrying amount</i>	<i>69,923</i>	<i>1,287,381</i>	<i>4,231,047</i>	<i>557,812</i>	<i>6,146,163</i>
<i>Accumulated depreciation</i>	-	<i>(440,119)</i>	<i>(1,733,584)</i>	-	<i>(2,173,703)</i>
<i>Accumulated impairment</i>	-	-	<i>(26,226)</i>	<i>(6,470)</i>	<i>(32,696)</i>
<b>Net carrying amount as at 01.01.2025</b>	<b>69,923</b>	<b>847,262</b>	<b>2,471,237</b>	<b>551,342</b>	<b>3,939,764</b>
Additions	47,596	234	7,977	1,212,359	1,268,166
Disposals	-	(1,615)	(4,378)	(7,290)	(13,283)
<i>Gross carrying amount</i>	-	<i>(35,843)</i>	<i>(151,574)</i>	<i>(9,048)</i>	<i>(196,465)</i>
<i>Accumulated depreciation</i>	-	<i>34,228</i>	<i>144,326</i>	-	<i>178,554</i>
<i>Accumulated impairment</i>	-	-	<i>2,870</i>	<i>1,758</i>	<i>4,628</i>
Transfer from assets under construction	-	406,459	979,679	(1,386,138)	-
Depreciation	-	(151,762)	(598,943)	-	(750,705)
Impairment loss for the year	-	-	(1,945)	(82)	(2,027)
Exchange differences	-	(693)	(1,747)	(1,199)	(3,639)
<b>Net carrying amount as at 31.12.2025</b>	<b>117,519</b>	<b>1,099,885</b>	<b>2,851,880</b>	<b>368,992</b>	<b>4,438,276</b>
<i>Gross carrying amount</i>	<i>117,519</i>	<i>1,657,736</i>	<i>5,065,215</i>	<i>373,786</i>	<i>7,214,256</i>
<i>Accumulated depreciation</i>	-	<i>(557,851)</i>	<i>(2,188,046)</i>	-	<i>(2,745,897)</i>
<i>Accumulated impairment</i>	-	-	<i>(25,289)</i>	<i>(4,794)</i>	<i>(30,083)</i>

## 6. Explanatory notes to the consolidated statement of financial position continued

	Land	Buildings and structures	Machines, devices and other	Assets under construction	Total
<b>Net carrying amount as at 01.01.2024</b>	<b>51,972</b>	<b>701,555</b>	<b>2,069,634</b>	<b>569,123</b>	<b>3,392,284</b>
<i>Gross carrying amount</i>	<i>51,972</i>	<i>1,049,303</i>	<i>3,453,997</i>	<i>569,123</i>	<i>5,124,395</i>
<i>Accumulated depreciation</i>	-	<i>(347,748)</i>	<i>(1,366,919)</i>	-	<i>(1,714,667)</i>
<i>Accumulated impairment</i>	-	-	<i>(17,444)</i>	-	<i>(17,444)</i>
<b>Net carrying amount as at 01.01.2024</b>	<b>51,972</b>	<b>701,555</b>	<b>2,069,634</b>	<b>569,123</b>	<b>3,392,284</b>
Increase due to acquisition of subsidiaries	-	-	2,651	820	<b>3,471</b>
Additions	17,951	44	6,399	1,299,462	<b>1,323,856</b>
Disposals	-	(110,454)	(5,621)	(1,600)	<b>(117,675)</b>
<i>Gross carrying amount</i>	-	<i>(144,177)</i>	<i>(159,298)</i>	<i>(1,600)</i>	<i>(305,075)</i>
<i>Accumulated depreciation</i>	-	<i>33,723</i>	<i>153,677</i>	-	<i>187,400</i>
Transfer from assets under construction	-	382,341	927,516	(1,309,857)	-
Depreciation	-	(126,097)	(520,356)	-	<b>(646,453)</b>
Impairment loss for the year	-	-	(8,782)	(6,470)	<b>(15,252)</b>
Exchange differences	-	(127)	(204)	(136)	<b>(467)</b>
<b>Net carrying amount as at 31.12.2024</b>	<b>69,923</b>	<b>847,262</b>	<b>2,471,237</b>	<b>551,342</b>	<b>3,939,764</b>
<i>Gross carrying amount</i>	<i>69,923</i>	<i>1,287,381</i>	<i>4,231,047</i>	<i>557,812</i>	<i>6,146,163</i>
<i>Accumulated depreciation</i>	-	<i>(440,119)</i>	<i>(1,733,584)</i>	-	<i>(2,173,703)</i>
<i>Accumulated impairment</i>	-	-	<i>(26,226)</i>	<i>(6,470)</i>	<i>(32,696)</i>

The increases in property, plant and equipment in 2024-2025 mainly include purchases related to the acquisition of equipment for new and existing stores and logistics centers.

The 2024 disposals include a portfolio of properties, in which Żabka stores are operated presented in note 6.4.

The table below presents the carrying amount of prepayments for future deliveries of property, plant and equipment and the carrying amount of assets not invoiced classified as assets under construction, over which the Group exercised control as at

31 December 2025 and as at 31 December 2024 (the carrying amount of assets not invoiced is charged to the Group's liabilities):

	31.12.2025	31.12.2024
Advances for future deliveries	91,167	85,400
Assets not invoiced	91,475	149,688

Most of the assets under construction are expenditure related to the adaptation of new stores and the replacement of equipment operating in the chain of stores.

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.4. Right-of-use assets and lease liabilities

#### Accounting policy

In the case of lease, rental and other agreements that fall under the definition of lease, the Group recognises right-of-use assets (ROU) due to the right to use the underlying assets in correspondence with lease liabilities due to lease payments.

The assets used by the Group on the basis of lease agreements include, among others: stores, office space, logistic centres, warehouses, cars, equipment (including payment terminals).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The depreciation period corresponds to the term of the contract or estimates of the lease term for contracts concluded for an indefinite period (more on in the section significant values based on professional judgement), which is:

Type	Period
Buildings and structures	10-15 years
Vehicles	3-5 years
Machines, devices and other	5 years
Contracts concluded for an indefinite period, for which the lease term is estimated	10 years

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to

be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventory) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group applies the exemptions provided for in IFRS 16 and does not recognise right-of-use assets in the case of short-term leases and leases involving low-value assets. Short-term leases are defined as leases that have a term of no more than 12 months at the commencement date including periods for which the lease can be extended if the lessee is reasonably certain to exercise the right and does not include an option to purchase the underlying asset. The short-term lease exemption is made by class of underlying asset to which the right of use relates. Low value assets are those which, when new, do not exceed USD 5 thousand (as at 31 December 2025: PLN 18 thousand and as at 31 December 2024: PLN 21 thousand) and simultaneously analyses the nature of the asset in order to assess whether a leased asset qualifies for the low-value asset exemption. The amount of USD 5 thousand, is not a quantitative threshold but an example to illustrate a general principle. The types of assets that qualify for the low-value asset exemption might change over time if, due to technological or market developments, the price of a particular type of asset changes. The assessment of whether an underlying asset is of low-value is performed on a lease-by-lease basis.

## 6. Explanatory notes to the consolidated statement of financial position continued

If the class of assets includes service components considered by the Group to be insignificant, the Group applies a practical expedient and treats the lease and non-lease components together as one combined lease component and treats as lease payments also the fees assigned to non-lease components.

In the case of a lease modification that is not recognised as a separate lease, on the date of the modification, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate and recognises the remeasurement of the lease liability by decreasing the carrying amount of a right-of-use asset to reflect the partial or full termination of a lease for lease modifications that decrease the scope of the lease. The Group recognises in the profit or loss any gain or loss relating to the partial or full termination of the lease.

### Sale and leaseback transactions

In situations where the Group transfers an asset to another entity and leases that asset back from the buyer-lessor, the Group assesses whether the transfer of the asset constitutes a sale within the meaning of IFRS 15.

If the transfer of an asset is a sale, the Group as the seller-lessee determines right-of-use asset under the leaseback in proportion to the previous carrying amount of the asset, which relates to the right-of-use retained by the Group. Accordingly, the Group recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. Any below-market payments are recognised as prepaid lease payments, and above-market payments are recognised as additional financing provided by the buyer-lessor.

If the transfer of an asset is not a sale, the Group continues to recognise the transferred asset and also recognises a financial liability corresponding to the proceeds of the transfer.

### Values based on professional judgement

The application of IFRS 16 requires the Group to make various judgements, including determining which contracts meet the definition of a lease, which parameters (including the amount of the lease payments, length of the lease term, or the discount rate) should be used to measure the lease liability and whether there are indicators that it is necessary to reassess the lease term, discount rate or variable lease payments.

### Lease term

Some lease contracts include options to extend or terminate the lease. The Group also concludes contracts for an indefinite period. Management makes a judgement to determine the period over which it can be assumed with reasonable certainty that such contracts will be continued.

The Group determines the lease term taking into account the non-cancellable period of the lease during which the Group has the right to use the underlying asset, together with:

- » the periods for which the lease can be extended, if it can be assumed with reasonable certainty that the Group will exercise this right, and
- » the periods during which the lease may be terminated if it can be assumed with reasonable certainty that the Group will not exercise this right.

When assessing the length of the non-cancellable lease period and determining the lease term, the Group takes into account the terms of the agreement and past practices regarding leases of a particular type of assets.

## 6. Explanatory notes to the consolidated statement of financial position continued

When assessing the probability of exercising the contract extension option, the Group considers all relevant facts and circumstances that give rise to the existence of economic incentives to exercise or not to exercise such an option, including, for example, the importance of the underlying asset to the Company's operations or costs relating to the termination of the lease, including relocation costs and costs of identifying another underlying asset suitable for the lessee's needs. When assessing the probability of exercising the option to terminate the lease, the Group considers all relevant facts and circumstances that create an economic incentive for exercising such an option.

For indefinite period leases, the Group determines the lease term based on economic considerations (leasehold improvements and their depreciation period) and adopts a 10-year lease term for such leases.

### Sale and leaseback transactions

Determining whether the transaction should be accounted for as a sale and leaseback, the Group as the seller-lessee applies the requirements in IFRS 15 on when an entity satisfies a performance obligation by transferring control of an asset. Making this judgement, the Group considers all relevant facts and circumstances. Indicators of the transfer of control include in particular: having a present right to payment for the

asset, the transfer of legal title of an asset, the transfer of physical possession of the asset, the transfer of the significant risks and rewards of ownership of an asset, the customer's acceptance of an asset. If the Group as the seller-lessee has a substantive repurchase option for the underlying asset or if the lease term is for the major part of the economic life of the asset, no sale has occurred because the buyer-lessor has not obtained control of the asset.

### Non-lease components

The subject of judgement is to determine whether a given contract contains non-lease components which, in accordance with the accounting policy selected by the Group for a given asset class, should be separated or treated together with the lease component as a single lease component for the purposes of recognising the contract in accordance with IFRS 16.

### Rental of stores to franchisees

As described in note 5.1, the Group rents out stores to franchisees as a part of its services offering. Rental component is integrated with other services offered to franchisees. The Group assumes existence of one performance obligation for such services and recognizes rental revenues in accordance with IFRS 15.

## Estimates

### Lessee's incremental borrowing rate

The Group determines the lessee's incremental borrowing rate (IBR) as the sum of the risk-free rate and the Group's credit risk premium.

The Group determines the risk-free rate based on the available interest rate curves (yields on treasury bonds) corresponding to the currencies in which the lease contracts are denominated and the maturity periods of cash flows resulting from the concluded contracts.

The Group defines the risk premium as the credit margin for the financial liabilities contracted on market in the period preceding the initial measurement of the lease liability.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Right-of-use assets

	Buildings and structures	Vehicles	Machines, devices and other	Total
<b>Net carrying amount as at 01.01.2025</b>	<b>4,382,861</b>	<b>94,580</b>	<b>49,647</b>	<b>4,527,088</b>
<i>Gross carrying amount</i>	<i>7,496,766</i>	<i>208,552</i>	<i>83,154</i>	<i>7,788,472</i>
<i>Accumulated depreciation</i>	<i>(3,112,387)</i>	<i>(113,972)</i>	<i>(33,507)</i>	<i>(3,259,866)</i>
<i>Accumulated impairment</i>	<i>(1,518)</i>	<i>-</i>	<i>-</i>	<i>(1,518)</i>
<b>Net carrying amount as at 01.01.2025</b>	<b>4,382,861</b>	<b>94,580</b>	<b>49,647</b>	<b>4,527,088</b>
New lease agreements and modifications	1,267,570	59,729	2,470	1,329,769
Termination of lease agreements	(35,657)	(1,349)	-	(37,006)
<i>Gross carrying amount</i>	<i>(285,666)</i>	<i>(43,369)</i>	<i>(349)</i>	<i>(329,384)</i>
<i>Accumulated depreciation</i>	<i>248,966</i>	<i>42,020</i>	<i>349</i>	<i>291,335</i>
<i>Accumulated impairment</i>	<i>1,043</i>	<i>-</i>	<i>-</i>	<i>1,043</i>
Depreciation	(841,918)	(59,290)	(13,247)	(914,455)
Impairment loss for the year	(6)	-	-	(6)
Exchange differences	(4,988)	(1,195)	-	(6,183)
<b>Net carrying amount as at 31.12.2025</b>	<b>4,767,862</b>	<b>92,475</b>	<b>38,870</b>	<b>4,899,207</b>
<i>Gross carrying amount</i>	<i>8,473,119</i>	<i>223,365</i>	<i>85,275</i>	<i>8,781,759</i>
<i>Accumulated depreciation</i>	<i>(3,704,776)</i>	<i>(130,890)</i>	<i>(46,405)</i>	<i>(3,882,071)</i>
<i>Accumulated impairment</i>	<i>(481)</i>	<i>-</i>	<i>-</i>	<i>(481)</i>

## 6. Explanatory notes to the consolidated statement of financial position continued

	Buildings and structures	Vehicles	Machines, devices and other	Total
<b>Net carrying amount as at 01.01.2024</b>	<b>3,613,929</b>	<b>90,237</b>	<b>23,984</b>	<b>3,728,150</b>
<i>Gross carrying amount</i>	<i>6,066,763</i>	<i>173,211</i>	<i>46,767</i>	<i>6,286,741</i>
<i>Accumulated depreciation</i>	<i>(2,450,135)</i>	<i>(82,974)</i>	<i>(22,783)</i>	<i>(2,555,892)</i>
<i>Accumulated impairment</i>	<i>(2,699)</i>	<i>-</i>	<i>-</i>	<i>(2,699)</i>
<b>Net carrying amount as at 01.01.2024</b>	<b>3,613,929</b>	<b>90,237</b>	<b>23,984</b>	<b>3,728,150</b>
Increase due to acquisition of subsidiaries	17,168	20,815	-	37,983
New lease agreements and modifications	1,534,170	39,144	36,387	1,609,701
Termination of lease agreements	(32,237)	(2,518)	-	(34,755)
<i>Gross carrying amount</i>	<i>(120,424)</i>	<i>(24,247)</i>	<i>-</i>	<i>(144,671)</i>
<i>Accumulated depreciation</i>	<i>86,888</i>	<i>21,729</i>	<i>-</i>	<i>108,617</i>
<i>Accumulated impairment</i>	<i>1,299</i>	<i>-</i>	<i>-</i>	<i>1,299</i>
Depreciation	(749,232)	(52,760)	(10,724)	(812,716)
Impairment loss for the year	(118)	-	-	(118)
Exchange differences	(819)	(338)	-	(1,157)
<b>Net carrying amount as at 31.12.2024</b>	<b>4,382,861</b>	<b>94,580</b>	<b>49,647</b>	<b>4,527,088</b>
<i>Gross carrying amount</i>	<i>7,496,766</i>	<i>208,552</i>	<i>83,154</i>	<i>7,788,472</i>
<i>Accumulated depreciation</i>	<i>(3,112,387)</i>	<i>(113,972)</i>	<i>(33,507)</i>	<i>(3,259,866)</i>
<i>Accumulated impairment</i>	<i>(1,518)</i>	<i>-</i>	<i>-</i>	<i>(1,518)</i>

The value of depreciation capitalised in the initial value of leasehold improvements for the year ended 31 December 2025 amounted to PLN 988 thousand, for the year ended 31 December 2024 PLN 1,030 thousand.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Lease liabilities

	2025	2024
<b>As at 1 January</b>	<b>4,854,647</b>	<b>4,012,563</b>
Increase due to acquisition of subsidiaries	-	37,983
New lease agreements and modifications	1,327,401	1,631,531
Termination of lease agreements	(54,349)	(41,568)
Payments	(1,186,651)	(1,082,967)
Interest cost	366,699	320,247
Exchange differences	(6,347)	(23,142)
<b>As at 31 December</b>	<b>5,301,400</b>	<b>4,854,647</b>
<i>Current</i>	<i>856,596</i>	<i>764,215</i>
<i>Non-current</i>	<i>4,444,804</i>	<i>4,090,432</i>

In 2024, the Group completed a sale and leaseback transaction of a portfolio of properties, in which Żabka stores are operated. Proceeds from the sale are included in cash flow from investing activities amounting to PLN 121,199 thousand. The result of the transaction is presented in note 5.3. As the transfer of the properties constituted a sale under IFRS 15, the Group recognised an asset under the lease contract in proportion to the previous carrying amount of the properties, which relates to the right-of-use asset retained by the Group and the lease liability. The lease term was assumed to be the basic term under the lease contract, which is for 20 years. Under the contract, this period can be extended by a total of 20 years

Increases in the right-of-use assets in 2024-2025 are mainly due to new contracts and modifications to existing leases of stores, logistics centres and the Group's headquarters, as well as cars and forklifts. The decrease is mainly related to the termination of store lease contracts. Store lease contracts are usually concluded for 10 years. In the case of contracts with indefinite period, the Group treats them as having a 10-year contractual term in line with the other contracts. The Group determines the lease term, for contracts concluded for an indefinite period, based on economic considerations (leasehold improvements and the period of their amortisation).

### Impact on the consolidated statement of profit or loss and other comprehensive income

The table below presents the amounts resulting from concluded lease contracts, recognised in the consolidated statement of profit or loss and other comprehensive income.

	2025	2024
Depreciation of right-of-use assets	(914,455)	(812,716)
Impairment of right-of-use assets	(6)	(118)
Interest on lease liabilities	(366,699)	(320,247)
Exchange differences	6,347	23,142
Short-term leases	(6,983)	(5,192)
Gain on sale and leaseback transactions	-	2,020
Gain or loss on remeasurement and termination of lease agreements	17,365	6,813
<b>The impact of lease contracts on profit before tax</b>	<b>(1,264,431)</b>	<b>(1,106,298)</b>

Regarding the sale and leaseback of the portfolio of properties in which Żabka stores are operated, in 2024 the Group recognised only the amount of profit that relates to the rights transferred to the buyer-lessor.

The short term leases are presented within the general and administrative costs or cost of sales depending on the nature of the underlying asset.

### Impact on the consolidated statement of cash flows

The table below presents the amounts resulting from the concluded lease contracts included in the consolidated statement of cash flows:

	2025	2024
Operating activities	(6,983)	(5,192)
Financial activities	(1,189,019)	(1,082,963)
<i>Payment of the principal amount</i>	<i>(822,032)</i>	<i>(762,768)</i>
<i>Interest paid</i>	<i>(366,987)</i>	<i>(320,195)</i>
<b>Impact of lease agreements on cash flows</b>	<b>(1,196,002)</b>	<b>(1,088,155)</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

Cash flows resulting from lease contracts recognised as a part of operating activities mainly relate to payments resulting from short-term lease contracts that the Group recognises in a simplified manner.

### 6.5. Impairment of non-financial assets

#### Accounting policy

At each reporting date, the Group assesses whether there are any indicators that any of the non-financial fixed assets may be impaired.

Intangible assets with indefinite useful lives (trademarks) and goodwill are tested annually for impairment, irrespective of indicators.

If such an indication exists, or in case an annual impairment test is required, the Group estimates the recoverable amount of a given asset being the higher of its fair value less costs of disposal and its value in use.

When an asset does not generate cash inflows independently, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

However, when the Group intends to sell or liquidate such an asset, the Group determines its recoverable amount based on the fair value less costs of disposal and recognises an appropriate impairment loss.

Impairment losses of non-financial assets are recognised as costs in the statement of profit or loss and other comprehensive income.

An impairment loss recognised for goodwill is not reversed in subsequent period.

The reversal of an impairment loss of assets other than goodwill is preceded by an analysis of the occurrence of an indication for the reversal of the impairment, and in the event of its occurrence, the carrying amount of the asset is increased to its recoverable amount. The increased amount shall not exceed the carrying amount of the asset that would have been determined (after depreciation or amortisation) if no impairment loss had been recognised for this asset in previous years. The reversal of an impairment loss of an asset is recognised immediately as income.

#### Values based on professional judgement and estimates

##### Impairment of non-financial assets

The Group carried out impairment tests for goodwill and other intangible assets (brands and trademarks), which required estimating the recoverable amount. The recoverable amount of cash-generating units was determined based on the calculation of the recoverable amount, which required the use of assumptions. The assumptions applied, along with the explanation and analysis of the sensitivity of the recoverable amount to the change in the assumptions applied, are presented in this note.

With respect to non-financial non-current assets that do not generate cash inflows independently and which the Group intends to liquidate, the Group recognised impairment losses as at 31 December 2025 and as at 31 December 2024 which are disclosed in note 6.3. While with regard to goodwill and other intangible assets with an indefinite useful life, the Group performed an impairment test.

Allocation of goodwill and trademarks to particular CGUs has been disclosed in notes 6.1 and 6.2.

The Group's Management assumes that the market value of the trademarks 'Zabka', 'Maczfit' and 'Dietly' will increase in the future. The Group does not intend to discontinue or significantly limit the activities carried out under the above-mentioned trademarks.

The recoverable amount estimated for the purposes of the test was determined on the basis of fair value less costs of disposal. For Ultimate Convenience, Maczfit activity and Masterlife Solutions activity the fair value was calculated using a cash flow forecast based on financial forecasts approved by the Management for a five-year period, consistent with the planning horizon of the Group's owners and lenders. The recoverable amount of Romanian FMCG activity has been determined applying Comparable Company Analysis (CCA).

The table below presents the carrying amounts of cash-generating units tested for impairment as at 31 December 2025 and as at 31 December 2024.

## 6. Explanatory notes to the consolidated statement of financial position continued

CGU	2025*	2024*
Ultimate Convenience	5,335,234	5,284,534
Maczfit activity	295,563	279,197
Masterlife Solutions activity	92,059	81,717
Romanian FMCG activity	507,432	238,647
<b>Total net carrying value</b>	<b>6,230,288</b>	<b>5,884,095</b>

\* Ultimate Convenience, Maczfit activity and Masterlife Solutions activity are tested at 30 November, Romanian FMCG activity is tested at 31 December.

As at 31 December 2025 and as at 31 December 2024 the recoverable amount of individual cash generating units, including goodwill and other intangible assets with an indefinite useful life exceeded their carrying amount. Information on intangible assets with an indefinite lives is disclosed in note 6.2.

### Key assumptions used to calculate the recoverable amount

For the purpose of key assumptions determination the Group uses its past experience. Revenues and results applied to the model have been input from the Group's budgets and projections. The Group expects to grow its revenue primarily through new store openings and increased sales of existing network driven by continuous improvement of the offer for customers.

	Ultimate Convenience	
	31.12.2025	31.12.2024
The rate of increase in revenues during the forecasted period	9,1%-14,7%	7,5%-16,2%
Operating profit margin (based on IFRS revenue):		
<i>during the forecasted period</i>	8,2%-9,4%	7,8%-10%
<i>during the residual period</i>	9,4%	8,9%
Discount rate:		
<i>before tax</i>	10,4%	10,5%
<i>after tax</i>	8,5%	8,9%
The growth rate used to estimate cash flows in the residual period	2,5%	2,5%

	Maczfit activity	
	31.12.2025	31.12.2024
The rate of increase in revenues during the forecasted period	22,2%	22,4%
Operating profit margin (based on IFRS revenue):		
<i>during the forecasted period</i>	3,67%-6,07%	3,3 -8,3%
<i>during the residual period</i>	6,1%	8,3%
Discount rate:		
<i>before tax</i>	13,6%	13,4%
<i>after tax</i>	11,3%	11,7%
The growth rate used to estimate cash flows in the residual period	2,5%	2,5%

	Masterlife Solutions activity	
	31.12.2025	31.12.2024
The rate of increase in revenues during the forecasted period	13,1%	20,5%
Operating profit margin (based on IFRS revenue):		
<i>during the forecasted period</i>	28,8%-35,6%	35%-38%
<i>during the residual period</i>	35,6%	35,6%
Discount rate:		
<i>before tax</i>	18,7%	13,9%
<i>after tax</i>	11,3%	11,7%
The growth rate used to estimate cash flows in the residual period	2,5%	2,5%

## 6. Explanatory notes to the consolidated statement of financial position continued

	Romanian FMCG activity	
	31.12.2025	31.12.2024
The rate of increase in revenues during the forecasted period	n/a	41.3%
Operating profit margin (based on IFRS revenue):		
<i>during the forecasted period</i>	<i>n/a</i>	<i>2.5%-3.1%</i>
<i>during the residual period</i>	<i>n/a</i>	<i>3.1%</i>
Discount rate:		
<i>before tax</i>	<i>n/a</i>	<i>17.5%</i>
<i>after tax</i>	<i>n/a</i>	<i>12.3%</i>
The growth rate used to estimate cash flows in the residual period	n/a	2.5%

As of 31 December 2025, the impairment test was performed based on forward looking median of EV/Revenue multiple for comparable companies from the European food retail and FMCG distribution industries and expected revenue of Romanian Platform.

### Ultimate Convenience

The Ultimate Convenience CGU encompasses operating activities of Żabka Polska stores Revenue growth rate adopted by the Group in the forecasted period is based on the increases achieved in previous years and it reflects the planned increase in the number of stores (12,339 stores at the end of 2025). Discount rates reflect the Management's estimation of the risk specific to the Group inherent in the cash flow forecast. This is the benchmark used by the Management to assess operating efficiency (performance) and to evaluate future investment proposals. Cash flows after the five-year period are estimated using a growth rate at the level of Poland's long-term inflation target.

Management believes that any reasonable possible change in any of the key assumptions will not cause the carrying amount of the assets tested to significantly exceed its recoverable amount.

### Maczfit activity

Fresh Meals Factory sp. z o.o. (previously Maczfit Foods sp. z o.o.) ('FMF') joined Żabka Group in 2021 through an acquisition of its shares by Żabka Polska sp. z o.o. ('Żabka Polska') from previous owners.

The primary scope of Fresh Meals Factory's business activity was:

- » production and sale of diet catering meals under its own brand for consumers (clients) ordering diet catering from the FMF's website;
- » production and sale of ready meals or catering meals for third parties (including Żabka stores) under their private labels;
- » production and sale of ready meals under its own brand for the Żabka store chain and through vending machines located, for example, in fitness clubs, medical facilities, or universities.

As part of a long-term strategy initiated in 2024, FMF expanded the production of ready-made meals and catering services for other entities, including those within the Żabka Group (under their own brands) which was followed by the reorganization.

The reorganization embraced a carve-out of an organized part of an enterprise from Fresh Meals Factory and effected on 1 July 2025, in separation of entities serving the following revenue streams:

- » D2C meals (Lifestyle Solutions sp. z o.o.);
- » B2B meals (Fresh Meals Factory sp. z o.o.).

For the purpose of impairment test Lifestyle Solutions and Fresh Meals Factory altogether are considered as a cash generating unit ('CGU').

CGU impairment test is based on certain key assumptions, including revenue growth. The forecasted revenue is derived from further growth of D2C meals stream as well as development of B2B sales benefiting from Fresh Meals Factory capacity and abilities to produce ready-made meals. Furthermore, the forecasted revenue is driven by the market dynamics, company's pricing strategy, marketing efforts and product portfolio adjustments to meet evolving customer needs, as well as strengthening of Żabka Group's collaboration and synergies.

D2C revenue growth rates are based on the product planned market penetration, estimated rate of product loss, and general trends in Poland towards healthy lifestyles and fitness, supported by an increasing consumer affluence. B2B revenue stream is based mainly on ready-made meals production for Żabka Polska and Dietly and

## 6. Explanatory notes to the consolidated statement of financial position continued

collective feeding purposes. The company assumes gradual development of that revenue stream throughout 2026-2030.

The company's business plan is to invest in acquisition of new customers, and gradual restoration of business profitability in 2026-2030 (the forecast period). Higher margins will be achieved primarily through (i) greater market penetration and customer growth; (ii) gradual diversification and price increases; (iii) cost optimization supported by partial automation of production process; (iv) own products supplied through own logistics network, and (v) development of B2B production services.

Management believes that any reasonable possible change in any of the key assumptions will not cause the carrying amount of the assets tested to significantly exceed its recoverable amount.

### Masterlife Solutions activity

The ready meals segment in Poland's direct-to-consumer (D2C) market, in which Masterlife Solutions (operator of Dietly.pl) operates, has several characteristics that are conducive to market penetration, including a highly fragmented D2C seller base, D2C merchants' focus on production while outsourcing many other elements of the value chain, and high internet adoption in Poland with a penetration rate of approximately 90%. The business model of Dietly, which combines a leading software as a service model (SaaS) and marketplace software provider expertise, offers an attractive mix of subscription and take rate commission, supported by a high-growth profitable platform.

Currently, the market environment is undergoing a phase of gradual consolidation. While this process is proceeding at a more moderate pace than historically observed, it has resulted in the exit of a significant portion of smaller entities from the market. The competitive landscape is now dominated by medium-sized players who are experiencing substantial pressure on margins due to macroeconomic factors and rising operational costs. As the primary marketplace connecting these merchants with consumers, Dietly also observes this pressure transferred from its partners, necessitating an adaptation of its business strategy to sustain long-term value creation.

In response to these challenges, the Group anticipates that Dietly will transition from an early-stage marketplace to a fully mature, end-to-end platform. To mitigate the risks associated with customer acquisition costs, the Company is actively diversifying its

growth channels by testing new B2B solutions and significantly expanding its offering related to marketplace promotion and advanced IT services for dietary caterers.

The company, has also started developing white-label applications, which it provides to its largest clients. This solution allows partners to use Dietly's advanced software under their own brand, increasing their operational flexibility and enabling better adaptation to their business specifics.

A pivotal element of Dietly strategy is the merger with Cool Logistics which took place in January 2026. This integration will transform Dietly into a comprehensive ecosystem capable of tracking the service lifecycle from the moment of sale to final delivery. This strategic move not only addresses the logistical needs of partners but also unlocks new synergies within the Żabka Group, securing new logistical capabilities and strengthening Dietly's competitive advantage in a consolidating market.

As a result, Dietly will strengthen its position as a key end-to-end ecosystem in the D2C segment, supporting the growth of its partners and accelerating the digitalization of the ready-meals market in Poland. This is reflected in the platform's high EBITDA margin, which is above the Group's EBITDA margin at the consolidated level.

Management believes that any reasonably possible change in any of the key assumptions will not cause the carrying amount of the assets tested to significantly exceed its recoverable amount.

### Romanian FMCG activity

For the purpose of the Consolidated Financial Statements for the year ended 31 December 2024, goodwill was tested exclusively at the DRIM cash-generating unit (CGU) level.

At the acquisition date and during 2024, the economic activity of Froo Retail was still in the process of being established, and a large part of its value creation was operationally embedded within DRIM's logistics, procurement and commercial structure. As a result, goodwill was allocated to the DRIM CGU and tested at that level – consistent with the integration stage of the businesses and with how the Romanian operations were monitored in 2024.

## 6. Explanatory notes to the consolidated statement of financial position continued

Starting from 2025, goodwill is assessed at a higher level as a group of CGUs comprising DRIM (distribution) and Froo Retail (stores) under Froo Romania Holding (Romanian FMCG activity). This is a result of the fact that beginning in 2025, the way the Romanian business generates value and is monitored has evolved, and the standalone DRIM CGU no longer represents the lowest level at which goodwill-related synergies arise.

In the long term Romanian FMCG activity's revenue growth is mainly driven by the rapid expansion of Froo stores in Romania.

Management believes that any reasonable possible change in any of the key assumptions will not cause the carrying amount of the assets tested to significantly exceed its recoverable amount.

### 6.6. Inventory

#### Accounting policy

Inventory is measured at the lower of two values: the cost of inventory and its net realisable value.

The cost of each inventory component includes all purchase costs, costs of conversion and other costs incurred in bringing the inventory to its present location and condition. In determining the purchase price, discounts, rebates and other similar items are deducted. The purchase price is measured net of value added taxes.

The purchase price of goods is determined using the weighted average method, and the cost of materials is measured using the weighted average method or 'first in, first out' depending on the nature and destination of the materials.

The net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to complete the sale.

The write-down of materials is presented on a net basis i.e. increase and reversal of write-downs are presented combined in the statement of profit or loss and other comprehensive income under the item 'Other operating costs'.

The write-down of merchandise inventories is presented on a net basis in the consolidated statement of profit or loss and other comprehensive income under the item 'Cost of sales'.

#### Rabates from suppliers

The cost of sales is reduced by the rebates received by the Group. The rebates netting the cost of sales result from contractual agreements signed by the Group with their suppliers. These agreements include rebates based on the turnover and certain thresholds of purchases of goods made. The Group allocates allowances from its suppliers between costs of sales and inventory. Amounts allocated to goods that have been sold at the reporting date are deducted from cost of sales and amounts allocated to inventories are recognized as a reduction of their carrying amount.

	31.12.2025	31.12.2024
Materials	19,991	23,088
Merchandise	1,120,276	1,066,548
Advances for deliveries	18,311	11,784
<b>Total inventory (gross)</b>	<b>1,158,578</b>	<b>1,101,420</b>
Revaluation write-down	(8,639)	(9,106)
<b>Total inventory (net)</b>	<b>1,149,939</b>	<b>1,092,314</b>

The table below presents changes in the write-down of inventory:

	2025	2024
<b>Write-downs on inventory at the beginning of the period</b>	<b>(9,106)</b>	<b>(4,245)</b>
Increase	(9,078)	(8,760)
Utilised	6,969	1,897
Reversed	2,576	2,002
<b>Write-downs on inventory at the end of the period</b>	<b>(8,639)</b>	<b>(9,106)</b>

Inventory write-down mainly applies to merchandise and its reversal resulted from the negotiated possibility of returning goods to suppliers or acquiring new opportunities for their sale.

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.7. Trade receivables

#### Accounting policy

Trade receivables are recognised and carried at the amounts originally invoiced, taking into account the allowance for expected lifetime credit losses. Receivables are adjusted for expected discounts, rebates and settlements based on offset arrangements with franchisees.

If the effect of the time value of money is significant, the value of receivables is determined by discounting the estimated future cash flows to the present value, using a discount rate reflecting current market assessments of the time value of money. If discounting is used, any increase in the receivable due to the passage of time is recognised as financial income.

#### Contract assets and receivables

Under contract assets, the Group recognises rights to consideration in exchange for the goods or services it has transferred to the customer, if the right is subject to a condition other than the passage of time (for example, the entity's future performance). The Group assesses the impairment of a contract asset in the same way as for a financial asset in accordance with IFRS 9.

The Group recognises the rights to consideration in exchange for goods or services that have been transferred to the customer as receivables, if the right is unconditional (the only condition for the payment to be made is the lapse of a specified period of time). The Group recognises a receivable in accordance with IFRS 9. After initial recognition of receivables, any differences between the measurement of receivables in accordance with IFRS 9 and the corresponding amount of revenues previously recognised are presented by the Group as a cost (impairment loss).

#### Values based on professional judgement

#### Accounting for factoring arrangements

As part of the working capital management, the Group uses a factoring agreement in relation to its receivables, under which it submits selected sales invoices for some franchisees for factoring. Receivables as well as rights under the trade receivables

insurance policy are subject to assignment to the factor and are in 90% financed by the factor. Considering the potential impact of this type of agreement on the consolidated statement of cash flows and the consolidated statement of financial position, the Group makes a judgement as to whether, regarding the use of factoring, qualification exists for derecognition of receivables.

The receivables that are the subject to factoring do not expire because the franchisees are still owed the entire amount due and are obliged to pay it back on the agreed date. The Group is responsible for collecting the receivables and transferring them to the factoring company, whereby the assignment of the receivables means that the Group transfers the rights to receive cash flows from these receivables. The Group has mitigated its credit risk exposure by using factoring services, where the factor assumes a majority of the credit risk for the receivables sold. However, the Group is still exposed to the risk of late payments from the buyers, as it incurs interest expense paid to the factor. Despite this, the Group's exposure to credit losses is limited to only 10% of the receivables' value, as the factor assumes the remaining credit risk. In the Group's opinion, the Group neither transfers nor retains substantially all the risks and rewards associated with factoring receivables. When assessing the transfer of risks and rewards, the Group compares its exposure, before and after the transfer, with the variability in the amount and timing of net cash flows of the transferred asset.

As a result of concluding a receivable factoring transaction, the Group's exposure to credit risk is reduced, but not completely eliminated. In line with Group's judgement, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the transferred asset and retains control (taking into account no practical possibility of selling the insured receivables by the factor) of the transferred asset and therefore recognises the transferred asset to the extent of its continuing involvement, i.e. in the amount of 10 % of the value of the receivable.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Estimates

#### Impairment of trade receivables

The Group uses a provision matrix to measure the allowance for expected credit losses in relation to trade receivables. In order to determine expected credit losses, trade receivables have been grouped based on the similarity of credit risk characteristics.

The Group uses its historical credit loss data, the history regarding cooperation with debtors and the security held, adjusted for the impact of forward-looking information as appropriate.

When assessing the future economic conditions, the Group focuses on economic factors such as change in GDP ratio and how it affects unemployment rates which in turn affect the overall capacity of its debtors to pay off their debts. Additionally, those ratios are considered at the regional level to account for regional differences in Poland.

	31.12.2025	31.12.2024
Trade receivables (gross)	2,868,216	2,357,029
Loss allowance for expected credit losses	(74,707)	(79,548)
<b>Trade receivables (net)</b>	<b>2,793,509</b>	<b>2,277,481</b>

There is no significant concentration of credit risk in the Group. Credit risk related to receivables is minimised due to the large number of customers. Moreover, receivables are mostly secured with inventory located in 'Żabka' stores. As a result, in the view of the Management, there is no additional credit risk beyond the level determined by the loss allowance for expected credit losses. Information on the Group's exposure to credit risk related to trade receivables is presented in note 8.2.

The table below presents changes in the loss allowance for expected credit losses:

	2025	2024
<b>Loss allowance for expected credit losses at the beginning of the period</b>	<b>(79,552)</b>	<b>(77,221)</b>
Increase	(13,880)	(15,191)
Utilised	12,471	3,999
Reversed	6,210	8,849
Exchange differences	40	12
<b>Loss allowance for expected credit losses at the end of the period</b>	<b>(74,711)</b>	<b>(79,552)</b>

Information on the presentation of settlements due to factoring of receivables and insurance of receivables is presented in note 6.8.

Receivables from franchisees are insured and this fact has been reflected in the calculation of allowance for expected credit losses.

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.8. Loans granted, shares, stocks and other financial assets

#### Accounting policy

##### Loans granted

The loans granted by the Group mainly relate to loans to franchisees.

Loans granted are classified as financial assets measured at amortised cost because they passed the Solely Payments of Principal and Interests ('SPPI') test and are reported as held to collect cash flows in line with the business model.

At each reporting date, the Group assesses whether the credit risk related to the loans granted has increased significantly since its initial recognition. In order to make such an assessment, the Group compares default risk for a given loan as at the reporting date with default risk for that loan as at the date of initial recognition, taking into account reasonable and supportable information that is available without undue cost or effort and that indicates a significant increase in credit risk from the initial recognition. If, as at the reporting date, the credit risk related to a loan has not increased significantly since its initial recognition, the Group measures the loss allowance for expected credit losses for this loan in the amount equal to 12-month expected credit losses. If credit risk has increased significantly since the initial recognition, the Group measures loss allowance for expected credit losses in an amount equal to lifetime expected credit losses.

The Group measures expected credit losses on loans granted on the basis of the estimated probability of default determined based on credit default swap ('CDS') quotations and on statistical market data on the recovery of unsecured corporate debt.

##### Shares and stocks

Shares and stocks consist of shares in entities not listed on public securities markets. The Group has classified these financial instruments as assets at fair value and has not elected to measure them through other comprehensive income.

#### Other financial assets

Other financial assets consist of, in particular, deposits paid relating to long-term store lease contracts.

Other financial assets also include receivables subject to factoring. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of transferred receivables and retains control over them, it continues to recognise them to the extent of its continuing involvement in them. These receivables are due from the factor and therefore are not included in trade receivables.

Also included within other financial assets are deposits with an original maturity of more than three months, not classified as cash and cash equivalents.

The description of the Group's accounting policies relating to financial instruments is presented in note 8.1.

#### Loans granted

	31.12.2025	31.12.2024
<b>Non-current loans granted</b>	-	-
Loans to franchisees	5,855	4,211
Other	-	2,558
<b>Current loans granted</b>	<b>5,855</b>	<b>6,769</b>
<b>Loans granted</b>	<b>5,855</b>	<b>6,769</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

The table below presents items recognised as loans granted in the consolidated statement of financial position and their carrying amount as at 31 December 2025 and as at 31 December 2024:

	Type of relation	The date the loan was granted	Loan amount (in thousands)	Currency	Maturity date	Interest	Carrying amount	
							31.12.2025	31.12.2024
Loan 2	Other	24.09.2023	216	PLN	30.04.2025	WIBOR + margin	-	240
Loan 3	Other	16.10.2023	395	PLN	30.04.2025	WIBOR + margin	-	436
Loan 4	Other	24.11.2023	270	PLN	30.04.2025	WIBOR + margin	-	295
Loan 5	Other	21.06.2024	665	PLN	30.04.2025	WIBOR + margin	-	687
Loan 6	Other	27.12.2024	912	PLN	30.04.2025	WIBOR + margin	-	900
Loans to franchisees						Fixed	5,855	4,211
<b>Current loans granted</b>							<b>5,855</b>	<b>6,769</b>

All loans were granted on market conditions.

The table below presents changes in the loss allowance for expected credit losses for loans granted:

	2025	2024
<b>Loss allowance for expected credit losses at the beginning of the period</b>	<b>(40)</b>	<b>(466)</b>
Increase	(26)	(388)
Reversed	65	814
<b>Loss allowance for expected credit losses at the end of the period</b>	<b>(1)</b>	<b>(40)</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

### Shares and stocks

The table below presents shares and stocks as at 31 December 2025 and as at 31 December 2024:

	31.12.2025	31.12.2024
Shares and stocks in non-related entities	22,735	22,735
<i>Biały Obrus sp. z o.o.</i>	1,000	1,000
<i>AiFi Inc</i>	8,109	8,109
<i>Synerise S.A.</i>	13,626	13,626
<b>Shares and stocks</b>	<b>22,735</b>	<b>22,735</b>

Information on the measurement is presented in note 8.1.

### Other financial assets

The table below presents other financial assets as at 31 December 2025 and as at 31 December 2024:

	31.12.2025	31.12.2024
Deposits	29,175	37,236
<b>Non-current other financial assets</b>	<b>29,175</b>	<b>37,236</b>
Security deposits	5,083	3,274
Receivables subject to factoring	10,374	22,487
Other	12,428	4,627
<b>Current other financial assets</b>	<b>27,885</b>	<b>30,388</b>
<b>Other financial assets</b>	<b>57,060</b>	<b>67,624</b>

Receivables from the factor presented among other financial assets represent the Group's continuing involvement in the receivables financed by the factor. The total amount of these receivables as at 31 December 2025 was PLN 103,741 thousand, including PLN 93,367 thousand financed by the factor. The total amount of these receivables as at 31 December 2024 was PLN 224,874 thousand, including PLN 202,387 thousand financed by the factor.

The table below presents changes in loss allowance for other financial assets:

	2025	2024
<b>Loss allowance for expected credit losses from other financial assets at the beginning of the period</b>	<b>(908)</b>	<b>(293)</b>
Increase	(366)	(692)
Utilised	578	73
Reversed	260	4
<b>Loss allowance for expected credit losses from other financial assets at the end of the period</b>	<b>(436)</b>	<b>(908)</b>

The loss allowance for other financial assets relates to the deposit.

## 6.9. Right of return assets

### Accounting policy

A right of return asset (and corresponding adjustment to cost of goods sold) is recognised for the right to recover the goods from the franchisees.

	31.12.2025	31.12.2024
Right of return assets	12,424	12,271
<b>Total right of return assets</b>	<b>12,424</b>	<b>12,271</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.10. Other non-financial assets

#### Accounting policy

Other non-financial assets include, in particular, prepayments, receivables from tax authorities and investment in a joint venture. Receivables from tax authorities are presented under other non-financial assets, except for corporate income tax receivables, which are presented as a separate item in the consolidated statement of financial position.

#### Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture is accounted for using the equity method.

	31.12.2025	31.12.2024
Prepayments	8,457	7,430
<i>Arrangement fees and commitment fees of revolving loan facility</i>	3,912	5,726
<i>Software</i>	1,424	156
<i>Marketing and advertisements</i>	121	61
<i>Other</i>	3,000	1,487
Investment in a JV	434	4,543
Other	61	37
<b>Non-current other non-financial assets</b>	<b>8,952</b>	<b>12,010</b>
Prepayments	28,545	20,351
<i>Arrangement fees and commitment fees of revolving loan facility</i>	696	1,786
<i>Software</i>	14,605	11,332
<i>Insurance premiums</i>	8,047	2,882
<i>Marketing and advertisements</i>	1,936	1,011
<i>Other</i>	3,261	3,340
Receivables from tax authorities	87,209	171,413
Non-financial assets relating to advances	11,087	16,145
Other	892	4,663
<b>Current other non-financial assets</b>	<b>127,733</b>	<b>212,572</b>
<b>Other non-financial assets</b>	<b>136,685</b>	<b>224,582</b>

Receivables from tax authorities mainly include receivables from value added tax. The amount resulting from the difference between liabilities and receivables due to value added tax is paid to relevant tax authorities on a monthly basis.

The net amount of value added tax recoverable or payable to the tax authorities is recognised in the consolidated statement of financial position as part of receivables or liabilities.

## 6. Explanatory notes to the consolidated statement of financial position continued

Non-financial assets relating to advances include advances for services and amounts of value added tax on advances paid for which no advance invoice had been received by the reporting date.

### Joint ventures

The Group poses 49% of interest in a joint venture In-Pulse sp. z o.o. (formerly Data2Brands sp. z o.o.) with its registered office in Poland, the entity performing marketing, technology and advertising services. Remaining 51% is held by the second shareholder.

For the purpose of accounting in the Group's financial statements, financial data of In-Pulse sp. z o.o. are restated from local GAAP (the Polish Accounting Act) to IFRS.

### Call and put option

The remaining 51% of shares in In-Pulse sp. z o.o. were covered by a put option, according to which the Group made an unconditional and irrevocable offer to purchase the remaining 51% of the shares from the existing shareholder. At the same time, the existing shareholder made to the Group an unconditional and irrevocable offer to sell (call option) the remaining 51% of the shares in In-Pulse sp. z o.o. Both options are symmetrical. They can be executed at the same time (a period of 2 years from 1 January 2030 to 31 December 2031) and for the same price. Since the price calculation formula reflects the prevailing market valuations, the intrinsic value of the derivative relating to the option is considered to be 0.

### 6.11. Liability for a written put option over non-controlling interest

#### Accounting policy

The Group conducts an assessment to determine if it has ownership of the shares subject to the put option. If the Group does not have a present ownership interest, non-controlling interests are recognised at the date of the business combination.

Any contractual obligation to purchase non-controlling interest - such as an NCI put - gives rise to a financial liability measured at the present value of the redemption amount which is subsequently measured in accordance with IFRS 9.

While the NCI put remains unexercised, at the end of the reporting period:

(a) The Group determines the amount that would have been recognised for the NCI, including an update to reflect allocations of profit or loss, allocations of changes in OCI and dividends declared for the reporting period.

(b) The Group derecognises the NCI as if it was acquired at that date.

(c) The Group recognises a financial liability at the present value of the amount payable on exercise of the NCI put in accordance with IFRS 9.

The difference between (b) and (c) is accounted for as an equity transaction.

If the NCI put is exercised, the same treatment is applied up to the date of exercise. The amount recognised as the financial liability at that date is extinguished by the payment of the exercise price. If the NCI put expires unexercised, the position is unwound so that the NCI is recognised at the amount it would have been, as if the put option had never been granted (i.e., measured initially at the date of the business combination, and remeasured for subsequent allocations of profit or loss, OCI and changes in equity attributable to the NCI). The financial liability is derecognised, with a corresponding credit to the same component of equity that was previously reduced.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Estimates

#### Determining the amount of the liability for a written put option over non-controlling interest

The Group recognised an option liability for a purchase of non-controlling interests.

Determining the amount of the option liability requires an estimate of:

- » valuation of the option liability depending on, among other things, revenue or normalised EBITDA as of the last day of the period of twelve full calendar months preceding the moment of option exercise, i.e. acceptance of the offer to buy or sell and the estimate of net debt,
- » determination of the most probable moment of option exercise in the time frame indicated in the agreement with the owners of the shares covered by the option commitment.

#### Determining the discount rate to establish present value of the liability

When determining the discount rate for calculating the present value of the liability, the Group takes into account its credit risk (creditworthiness) and other factors that could impact the likelihood of a liability being met.

The following table shows the option liability to purchase non-controlling interest by acquisition as at 31 December 2025 and as at 31 December 2024:

	31.12.2025	31.12.2024
Acquisition of DRIM Daniel Distribuție FMCG S.R.L.	93,705	71,004
Acquisition of izidrop sp. z o.o.	18,278	-
<b>Non-current liability for a written put option over non-controlling interest</b>	<b>111,983</b>	<b>71,004</b>
Acquisition of Fresh Meals Factory sp. z o.o.	29,659	27,811
<b>Current liability for a written put option over non-controlling interest</b>	<b>29,659</b>	<b>27,811</b>
<b>Liability for a written put option over non-controlling interest</b>	<b>141,642</b>	<b>98,815</b>

#### Acquisition of Fresh Meals Factory sp. z o.o.

The liability for call and put option to buy out non-controlling interests was recognised due to the acquisition of Fresh Meals Factory sp. z o.o. (formerly Maczfit Foods sp. z o.o.) on 29 April 2021. As part of the acquisition, the Group acquired 95% of the shares in the target company. The remaining 5% of shares in Fresh Meals Factory sp. z o.o. were covered by the put option, according to which the Group submitted an unconditional and irrevocable offer to purchase the remaining 5% of shares from the current shareholder. At the same time, the existing shareholder submitted to the Group an unconditional and irrevocable offer to sell (call option) the remaining 5% of shares in Fresh Meals Factory sp. z o.o.. Both options are symmetrical. They can be realised at the same time (3 year period from 30 April 2024 to 30 April 2027) and for the same price.

The option price, in accordance with the agreement between the parties, is based on the revenues of Fresh Meals Factory sp. z o.o. for 12 full calendar months preceding the option exercise date.

In June 2024, the option in relation to 3,3% of shares was exercised.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Acquisition of DRIM Daniel Distribuție FMCG S.R.L.

The liability for call and put option to buy out non-controlling interests was recognised due to the acquisition of DRIM Daniel Distribuție FMCG S.R.L. on 29 February 2024. As of the transaction date, the Group held approximately 60.0396% of the shares of Froo Romania Holding S.A. (Froo Romania Holding S.A. is the sole shareholder of DRIM Daniel Distribuție FMCG S.R.L. and of Froo Romania Retail S.R.L.). The remaining 39.9604% of shares in Froo Romania Holding S.A. were covered by the put option, according to which the Group submitted an unconditional and irrevocable offer to purchase the remaining 39.9604% of shares from the current shareholders. At the same time, each of the existing partners submitted to the Group an unconditional and irrevocable sale offer (call option) for the remaining 39.9604% of shares in Froo Romania Holding S.A. in total. Both options are symmetrical. They can be realised at the same time (after a period of 6.5 years starting from the date of purchase, which means after 31 August 2030) and for the same price. However, in accordance with agreement, the share capital of Froo Romania Holding S.A. may be increased by the issuance of new shares that will be subscribed only by Zabka International S.à r.l. As a result of this transaction, Zabka International S.à r.l. may increase its share to the maximum level of 85%. The Group is planning to increase its shares in Froo Romania Holding S.A. by issuance of new shares to the level of 85% and the remaining 15% of shares will be covered by the put option. As of 31 December 2025, the Group held approximately 78% of the shares of Froo Romania Holding S.A. (67% as of 31 December 2024).

The amount of the liability was estimated as discounted (to 31 December 2025) purchase price of 15% shares in the year 2032 based on (i) projected LTM EBITDA and

Net Debt of Froo Romania Holding S.A. as of 30th June 2032 (30 June 2032 ends the latest calendar quarter before the option can be excised on 31 August 2032) and (ii) the Zabka's Group EV/EBITDA multiple discounted by 15%. Zabka Group's multiple is based on the share price as of 31 December 2025 and incorporates the latest publicly available financial data.

### Acquisition of izidrop sp. z o.o.

The liability for the put option to buy out non-controlling interests was recognised due to the capital increase of izidrop sp. z o.o. (previously a company fully owned by the Group) on 28 May 2025. After the transaction and as of 31 December 2025 the Group held approximately 60.63% of the shares of izidrop sp. z o.o. The remaining 39.37% of shares in izidrop sp. z o.o. were covered by the put option, according to which the Group submitted an unconditional and irrevocable offer to purchase the remaining 39.37% of shares from the non-controlling shareholder. The first date when the option can be exercised is 31 May 2030. The Group has a call option to acquire the shares of the non-controlling shareholder which can be first exercised on 31 May 2029. At the time the option becomes exercisable, the Group is expected to hold 60.63% of shares in izidrop sp. z o.o.

The amount of the liability was estimated as the discounted (to 31 December 2025) purchase price of 39.37% shares as of the option exercise year based on (i) projected LTM EBITDA and net debt of izidrop sp. z o.o. as of the option exercise date and (ii) discounted Zabka's Group EV/EBITDA multiple.

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.12. Trade payables and other financial liabilities

#### Accounting policy

Current liabilities due to deliveries and services are presented as trade payables.

#### Presentation of settlements for supplier finance arrangements (reverse factoring)

Trade payables subject to reverse factoring are presented within trade payables and other liabilities if, due to submission for reverse factoring, the nature of the liability has not changed significantly.

#### Presentation of settlements due to factoring of receivables

Regarding factored trade receivables, the factor authorised the Group to perform activities aimed at collecting the receivables purchased by the factor. The Group (the factoring agent) took on itself to transfer to the factor all benefits received from the Group's customers for the repayment of the factored receivables. The Group presents liabilities to the factor in this respect as other liabilities.

The accounting policy relating to factoring of receivables is further described in note 6.8.

#### Non-invoiced liabilities

Non-invoiced liabilities are accruals directly related to operating activities as well as general management. The condition for recognising a non-invoiced liability (accruals) in the accounting books is:

- » an event that requires the Group to pay for goods or services that have been received or supplied and which have not been invoiced or formally agreed with the supplier, where
- » it is reasonable and, at the same time, possible to reliably estimate the costs (or losses) necessary to meet the Group's obligations.

#### Rabates from suppliers

The cost of sales is reduced by the rebates received by the Group. The rebates netting the cost of sales result from contractual agreements signed by the Group with their suppliers. These agreements include rebates based on the turnover and certain thresholds of purchases of goods made. The Group allocates allowances from its suppliers between costs of sales and inventory. Amounts allocated to goods that have been sold at the reporting date are deducted from cost of sales and amounts allocated to inventories are recognized as a reduction of their carrying amount.

## 6. Explanatory notes to the consolidated statement of financial position continued

### Values based on professional judgement and estimates

#### Recognition and presentation of settlements for supplier finance arrangements (reverse factoring)

As part of the working capital management, the Group uses reverse factoring agreements in relation to its liabilities, under which it submits invoices relating to purchases from selected suppliers for factoring. Considering the potential impact of such agreements on the consolidated statement of cash flows and the consolidated statement of financial position, the Group makes a judgement on whether the nature of the liability changes significantly due to the use of factoring and whether it is necessary to change its presentation to debt liabilities (for both the statement of financial position presentation and the classification of payments made in the statement of cash flows). In making this judgement, the Group analyses and takes into account the agenda decision of the IFRS Interpretations Committee published in December 2020 regarding reverse factoring and its presentation in the Consolidated Financial Statements.

In making this judgement, the Group analysed the nature of liabilities covered by the reverse factoring. These liabilities are part of the working capital used in the normal operating cycle of the Group, because they are actually an obligation to make payments for the delivery of goods in the course of current operating activities, on terms agreed with suppliers. For the purpose of calculating covenants, liabilities covered by the reverse factoring are not considered as debt. Moreover, under reverse factoring there is no obligation to provide additional collaterals specific to loans and

similar debt instruments - the factor requires a blank promissory note. Comparing this security with other securities required by the financing entities, it is a typical security for trade payables (in the case of debt liabilities, tangible security on the Group's assets is most often required). In addition, the counterparty retains its obligations to perform the contract as a supplier (e.g. in relation to guarantees), and reverse factoring from the Group's perspective is not only aimed at reducing the cost of trade interest, but also at facilitating payments from an operational point of view due to the supplier fragmentation (the factor acts as the paying agent).

In line with the Group's judgement, the liabilities subject to reverse factoring do not differ significantly from the liabilities for deliveries and services to suppliers, as long as the total repayment period does not exceed the agreed terms with suppliers and the period of financing by the factor does not exceed 180 days. The Group presents liabilities due to reverse factoring as part of trade payables and other financial liabilities. Taking into account the judgement related to the classification of liabilities due to reverse factoring, for the purposes of disclosure, the Group treats liabilities to the factor as a separate class of liabilities. This is because legally these obligations are owed to the factor and not to the supplier. At the same time, payments to the factor are presented in the consolidated statement of cash flows as part of net cash flows from operating activities, as they are de facto payments for the supply of goods.

## 6. Explanatory notes to the consolidated statement of financial position continued

	31.12.2025	31.12.2024
Derivatives	129,465	119,619
Other	50	52
<b>Non-current other financial liabilities</b>	<b>129,515</b>	<b>119,671</b>
Trade payables	2,641,444	2,643,396
<i>related to supplies and services</i>	<i>2,317,179</i>	<i>2,317,535</i>
<i>related to purchase of property, plant and equipment and intangible assets</i>	<i>324,265</i>	<i>325,861</i>
Trade payables covered by supplier finance agreements (reverse factoring)	3,322,029	2,736,424
<i>related to supplies and services</i>	<i>3,315,153</i>	<i>2,725,927</i>
<i>related to purchase of property, plant and equipment and intangible assets</i>	<i>6,876</i>	<i>10,497</i>
Non-invoiced liabilities	351,267	308,111
Liabilities related to franchisee deposits	104,355	78,716
Liabilities to the factor (factoring of receivables)	176,634	67,612
Other	34,862	36,470
<b>Current trade payables and other financial liabilities</b>	<b>6,630,591</b>	<b>5,870,729</b>
<b>Total trade payables and other financial liabilities</b>	<b>6,760,106</b>	<b>5,990,400</b>

The whole amount presented as trade payables covered by reverse factoring has been already paid by a factors.

In 2025 trade payables covered by reverse factoring have been settled between 18-175 days (13-171 days in 2024) from the invoice date and trade payables that are not covered by reverse factoring have been settled between 0-285 days (4-148 days in 2024) from the invoice date. The significant ranges of payment dates for trade payables are a result of the Groups operations with many suppliers from different sectors and industries. There are legal requirements regarding the maximum payment dates for entities depending on the sector they are representing size of the company (e.g. to 60 days for SME, above 60 days for big entities, contractual advantage/no contractual

advantage) and kind of goods they are selling (longer payment dates for slow-rotating goods/shorter period for perishable products).

The derivatives item includes embedded derivatives that are part of virtual Power Purchase Agreements ('vPPAs'), which are hedging instruments in applied cash flow hedge accounting. Details of this item are described in note 8.1.

Non-invoiced liabilities relate primarily to electricity, marketing and logistics, as well as store and headquarters maintenance.

The other item mainly consists of the Group's settlements relating to being an agent in case of some services provided by franchisees: newspaper delivery, lottery services and minor bill payments. In addition, the item other includes liabilities resulting from the incentive scheme described in note 9.2. In 2025 the liability was settled (as at 31 December 2024 PLN 16,466 thousand).

### 6.13. Refund liabilities

#### Accounting policy

The Group recognises a refund liability if, after receiving a consideration, it expects to refund some or all of that consideration to the customer. Refund liability is measured at the amount of the consideration received (or receivables) to which - as expected by the Group - it is not entitled in exchange for the goods or services provided due to rebates and discounts or the return of goods (i.e. in the amount not recognised in the transaction price). Refund liability (and the corresponding change in the transaction price) is updated at the end of each reporting period in line with changing circumstances.

	31.12.2025	31.12.2024
Rebates	369,410	304,300
Right to return the merchandise	16,973	16,698
'Żappka' programme	23,693	19,450
<b>Refund liabilities</b>	<b>410,076</b>	<b>340,448</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

The Group is the organiser of the 'Žappka' programme, the purpose of which is to enable its participants to take advantage of promotions available in 'Žabka' stores. Programme participants are awarded with the loyalty points called Žappsy, that are exchanged for vouchers entitling to the awards issued by the franchisees. In connection with that, the Group undertakes franchisee reimbursement for the goods sold (the amount of the payment received or the amount due), that the Group will not be entitled for in the exchange for goods handed over by franchisees to programme participants. When determining the value of the liability, the Group takes into account the expectations as to the extent of use of points by programme participants and the value of the reimbursement due to the franchisees.

### 6.14. Employee benefits liabilities

#### Accounting policy

The Group pays employees the following benefits that may result in liabilities towards employees at the reporting date:

- » salaries and social security contributions (except for retirement and disability insurance),
- » paid absences,
- » incentive bonuses, cash rewards,
- » additional benefits,
- » retirement and disability benefits,
- » posthumous benefits.

In compliance with the applicable laws in effect, the Group pays retirement and disability pension contributions determined by the gross salary for each employee to the Social Insurance Institution ('ZUS'). The Group is required to pay contributions as they fall due only for the period of the person's employment. The Group has no legal or constructive obligation to pay future benefits. If the Group ceases to employ plan members, it has no obligation to pay the benefits earned by its own employees in previous years. For this reason, these benefits are a defined contribution plan. The Group's obligation under those plans for each period is determined by the amounts to be contributed for the year. Under International Accounting Standard 19 *Employee benefits* ('IAS 19'), no actuarial assumptions are required to measure the obligation or cost and there is no possibility of any actuarial gain or loss.

The Group's employees are entitled to retirement and disability benefits, therefore, a liability for retirement and disability is created. Retirement and disability benefits are paid when retirement or disability occur. The retirement and disability severance pay is due for an amount corresponding to one month's salary, regardless of the length of service of the given person in the Group. According to IAS 19, retirement benefits are post-employment defined benefit plans. The Group also creates a provision for posthumous benefits, which are due for the amount that depends on the length of service, in accordance with the provisions of the Labour Code. The present value of these liabilities is calculated by an independent actuary. The accrued liabilities are equal to discounted payments to be made in the future, taking into account employee rotation, and relate to the period until the reporting date. Both demographic and employment rotation information are based on historical data. Re-measurement of employee benefit obligations related to defined benefit plans, including actuarial gains and losses, is recognised in other comprehensive income and is not subject to subsequent reclassification to profit or loss.

	31.12.2025	31.12.2024
Provision for retirement, disability and posthumous benefits	4,200	2,826
<b>Non-current employee benefits liabilities</b>	<b>4,200</b>	<b>2,826</b>
Liabilities to employees in respect of remuneration and functions performed	97,238	94,004
Liabilities for paid absences	19,827	17,632
Provision for retirement, disability and posthumous benefits	340	322
Other	2,138	1,876
<b>Current employee benefits liabilities</b>	<b>119,543</b>	<b>113,834</b>
<b>Employee benefits liabilities</b>	<b>123,743</b>	<b>116,660</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

### Provision for retirement, disability and posthumous benefits

The table below presents changes in the provision for retirement and disability benefits as well as posthumous benefits:

	2025	2024
<b>Provision for retirement, disability and posthumous benefits at the beginning of the period</b>	<b>3,148</b>	<b>2,799</b>
Costs included in the financial result	705	706
<i>Interest cost</i>	<i>162</i>	<i>127</i>
<i>Current and past service costs</i>	<i>543</i>	<i>579</i>
Actuarial (gains) / losses recognised in other comprehensive income	815	(187)
Paid benefits	(128)	(170)
<b>Provision for retirement, disability and posthumous benefits at the end of the period</b>	<b>4,540</b>	<b>3,148</b>
<i>Current</i>	<i>340</i>	<i>322</i>
<i>Non-current</i>	<i>4,200</i>	<i>2,826</i>

### Key assumptions used to measure the provision for retirement, disability and posthumous benefits

	31.12.2025	31.12.2024
Discount rate	5.1%	5.6%
Projected inflation rate	2.5%	2.5%
Employee turnover rate depending on age	1,6%-9,9%	1,8%-11,2%
Projected wage growth rate	6%-6,5%	5,1%-7%
Average age of employees	39	35

### 6.15. Other non-financial liabilities and deferred income

#### Accounting policy

#### Deferred income

If there is a reasonable certainty that the grant will be received and that all related conditions will be met, then government grants are recognised at their fair value.

If a grant relates to an asset, then its fair value is recognised as deferred income, and then gradually, by equal annual amortisation, is recognised in profit or loss over the estimated useful life of the related asset.

#### Other non-financial liabilities

Other non-financial liabilities consist mainly of particular public law liabilities. Other non-financial liabilities are recognised at the amount due.

	31.12.2025	31.12.2024
<b>Non-current deferred income</b>	<b>232</b>	<b>307</b>
<b>Current deferred income</b>	<b>1,168</b>	<b>707</b>
<b>Total deferred income</b>	<b>1,400</b>	<b>1,014</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
Liabilities to social insurance and personal income tax	35,496	28,945
Excise duty liabilities	211	126
VAT liabilities	12,308	7,933
Other	2,200	1,883
<b>Current other non-financial liabilities</b>	<b>50,215</b>	<b>38,887</b>
Current	51,383	39,594
Non-current	232	307
<b>Total other non-financial liabilities and deferred income</b>	<b>51,615</b>	<b>39,901</b>

## 6. Explanatory notes to the consolidated statement of financial position continued

### 6.16. Contract liabilities

#### Accounting policy

The Group recognises contract liabilities when there is an obligation to provide goods or services to the customer for which the Group has received consideration (or the amount is due) from the customer.

	2025	2024
<b>Contract liability at the beginning of the period</b>	<b>27,931</b>	<b>18,788</b>
Prepayments received from customers	455,517	336,544
Recognised as revenue in the period	(453,577)	(325,023)
Reversed	-	(2,378)
<b>Contract liability at the end of the period</b>	<b>29,871</b>	<b>27,931</b>

### 6.17. Provisions

#### Accounting policy

Provisions are recognised when the Group has a present obligation (legal or constructive) resulting from past events, and when it is probable that the settlement of this obligation will result in an outflow of resources embodying economic benefits and the amount of this obligation can be reliably estimated. If the Group expects that some or all of the provision will be reimbursed, for example under an insurance contract, then the reimbursement is recognised as a separate asset, but only when it is virtually certain that the reimbursement will actually take place. The cost related to any provision is presented in the consolidated statement of profit or loss and other comprehensive income less or net of any reimbursement.

If the effect of the time value of money is significant, the amount of the provision is determined by discounting the expected future cash flows to the present value, using a discount rate that reflects the current market assessments of the time value of money and the possible risk specific to the liability. If discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

	2025	2024
<b>Provisions at the beginning of the period</b>	<b>653</b>	<b>2,846</b>
Increase	1,619	2,336
Utilised	(295)	(2,075)
Reversed	(129)	(2,454)
<b>Provisions at the end of the period</b>	<b>1,848</b>	<b>653</b>
<i>Current</i>	<i>1,848</i>	<i>653</i>

The provisions recognised as at 31 December 2025 and as at 31 December 2024 include provisions for litigation.

The table below summarizes court cases for which a provision was recognised (probable outflow of resources embodying economic benefits) and those for which provision was not recognised (outflow of resources embodying economic benefits is not probable) as at 31 December 2025 and as at 31 December 2024:

	31.12.2025	31.12.2024
<b>An outflow of resources embodying economic benefits is probable</b>		
Number of lawsuits	10	15
The value of liabilities for individual lawsuits	2 - 798	1 - 392
The value of the provision	1,370	653
<b>An outflow of resources embodying economic benefits is not probable</b>		
Number of lawsuits	18	16
The value of liabilities for individual lawsuits	1 - 621	8 - 620
Total value of lawsuits for which no provisions were recognised	3,127	3,191

## 7. Debt and capital management

### 7.1. Capital management

The main objective of the Group's capital management is to maintain a good credit rating and safe capital ratios that would support the Group's operating activities and increase the value for its shareholders. The Group is not subject to any externally imposed capital requirements.

The bank loans agreements and bonds are subject to covenants based on consolidated EBITDA after some adjustments, net debt and interest expense. The covenants for the bank loans agreements are tested at the end of each quarter. The covenants for the bonds are tested at the end of each half-year (the first period ends on 31 December 2025). As at 31 December 2025, all financial covenants were fulfilled. The Group has no indication that it will have difficulty complying with these covenants.

The Group manages the capital structure and introduces changes to it as a result of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may change the dividend payment to shareholders, return capital to shareholders or issue new shares. In the reporting periods ended 31 December 2025 and 31 December 2024 no changes were made to the objectives, rules and processes in this area.

The Group monitors equity using the leverage ratio, which is the ratio of net debt to total equity plus net debt. The Group's net debt includes interest-bearing loans and borrowings and lease liabilities, less cash and cash equivalents. Equity comprises of equity attributable to owners of the parent. The leverage ratio at the Group is significantly impacted by long-term lease and rental contracts.

	Note	31.12.2025	31.12.2024
Loans and borrowings	7.3	4,147,670	4,548,816
<i>Bank loans</i>		<i>3,133,142</i>	<i>4,531,137</i>
<i>Bonds</i>		<i>1,000,948</i>	<i>-</i>
<i>Borrowings</i>		<i>13,580</i>	<i>17,679</i>
Lease liabilities	6.4	5,301,400	4,854,647
Less cash and cash equivalents	7.4	(1,078,992)	(749,578)
<b>Net debt</b>		<b>8,370,078</b>	<b>8,653,885</b>
Equity	7.2	2,493,708	1,388,894
<b>Equity and net debt</b>		<b>10,863,786</b>	<b>10,042,779</b>
<b>Leverage ratio</b>		<b>77%</b>	<b>86%</b>

The Group actively manages the level of the leverage ratio as part of liquidity management as described in note 8.2. The Group monitors liquidity risk with a specific focus on interest payable within the next 12 months and both short and long-term instalments payable. Liquidity is monitored with support of the periodic liquidity planning tool. This tool takes into account the maturity / maturity dates of both liabilities and financial assets (e.g. receivables, other financial assets) and forecast cash flows from operating activities.

## 7. Debt and capital management continued

### 7.2. Equity

#### Share capital

Composition of shareholders as at 31 December 2025:

Shareholder	Number of shares	% of shares / % of shareholders voting rights
Heket Topco S.à r.l.	377,364,050	37.62%
PG Investment Company 1113B S.à r.l.	100,425,713	10.01%
Others	521,404,842	51.99%
Treasury shares	3,780,000	0.38%
<b>Total</b>	<b>1,002,974,605</b>	<b>100.00%</b>

Composition of shareholders as at 31 December 2024:

Shareholder	Number of shares	% of shares / % of shareholders voting rights
Heket Topco S.à r.l.	451,368,993	45.14%
PG Investment Company 1113B S.à r.l.	126,420,770	12.64%
Others	422,210,237	42.22%
<b>Total</b>	<b>1,000,000,000</b>	<b>100.00%</b>

On 10 October 2024, the shareholders resolved to convert all the existing class A and B Ordinary Shares, and class A and B Preference Shares with nominal value of EUR 0.01, each by the creation of 1,000,000,000 ordinary shares with the same voting and dividend rights without nominal value according to the formula set out in the conversion agreement dated 2 December 2021.

The Company's shares have been incorporated in compliance with Luxembourg law and have been listed on the Warsaw Stock Exchange since 17 October 2024.

As of 31 December 2024, the subscribed and fully paid up capital amounting to PLN 119,790 thousand (EUR 26,039 thousand) was represented by 1,000,000,000 ordinary shares without nominal value.

On 30 October 2025, the delegates of the Board of the Company resolved to increase its share capital by an amount of PLN 329 thousand (EUR 77 thousand) through the issuance of 2,974,605 shares, without nominal value, for a total subscription price of PLN 65,084 thousand (EUR 15,344 thousand), out of which the amount of PLN 64,756 thousand (EUR 15,266 thousand) was allocated to the share premium of the Company. The shares were allocated to selected beneficiaries under the IPO Award programme presented in note 9.2. The increase of capital has been paid in cash for an amount of PLN 65,074 thousand (EUR 15,342 thousand) and by way of incorporation of the available reserve (reduction in the share premium) of an amount of PLN 10 thousand (EUR 2 thousand).

As of 31 December 2025, the subscribed and fully paid up capital amounting to PLN 120,119 thousand (EUR 26,118 thousand) was represented by 1,002,974,605 ordinary shares without nominal value.

#### Share premium

As at 31 December 2024, the share premium amounted to PLN 8,382,968 thousand.

On 30 October 2025, in relation with the share capital increase described above, an amount of PLN 64 756 thousand (EUR 15,266 thousand) was allocated to the Company's share premium account and PLN 10 thousand (EUR 2 thousand) decreased the share premium account.

As at 31 December 2025, the share premium amounts to PLN 8,447,714 thousand.

#### Treasury shares

In August 2025 the Group executed transactions under the share buyback programme to satisfy awards under the Long-Term Incentive Plan. As a result of all transactions carried out under the buyback during the period from 7 August 2025 to 19 August 2025, the Company acquired in aggregate 3,780,000 own shares, representing approx. 0.38% of the Company's issued share capital. As at 31 December 2025, the treasury shares amount to PLN (82,304) thousand.

## 7. Debt and capital management continued

### 7.3. Debt

#### Accounting policy

The Group classifies liabilities due to loans, borrowings including bonds and leases as debt.

Upon initial recognition, all bank loans and borrowings are recognised at fair value, less costs related to obtaining the loan or borrowing. After the initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

When determining the amortised cost, the costs related to obtaining the loan or borrowing as well as discounts or premiums obtained in relation to the liability are taken into account.

In the case of floating-rate financial liabilities, periodic reassessment of cash flows is performed to reflect changes in market interest rates, including those resulting from changes in margins and it alters the effective interest rate.

Any gains or losses are recognised in profit or loss when a liability is derecognised from the balance sheet and as a result of using the effective interest rate method.

The description of the accounting policy applied and the judgements and estimates made in relation to lease liabilities are presented in note 6.4.

The reconciliation of changes in liabilities resulting from financing activities is presented below:

	Bank loans	Bonds	Loans	Lease liabilities	Total
<b>As at 01.01.2025</b>	<b>4,531,137</b>	<b>-</b>	<b>17,679</b>	<b>4,854,647</b>	<b>9,403,463</b>
<b>Monetary changes</b>					
Cash inflows	1,693,596	1,000,000	-	-	<b>2,693,596</b>
Payment	(3,352,869)	(37,860)	(5,299)	(1,186,651)	<b>(4,582,679)</b>
<i>Capital repayment</i>	<i>(3,093,397)</i>	<i>-</i>	<i>(4,158)</i>	<i>(819,664)</i>	<b><i>(3,917,219)</i></b>
<i>Interest paid</i>	<i>(259,472)</i>	<i>(37,860)</i>	<i>(1,141)</i>	<i>(366,987)</i>	<b><i>(665,460)</i></b>
<b>Non-monetary changes</b>					
Accrued interest	313,241	38,808	1,200	366,699	<b>719,948</b>
Exchange differences from valuation	(10,156)	-	-	(6,347)	<b>(16,503)</b>
Expected cash flows changes	(41,898)	-	-	-	<b>(41,898)</b>
Other non-monetary changes	91	-	-	1,273,052	<b>1,273,143</b>
<b>As at 31.12.2025</b>	<b>3,133,142</b>	<b>1,000,948</b>	<b>13,580</b>	<b>5,301,400</b>	<b>9,449,070</b>
<i>Current</i>	<i>307,414</i>	<i>5,638</i>	<i>5,150</i>	<i>856,596</i>	<b><i>1,174,798</i></b>
<i>Non-current</i>	<i>2,825,728</i>	<i>995,310</i>	<i>8,430</i>	<i>4,444,804</i>	<b><i>8,274,272</i></b>

## 7. Debt and capital management continued

	Bank loans	Bonds	Loans	Lease liabilities	Total
<b>As at 01.01.2024</b>	<b>5,196,354</b>	-	<b>22,015</b>	<b>4,012,563</b>	<b>9,230,932</b>
<b>Monetary changes</b>					
Cash inflows	1,022,215	-	-	-	<b>1,022,215</b>
Payment	(2,094,232)	-	(6,022)	(1,082,963)	<b>(3,183,217)</b>
<i>Capital repayment</i>	<i>(1,629,180)</i>	-	<i>(4,336)</i>	<i>(762,768)</i>	<b><i>(2,396,284)</i></b>
<i>Interest paid</i>	<i>(465,052)</i>	-	<i>(1,686)</i>	<i>(320,195)</i>	<b><i>(786,933)</i></b>
<b>Non-monetary changes</b>		-			
Acquisition of subsidiaries	31,819	-	-	37,983	<b>69,802</b>
Accrued interest	475,004	-	1,686	320,247	<b>796,937</b>
Exchange differences from valuation	(13,639)	-	-	(23,143)	<b>(36,782)</b>
Expected cash flows changes	(84,432)	-	-	-	<b>(84,432)</b>
Other non-monetary changes	(1,952)	-	-	1,589,960	<b>1,588,008</b>
<b>As at 31.12.2024</b>	<b>4,531,137</b>	-	<b>17,679</b>	<b>4,854,647</b>	<b>9,403,463</b>
<i>Current</i>	<i>325,466</i>	-	<i>4,420</i>	<i>764,215</i>	<b><i>1,094,101</i></b>
<i>Non-current</i>	<i>4,205,671</i>	-	<i>13,259</i>	<i>4,090,432</i>	<b><i>8,309,362</i></b>

Other non-monetary changes in lease liabilities result from new lease contracts, termination of lease contracts and from modification and remeasurement of lease contracts to reflect changes in lease payments. Other information on the lease liabilities is presented in note 6.4. Whereas, income, costs, gains and losses from financial instruments (including loans, borrowings and lease liabilities) are presented in note 8.1.

## 7. Debt and capital management continued

Detailed information on bonds, loan and bank loan agreements is presented in the table below:

Type	Granting entity	The date of conclusion of the contract	Loan / borrowing amount (in thousands)	Currency	Interest*	Repayment method	Maturity date	Carrying amount	
								31.12.2025	31.12.2024
Bank loan	Bank	14 July 2021	145,542	PLN	WIBOR 6M + margin	semi-annual instalments	1 September 2025	-	88,639
Bank loan (SFA)	Syndicate of banks	9 January 2023 / 9 September 2025***	1,926,414	PLN	WIBOR 3M + margin	semi-annual increasing capital instalments starting from 30 June 2024	30 June 2031	1,234,850	1,120,371
Bank loan (SFA)	Syndicate of banks	9 January 2023 / 9 September 2025***	55,819	EUR	EURIBOR 3M + margin	semi-annual increasing capital instalments starting from 30 June 2024	30 June 2031	49,806	179,805
Bank loan (SFA)	Syndicate of banks	9 January 2023 / 9 September 2025***	2,800,000	PLN	WIBOR 3M + margin	one-time repayment	30 September 2031	1,335,092	2,343,787
Bank loan (SFA)	Syndicate of banks	9 January 2023 / 9 September 2025***	130,245	EUR	EURIBOR 1M + margin	one-time repayment	30 September 2025**	-	446,503
Bank loan (SFA)	Syndicate of banks	9 January 2023 / 9 September 2025***	50,000	EUR	EURIBOR 3M + margin	one-time repayment	30 September 2031	205,645	-
Non-bank borrowing	Financing entity	18 May 2023	19,091	PLN	WIBOR 1M + margin	monthly instalments starting from 25 July 2023	25 June 2028	11,002	14,260
Bank loan (CFA)	Bank	24 May 2023	309,994	PLN	WIBOR 3M + margin	semi-annual increasing capital instalments starting from 30 June 2024	24 May 2029	240,200	285,820
Bank loan (CFA)	Bank	24 May 2023	7,500	EUR	EURIBOR 3M + margin	semi-annual increasing capital instalments starting from 30 June 2024	24 May 2029	25,422	29,737
Non-bank borrowing	Financing entity	20 June 2023	4,496	PLN	WIBOR 1M + margin	monthly instalments starting from 15 August 2023	15 July 2028	2,578	3,419
Revolving Facility	Bank	04 July 2024	12,000	EUR	ROBOR/ EURIBOR 1M + margin	daily payments	31 March 2026	42,127	36,475
Bonds	Investors	7 May 2025	1,000,000	PLN	WIBOR 6M + margin	one-time repayment, interest paid twice a year	7 May 2030	1,000,948	-
<b>Total bonds, loans and bank loans</b>								<b>4,147,670</b>	<b>4,548,816</b>

## 7. Debt and capital management continued

\* Under the signed bank loan agreements with Syndicate of the banks (Credit facility agreement concluded on 9 January 2023) and Credit facility agreement concluded on 24 May 2023, the Group may choose a one-month, three-month or six-month interest period or another period agreed with the lenders. The interest rate as at 31 December 2025 and as at 31 December 2024 was WIBOR 1M + margin, EURIBOR 1M + margin, WIBOR 3M + margin and EURIBOR 3M + margin.

\*\* actual repayment date.

\*\*\* 2 dates were given - the original contract and the contract replacing the original contract.

### SFA - Senior Facilities Agreement dated 9 September 2025

On 9 September 2025 Żabka Polska sp. z o.o. as borrower and guarantor, Żabka Group S.A. and Żabka International S.à r.l., as guarantors, ING Bank N.V., London Branch, as agent and security agent and a syndicate of financial institutions as lenders executed the Senior Facilities Agreement (under the Loan Market Association standard), providing for the granting of:

1. amortised term loan facilities in the amounts of approx. PLN 800 million and approx. EUR 13 million, maturing on 30 June 2031;
2. bullet-repaid term loan facilities in the amounts of approx. PLN 1,451 million and EUR 50 million, maturing on 30 September 2031;
3. revolving credit facility in the amount of PLN 500 million, maturing on 30 June 2031;
4. initial incremental facility in the amount of PLN 512 million, maturing on 30 June 2031.

The conclusion of the Senior Facilities Agreement was related to the refinancing of the indebtedness of the capital group (under the existing Senior Facilities Agreement), leading to a reduction in its servicing costs and an extension of its maturity dates. The conclusion of the new Senior Facilities Agreement also allowed the netting of current indebtedness against granted commitments as a continuation of the financing on the new Senior Facilities Agreement basis.

Each facility and the incremental facility bear interest at a variable interest rate determined on the basis of a base rate being the WIBOR reference rate for the Facilities denominated in PLN and for the Incremental Facility or the EURIBOR reference rate for the Facilities denominated in EUR, increased by a fixed margin, which may be adjusted depending on changes in financial ratios and achievement of ESG indicators specified in the Senior Facilities Agreement.

The Senior Facilities Agreement contains a number of representations, covenants, and events of default standard for agreements of this type (in particular concerning the maintenance of required levels of the financial leverage ratio and the interest coverage ratio).

The Senior Facilities Agreement has been secured by the following collaterals:

1. a registered and financial pledge agreement over the shares in Żabka Polska sp. z o.o. governed by Polish law;
2. a share pledge agreement over the shares in Żabka International S.à r.l. governed by Luxembourg law;
3. a submission to enforcement statement governed by Polish law.

The Senior Facilities Agreement is subject to covenants based on consolidated EBITDA, net debt and interest expense. The covenants are tested at the end of each quarter. As at 31 December 2025, all financial covenants were fulfilled. The Group has no indication that it will have difficulty complying with these covenants.

The Group concluded that the modified agreement should be treated as the exchange which is not substantially different and does not result in an extinguishment. Gain on exchange (modification) was recorded as financial income (please refer to note 5.4).

### CFA - Credit facility agreement concluded on 24 May 2023

On 24 May 2023, the Group entered into a Credit Facility Agreement with a bank to finance and refinance capital expenditure up to a total maximum amount of PLN 309,994 thousand and EUR 7,500 thousand.

In 2023, the Group drew the whole amount from the credit facility. In accordance with the terms of the Credit Facility Agreement, the debt under the credit facility will be repaid in semi-annual principal instalments starting from June 2024, and the

## 7. Debt and capital management continued

last instalment will be repaid in May 2029. Scheduled repayments took place during the 2025.

In connection with the execution of the Credit Facility Agreement, the Group has provided, through the security agent for the bank, the same security as in the case of the bank syndicate.

On 31 January 2025 the Group has concluded Amendment and Restatement Agreement no. 1 to the Credit Facility Agreement. Pursuant to this Agreement, the Facility Agreement was amended in particular with regard to:

1. limitation of the collateral catalog to (a) pledges established on shares of direct subsidiaries of the Company and shares of Żabka Automatic Logistics sp. z o.o., and (b) guarantees provided by direct subsidiaries of the Issuer and other material subsidiaries;
2. removal of restrictions on, among other things, transfer of funds and disposal of assets between members of the Żabka Group entities;
3. allowing Group members to issue unsecured bonds up to a total amount of PLN 1,000,000 thousand within the existing limits of indebtedness; and
4. change of the interest rate on the financing under the Facility Agreement by reducing the facilities margin by 75 bps, which, taking into account the earlier decrease of the margin from 17 October 2024 by an additional 25 bps in connection with the admission of the Company's shares to trading on the Warsaw Stock Exchange, results in a total decrease of 100 bps of the facility margin.

The Amendment and Restatement Agreement also amended other provisions of the Facility Agreement that do not significantly affect its general terms but, among other things, adjust the content of the Facility Agreement to the situation and the Group's current needs.

On 30 September 2025 the Group has concluded Amendment and Restatement Agreement no. 2 to the Credit Facility Agreement.

As a result of entering into the Amendment and Restatement Agreement no. 2 Credit Facility Agreement, the margin has been reduced, which will consequently lead to lower interest payments related to servicing the Group's debt in subsequent periods.

Furthermore, in accordance with the Amendment and Restatement Agreement no. 2 Credit Facility Agreement, the existing permissible limit for bond issuances by the Group companies has been increased by PLN 1 billion, to a total amount of PLN 2 billion, within the existing indebtedness limits.

The Credit Facility Agreement is subject to covenants based on consolidated EBITDA, net debt and interest expense. The covenants are tested at the end of each quarter. As at 31 December 2025, all financial covenants were fulfilled. The Group has no indication that it will have difficulty complying with these covenants.

### Export Credit Facility Agreement (ECA) concluded on 14 July 2021

On 1 September 2025 the Export Credit Facility Agreement originally dated 14 July 2021, relating to a buyer credit term loan facility in the principal amount of PLN 184,600,000, between, among others, the Żabka Automatic Logistics sp. z o.o., Żabka Polska sp. z o.o. and Banco Santander S.A. as lender has been fully repaid.

### Revolving facility agreement concluded on 4 July 2024

On 4 July 2024, DRIM Daniel Distributie FMCG S.R.L. and Froo Romania Retail S.R.L. entered into a Credit Facilities Agreement (the 'Agreement') for a total maximum amount of EUR 12,000 thousand (with utilization possible in RON or EUR up to the maximum limit).

Pursuant to the terms of the Agreement, the credit limit may be used by for:

1. Issuance of bank guarantees.
2. Credit line – general purposes.

The obligations have been secured by a corporate guarantee provided by Żabka Polska sp. z o.o. The borrowers may utilize the credit limit until 31 March 2026.

## 7. Debt and capital management continued

### Non-bank borrowings

Non-bank borrowings include sale and leaseback transactions for which the transfer of assets is not a sale within the meaning of IFRS 15 because control of underlying assets does not pass to the buyer-lessor. Therefore, these transactions are accounted for as financing transactions secured by fixed assets.

### Bonds

On 25 March 2025, Zabka Group S.A., acting as the issuer, entered into a Bond Issuance Program Agreement ('Bond Issuance Program') with Żabka Polska sp. z o.o. as the second issuer, Bank Polska Kasa Opieki S.A. as arranger and dealer, Powszechna Kasa Oszczędności Bank Polska S.A. as arranger and dealer, Santander Bank Polska S.A. as arranger, dealer, and ESG coordinator, and Trigon Dom Maklerski S.A. as dealer. The agreement was concluded for an indefinite period, and under the Bond Issuance Program, Zabka Group S.A. and Żabka Polska sp. z o.o. acquired the ability to issue bonds governed by Polish law for a total maximum amount of PLN 1,000,000 thousand. The purpose of the issuance under the Bond Issuance Program was defined as 'general corporate purposes of the Żabka Group companies'. The Program allows for the issuance of plain bonds as well as Sustainability-Linked Bonds (SLB).

On 7 May 2025, under the established Bond Issuance Program, Zabka Group S.A. issued 1,000,000 units of bonds series ZAB0530, each with a nominal value of PLN 1 thousand and a total nominal value of PLN 1,000,000 thousand. The bonds are sustainability-linked in accordance with the standards of the International Capital Market Association ('ICMA') and are secured by a corporate guarantee provided by Żabka Polska sp. z o.o.

The maturity of the bonds is 5 years. The interest rate is variable and based on the 6-month WIBOR benchmark rate, increased by a margin of 150 basis points. On 15 July 2025 the Group introduces the Bonds to the Catalyst Alternative Trading System operated by the Warsaw Stock Exchange.

### Guarantees

As at 31 December 2025 the amount of bank and insurance guarantees issued at the request of Żabka Polska sp. z o.o. amounted to PLN 202,777 thousand (PLN 182,491 thousand as at 31 December 2024). The guarantees issued were unconditional and constituted, to a large extent, security for the proper performance of the agreements concluded by the company.

## 7.4. Cash and cash equivalents

### Accounting policy

Cash and cash equivalents disclosed in the consolidated statement of financial position and the consolidated statement of cash flows include cash at bank and in hand as well as short-term deposits with an original maturity of three months or less.

Cash at bank bears interest at variable interest rates, the amount of which depends on the interest rate on overnight bank deposits. Short-term deposits are made for various periods, from one day to one month, depending on the Group's current demand for cash, and bear interest at the interest rates set for them.

Accounting policy for financial instruments is presented in note 8.1.

	31.12.2025	31.12.2024
Cash at bank	1,076,983	749,060
Cash in hand	2,009	518
<b>Cash and cash equivalents</b>	<b>1,078,992</b>	<b>749,578</b>
Fair value	1,078,992	749,578

Information on the risks to which cash is exposed is presented in note 8.2

## 7. Debt and capital management continued

### 7.5. Explanatory notes to the consolidated statement of cash flows

The tables below explain the differences between changes in some of the items in the consolidated statement of financial position and changes presented in the consolidated statement of cash flows.

	2025	2024
<b>Change in receivables presented in the consolidated statement of financial position</b>	<b>(417,567)</b>	<b>(219,649)</b>
<i>(increase) / decrease in non-current other financial assets</i>	8,061	(14,894)
<i>(increase) / decrease in current other financial assets</i>	2,503	48,717
<i>(increase) / decrease in non-current other non-financial assets</i>	3,058	(1,867)
<i>(increase) / decrease in current other non-financial assets</i>	84,839	(56,703)
<i>(increase) / decrease in trade receivables</i>	(516,028)	(194,902)
Prepayments	9,221	(6,486)
Change due to acquisition of subsidiaries	-	46,123
Effect of receivables discount and interest	317	2,657
Change in receivables due to cash deposits	(10,253)	9,653
Change in receivables from proceedings to secure claims	-	(60,793)
Change in investment in a joint venture	(4,109)	4,543
Other	1,578	(970)
<b>(Increase) / decrease in receivables presented in the consolidated cash flow statement</b>	<b>(420,813)</b>	<b>(224,922)</b>

	2025	2024
<b>Change in payables (except loans and borrowings), presented in the consolidated statement of financial position</b>	<b>788,503</b>	<b>1,238,187</b>
<i>increase / (decrease) in non-current employee benefits liabilities</i>	1,374	(270)
<i>increase / (decrease) in current employee benefits liabilities</i>	5,709	4,660
<i>increase / (decrease) in non-current other financial liabilities</i>	9,844	93,886
<i>increase / (decrease) in non-current other non-financial liabilities and deferred income</i>	(75)	252
<i>increase / (decrease) in current other non-financial liabilities and deferred income</i>	11,789	11,188
<i>increase / (decrease) in current trade payables and other financial liabilities</i>	759,862	1,128,471
Change in non-invoiced liabilities	(43,156)	(54,611)
Change in deferred income	(386)	(164)
Change due to acquisition of subsidiaries	-	(44,431)
Change in capital expenditure liabilities	15,299	(105,938)
Change in employee benefit accounted for in other comprehensive income	(815)	187
Effect of discounting liabilities	(1,331)	(1,563)
Change in accruals due to factoring interest	312	(4,611)
Valuation of derivatives	(9,846)	(94,304)
Other	-	(1,224)
<b>(Increase) / decrease in payables (except loans and borrowings), presented in the consolidated cash flow statement</b>	<b>748,580</b>	<b>931,528</b>

## 7. Debt and capital management continued

	2025	2024
<b>Change in prepayments, accruals and deferred income</b>		
Prepayments	(9,221)	6,486
Deferred income	386	164
Non-invoiced liabilities	43,156	54,611
Non-interest loan-related costs	14,202	(12,341)
Other	-	(47)
<b>(Increase) / decrease in the balance of prepayments, accruals and deferred income presented in the consolidated statement of cash flows</b>	<b>48,523</b>	<b>48,873</b>
	2025	2024
<b>Purchase of property, plant and equipment and intangible assets</b>		
Additions of property, plant and equipment	(1,268,166)	(1,323,856)
Additions of intangible assets	(346,912)	(351,134)
Change in capital expenditure payables	(15,299)	105,939
Depreciation charge capitalised as leasehold improvements	988	1,030
Return of funds in proceedings to secure claims of a building contractor	-	60,793
Compensation	5,588	-
<b>Purchase of property, plant and equipment and intangible assets presented in the consolidated statement of cash flows</b>	<b>(1,623,801)</b>	<b>(1,507,228)</b>

	2025	2024
<b>(Gains) / Losses from investing activities</b>		
(Gains) / Losses on disposal and decommissioning of property, plant and equipment	(7,229)	(1,496)
Loss allowance for expected credit losses on loans	(39)	-
Impairment of property, plant and equipment, intangible assets and right of use	3,233	15,370
Other	-	(427)
<b>(Gains) / losses from investing activities presented in the consolidated statement of cash flows</b>	<b>(4,035)</b>	<b>13,447</b>
	2025	2024
<b>Change in inventory presented in the consolidated statement of financial position</b>	<b>(57,625)</b>	<b>(317,627)</b>
Increase due to acquisition of subsidiaries	-	51,621
<b>(Increase) / decrease in inventory presented in the consolidated statement of cash flows</b>	<b>(57,625)</b>	<b>(266,006)</b>

Information on cash flows resulting from concluded lease agreements is presented in note 6.4.

## 8. Financial instruments, financial risk and liquidity management continued

### 8.1. Financial instruments

#### Accounting policy

#### Financial assets

##### Classification of financial assets

Financial assets are classified into the following measurement categories:

- » measured at amortised cost,
- » measured at fair value through profit or loss,
- » measured at fair value through other comprehensive income.

The Group classifies a financial asset based on its business model of financial asset management and the contractual cash flow characteristics of the financial asset (the so-called 'SPPI criterion'). The Group reclassifies investments in debt instruments when and only when the business model for managing these assets changes.

##### Initial recognition measurement

At initial recognition the Group measures a financial asset at its fair value, which in the case of financial assets not measured at fair value through profit or loss is increased by transaction costs that can be directly attributed to the acquisition of these financial assets.

##### Derecognition

Financial assets are derecognised when:

- » the contractual rights to receive cash flows from financial assets expire or
- » contractual rights to obtain cash flows from financial assets are transferred and the Group transfers substantially all risks and rewards of ownership.

##### Measurement subsequent to initial recognition

For the purposes of measurement subsequent to initial recognition, financial assets are classified into one of the four categories:

- A. debt instruments measured at amortised cost,
- B. debt instruments measured at fair value through other comprehensive income,
- C. equity instruments measured at fair value through other comprehensive income,
- D. financial assets measured at fair value through profit or loss.

The Group does not currently have any instruments classified under B or C.

##### *A. Debt instruments - financial assets measured at amortised cost*

A financial asset is measured at amortised cost if both of the following conditions are met:

- » the financial asset is held according to a business model whose objective is to hold the financial assets in order to collect the contractual cash flows, and
- » the contractual terms of the financial asset give rise to cash flows on specified dates that are only payments of principal and interest on the principal amount outstanding.

To the category of financial assets measured at amortised cost, the Group classifies:

- » trade receivables,
- » loans that meet the SPPI classification test, which, according to the business model, are reported as held to collect the contractual cash flows,
- » cash and cash equivalents.

## 8. Financial instruments, financial risk and liquidity management continued

Interest income is calculated using the effective interest rate method and is presented in the consolidated statement of profit or loss and other comprehensive income under 'Financial income'.

### *D. Financial assets measured at fair value through profit or loss*

Financial assets that do not meet the criteria of measurement at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss (financial income or financial costs).

The Group includes shares and stocks as well as factoring receivables in this category. In the Group's opinion, the carrying amount of factoring receivables reflects the fair value due to the short term and high credit rating of franchisees covered by factoring.

### Offsetting

In a situation where the Group:

- » has a valid legal right to set off the recognised amounts, and
- » intends to settle the net amount or simultaneously realizes the asset and the liability,

the financial asset and the financial liability are offset and disclosed in the consolidated statement of financial position in the net amount.

### Expected credit losses

At each reporting date, the Group recognises a loss allowance for expected credit losses related to the financial asset carried at amortized cost.

The Group estimates that the credit risk associated with a financial instrument has increased significantly since its initial recognition if the delay in payment is more than 90 days.

The Group has not identified cases of a significant increase in credit risk related to financial instruments.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full.

At each reporting date, the Group recognises a loss allowance for expected credit loss on a financial instrument in an amount equal to the lifetime expected credit loss, if the credit risk associated with a given financial instrument has increased significantly since the initial recognition, regardless of whether it was assessed individually or collectively - taking into account all reasonable and supportable information, including forward-looking information.

If, as at the reporting date, the credit risk related to a financial instrument has not significantly increased since the initial recognition, the Group measures the allowance for expected credit loss for that financial instrument in the amount equal to a 12-month expected credit loss.

The Group always measures the loss allowance at an amount equal to expected lifetime credit loss in relation to trade receivables or contract assets resulting from transactions that are within the scope of IFRS 15.

## 8. Financial instruments, financial risk and liquidity management continued

The Group measures expected credit losses on financial instruments in a way that reflects:

- » an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- » time value of money, and
- » reasonable and supportable information that is available without undue cost or effort at the reporting date regarding past events, current conditions and forecasts of future economic conditions.

When assessing the future economic conditions, the Group focuses on economic factors such as change in GDP ratio and how it affects unemployment rates which in turn affect the overall capacity of its debtors to pay off their debts towards the Group. Additionally those ratios are considered at the regional level to account for differentiation of regions.

The Group assesses the risk or probability of a credit loss occurring, taking into account the possibility of a credit loss occurrence and the possibility of no credit loss occurring, even if the probability of a credit loss occurrence is very low.

The Group recognises an impairment gain or loss of expected credit losses that is required to adjust the loss allowance for expected credit loss, in profit or loss.

### Financial liabilities

As at reporting dates, no financial liabilities except derivatives described below were classified as measured at fair value through profit or loss.

Other financial liabilities different than financial instruments measured at fair value through profit or loss are measured at amortised cost using the effective interest rate method.

The Group derecognises a financial liability from its balance sheet when the liability expires - that is, when the obligation specified in the contract is fulfilled, cancelled or it expires.

The replacement of the previous debt instrument by an instrument with substantially different terms and conditions between the same entities is recognised by the Group as the expiration of the original financial liability and the recognition of a new financial liability.

Similarly, significant modifications to the terms of an agreement relating to an existing financial liability are recognised by the Group as the expiration of the original and recognition of a new financial liability. The difference of the respective carrying amounts arising from the replacement is recognised in profit or loss.

### Derivatives

The Group classifies a financial instrument as a derivative if:

- » its value changes in response to the change in the value of the underlying instrument,
- » it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors,
- » it is settled at a future date.

Derivatives are measured at fair value at initial recognition and subsequently at fair value through profit or loss unless they are considered effective hedge.

### Hedge accounting

The Group applies hedge accounting in accordance with IFRS 9 for its cash flow hedges. A cash flow hedge is a hedge against exposure to cash flow variability that is attributable to a specific risk associated with a recognised asset or liability or a highly probable forecast transaction.

The Group applies cash flow hedging to mitigate the energy price volatility risk associated with purchases of electricity at volatile (spot) prices. The Group uses embedded derivatives that are part of vPPAs as hedging instruments.

## 8. Financial instruments, financial risk and liquidity management continued

### Virtual Power Purchase Agreements (vPPAs)

In order to implement its financial risk management strategy, the Group enters into virtual Power Purchase Agreements ('vPPAs').

Each time when the new vPPA contract is entered into, the Group performs the accounting consideration:

1. In regards to the purchase of other non-financial assets (the host contract, i.e. guarantee of origin):
  - a. whether the contract has been entered into and is maintained for the purpose of receiving non-financial components according to the entity's expected needs for delivery, sale, or utilisation of these components (i.e., whether it meets the conditions of the 'own-use exemption', meaning it uses non-financial positions for its own use, as per IFRS 9 paragraph 2.4. or
  - b. whether the agreement falls under IFRS 9.
2. In regards to the financial settlement: whether it meets the definition of a derivative, and whether it is closely related to the host contract. Financial settlements that are not closely related, are separately recognised and measured.

In terms of vPPAs entered into, the Group concluded that the agreements meet the 'the own-use exemption' criteria for the purchase of guarantees of origin. At the same time, the Group classifies financial settlement (which is contract for difference and a swap to change the price of electricity from variable to fixed) as a derivative and separates it from the host contract due to the fact that the contract for difference formula based on electricity prices is not closely related to the prices of guarantees of origin.

A contract for difference is recognised on the date on which the Group becomes a party to the contract and the contract is irrevocable (usually upon signing a vPPA). The Group designates contracts for difference entered into under vPPAs as hedging instruments in its cash flow hedge accounting.

The Group uses contracts for difference exclusively for the purpose of hedging financial risks and not for speculative purposes.

### The fair values of individual classes of financial instruments

The best evidence of the fair value of a financial instrument at initial recognition is usually the transaction price (i.e. the fair value of the consideration paid or received). As the initial transaction price should represent fair value at initial recognition, the Group calibrates the fair value model which uses unobservable inputs to defer the difference between the fair value resulting from the model at initial recognition and the transaction price.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities that are measured at fair value or when their fair value is disclosed in these Consolidated Financial Statements are classified in the fair value hierarchy as described below based on the lowest input data that is significant to the fair value measurement taken as a whole:

Level 1 - Quoted (unadjusted) market prices in an active market for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level of input data that is relevant to the fair value measurement as a whole is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level of input data that is relevant to the fair value measurement as a whole is unobservable.

At each reporting date, in the case of assets and liabilities existing in these Consolidated Financial Statements, the Group assesses whether there have been transfers between the levels of the hierarchy by reassessing the classification to individual levels, taking into account the materiality of the input data from the lowest level that is significant for fair value measurements taken as a whole.

## 8. Financial instruments, financial risk and liquidity management continued

### Amounts based on professional judgement

#### Hedge effectiveness

To be able to apply hedge accounting to vPPA contracts, the Group should meet the qualifying criteria under IFRS 9. The principal component of hedge accounting is the hedging relationship. At the time the hedging relationship is established, the Group documents, among other things, the economic relationship between the hedge instruments and the hedged items, including the extent to which changes in the cash flows of the hedge instrument offset changes in the cash flows of the hedged item (hedge effectiveness).

As long as the hedge relationship meets the criteria for hedge accounting, gains or losses arising from changes in the fair value of the hedging instrument are recognised in other comprehensive income (as a separate item of equity), to the extent that the hedging instrument is an effective hedge of the related hedged item. The ineffective portion of the gain or loss on the hedging instrument is recognised in profit or loss.

### Estimates

#### Fair value of contracts for differences incorporated into a vPPA

In order to measure contracts for difference separately from vPPAs, the Group applies generally accepted valuation techniques. Future cash flows associated with

commodity swaps are based on electricity prices sourced from commodity exchanges. For unobservable inputs spanning a longer time horizon, these cash flows are based on projected prices calculated by an external advisor. The valuation is based on the projected amounts of electricity to be generated by wind and solar farms.

The valuation of hedge instruments takes into account the discounted value of projected net settlements of contracts for difference under vPPAs. The valuation takes into account projected future electricity prices, the profile cost of renewable assets, credit valuation adjustment ('CVA') or debit valuation adjustment ('DVA'), and the fair value adjustment at the date of initial recognition. Contracts for difference, entered into at arm's length between unrelated parties, are classified as Level 3 of the fair value hierarchy.

The main financial instruments used by the Group include bank loans, borrowings, lease agreements, loan assets, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also has other financial instruments, such as trade receivables and liabilities that arise directly in the course of its operations.

In accordance with a policy followed by the Group currently and throughout the reporting period, the Group does not trade in financial instruments.

## 8. Financial instruments, financial risk and liquidity management continued

### Carrying amounts of financial instruments

The table below presents the carrying amounts of all financial instruments of the Group, broken down into individual classes and categories of assets and liabilities. The abbreviations used mean:

AC	Financial instruments valued at amortised cost
FVPL	Financial instruments valued at fair value through profit or loss
FVHA	Financial instruments valued at fair value designated for hedge accounting
FV	Financial instruments valued at fair value

Item	Note	Category	31.12.2025	31.12.2024
Loans granted	6.8	AC	5,855	6,769
Shares and stocks	6.8	FVPL	22,735	22,735
Other financial assets, including:	6.8		57,060	67,624
<i>Factored receivables</i>		<i>FVPL</i>	<i>10,374</i>	<i>22,487</i>
<i>Deposits</i>		<i>AC</i>	<i>34,258</i>	<i>40,510</i>
<i>Other</i>		<i>AC</i>	<i>12,428</i>	<i>4,627</i>
Trade receivables	6.7	AC	2,793,509	2,277,481
Cash and cash equivalents	7.4	AC	1,078,992	749,578
<b>Financial assets</b>			<b>3,958,151</b>	<b>3,124,187</b>

Item	Note	Category	31.12.2025	31.12.2024
Bank loans	7.3	AC	3,133,142	4,531,137
Borrowings	7.3	AC	13,580	17,679
Bonds	7.3	AC	1,000,948	-
Lease liabilities	6.4	AC	5,301,400	4,854,647
Liability for a written put option over non-controlling interest	6.11	FV	141,642	98,815
Trade payables and other financial liabilities	6.12	AC	6,760,106	5,990,400
<i>Trade payables</i>		<i>AC</i>	<i>2,641,444</i>	<i>2,643,396</i>
<i>Trade payables covered by reverse factoring</i>		<i>AC</i>	<i>3,322,029</i>	<i>2,736,424</i>
<i>Contracts for difference (virtual power purchase agreements)</i>		<i>FVHA</i>	<i>129,465</i>	<i>119,619</i>
<i>Other</i>		<i>AC</i>	<i>667,168</i>	<i>490,961</i>
<b>Financial liabilities</b>			<b>16,350,818</b>	<b>15,492,678</b>

### Fair values of financial instruments

According to the Group's assessment, the fair value of cash, short-term deposits, trade receivables, trade payables, bank loans, borrowings and other financial assets and liabilities does not significantly differ from the carrying values.

The carrying amount of cash and cash equivalents and short-term bank deposits reflects their fair value due to the short maturity of these instruments.

The carrying amount of trade receivables, other receivables, liabilities and accruals approximates their fair value due to the short payment terms of these instruments.

The carrying amount of the option liability to purchase non-controlling interests reflects fair value due to its measurement at the present value of the purchase price.

The carrying amount of bank loans approximates their fair value due to the variable nature of interest rates.

## 8. Financial instruments, financial risk and liquidity management continued

The fair values of remaining financial instruments are as follow:

Item	Level 1	Level 2	Level 3
<b>31.12.2025</b>			
Investments in shares and stocks	-	-	22,735
Bonds	(1,025,000)	-	-
Contracts for difference (virtual power purchase agreements)	-	-	(129,465)
Item	Level 1	Level 2	Level 3
<b>31.12.2024</b>			
Investments in equity shares	-	-	22,735
Contracts for difference (virtual power purchase agreements)	-	-	(119,619)

In the years ended 31 December 2025 and 31 December 2024 there were no transfers between level 1 and level 2 of the fair value hierarchy, nor were any of the instruments moved from / to level 3 of the fair value hierarchy.

From 15 July 2025 corporate bonds are traded on Catalyst Alternative Trading System and their fair value equals to their quoted prices.

For investments in shares and stocks, the Group estimated the fair value using the multiples method. The multiples method involves determining the value of an entity based on the valuation of comparable listed companies or on the basis of buy/sell transactions of similar companies in the private market. The Group uses a revenue multiplier for this purpose.

## 8. Financial instruments, financial risk and liquidity management continued

### Income, costs, gains and losses on financial instruments recognised in the statement of profit or loss

	Category	2025	2024
<b>Interest income/ (costs)</b>		<b>(882,705)</b>	<b>(931,581)</b>
Trade receivables	AC	(824)	(602)
Other receivables	AC	90	1,727
Loans granted	AC	572	12,904
Cash and cash equivalents	AC	21,817	32,349
Bonds	AC	(38,808)	-
Bank loans	AC	(304,589)	(468,873)
Borrowings	AC	(1,200)	(1,686)
Lease liabilities	AC	(366,699)	(320,247)
Trade payables and other financial liabilities	AC	(193,332)	(189,284)
Other financial liabilities	AC	268	2,131
<b>Profits/ (Loss) due to changes in the fair value of financial instruments</b>		<b>(8,875)</b>	<b>(2,491)</b>
CAP option	FVPL	-	(968)
Shares and stocks	FVPL	-	2,147
Contracts for difference (virtual power purchase agreements)	FVHA	(8,875)	(3,670)
<b>Profits/ (Costs) from the changes in expected cash flows from financial instruments</b>		<b>29,372</b>	<b>71,106</b>
Gain on bank loans modification / exchange	AC	108,152	92,506
Changes in expected cash flows resulting from original bank loan agreements	AC	(78,780)	(21,400)
<b>(Losses) from impairment</b>		<b>(7,737)</b>	<b>(6,604)</b>
Trade receivables and other financial asstes	AC	(7,776)	(7,030)
Loans granted	AC	39	426

	Category	2025	2024
<b>Profits/ (Losses) from exchange differences</b>		<b>(2,093)</b>	<b>27,993</b>
Trade receivables	AC	(78)	(85)
Loans granted	AC	225	(3,330)
Cash and cash equivalents	AC	(6,004)	(5,973)
Bank loans	AC	8,792	13,228
Borrowings	AC	(5,897)	(52)
Lease liabilities	AC	152	22,068
Trade payables and other financial liabilities	AC	529	2,137
Other financial assets	AC	188	-
<b>Non-interest costs and other charges</b>		<b>(11,886)</b>	<b>(21,078)</b>
Trade receivables	AC	(260)	-
Trade payables and other financial liabilities	AC	(1,084)	(1,703)
Bank loans	AC	(10,542)	(19,375)
<b>Profits/ (Losses) from the settlement of financial instruments</b>		<b>1,064</b>	<b>550</b>
Bank loans	AC	1,064	550

Items above are recognised in the consolidated statement of profit or loss and other comprehensive income under the financial income (costs) position, except for recoveries from trade receivables presented under other operating income and impairment income (costs), which is presented:

- » for trade receivables and other financial assets - in the line 'Loss allowance for expected credit losses on trade receivables and other financial assets' in operating activities,
- » for loans granted - in the line 'Expected credit losses on loans' in financing activities.

In addition, in the table above the share of loss in a joint venture recognised in the consolidated statement of profit or loss and other comprehensive income under the financial costs position is not presented.

## 8. Financial instruments, financial risk and liquidity management continued

### Virtual Power Purchase Agreements (vPPAs)

As at 31 December 2025, the Group held a portfolio of hedging instruments consisting of long-term contracts for difference separated within vPPAs. The Group uses various types of vPPAs – both baseload and pay-as-produce PPAs.

The Group enters into vPPAs, which are hybrid contracts combining a cash-settled commodity swap for the purchase of electricity, classified as a derivative, and a guarantee of origin. The Group uses the guarantees of origin for its own business purposes and applies the own-use exemption. The Group separates derivatives from host contracts and measures them separately. Contracts for difference, which are

derivatives measured at fair value, are fully designated for cash flow hedge accounting as hedging instruments.

### Fair value of derivatives (contracts for difference incorporated into a vPPA)

The key assumption for the valuation model is the value of the expected net cash flows from the contracts for difference, based on the prices in the contracts, forecast electricity prices and forecast energy volumes. The expected cash flows, disclosed below, have been estimated using energy price forecasts from an external advisor and, to determine the fair value of the derivative, are then subject to a calibration adjustment in accordance with the mechanism described in note 8.2.

	up to 6 months	6-12 months	1-5 years	over 5 years	Total - undiscounted
Cash flows determined on the basis of energy price forecasts before calibration (undiscounted) as at 31.12.2025	(9,431)	(9,300)	(62,596)	(23,369)	(104,696)
	up to 6 months	6-12 months	1-5 years	over 5 years	Total - undiscounted
Cash flows determined on the basis of energy price forecasts before calibration (undiscounted) as at 31.12.2024	(7,484)	(5,921)	(61,619)	(21,402)	(96,427)

## 8. Financial instruments, financial risk and liquidity management continued

Derivatives designated for cash flow hedge accounting as at 31 December 2025 and as at 31 December 2024 are shown in the table below:

As at 31 December 2025:

Financial instrument	Hedged item	Maturity date	Nominal value of the hedging instrument	Carrying amount of the hedging instrument		Increase / (Decrease) in the fair value of the hedging instrument used to calculate the ineffectiveness of the hedging strategy	Increase / (Decrease) in the fair value of the hedged item used to calculate the ineffectiveness of the hedging strategy	Cash flow hedge reserve (amount in OCI)
				Assets	Liabilities			
Commodity swap	Purchases of electricity at volatile prices	1 May 2023 - 31 December 2033; 27 June 2023 - 31 December 2038	2285 GWh	-	129,465	(129,465)	143,200	(7,379)

As at 31 December 2024:

Financial instrument	Hedged item	Maturity date	Nominal value of the hedging instrument	Carrying amount of the hedging instrument		Increase / (Decrease) in the fair value of the hedging instrument used to calculate the ineffectiveness of the hedging strategy	Increase / (Decrease) in the fair value of the hedged item used to calculate the ineffectiveness of the hedging strategy	Cash flow hedge reserve (amount in OCI)
				Assets	Liabilities			
Commodity swap	Purchases of electricity at volatile prices	1 May 2023 - 31 December 2033; 27 June 2023 - 31 December 2038	2285 GWh	-	119,619	(119,619)	141,932	(100,643)

## 8. Financial instruments, financial risk and liquidity management continued

The table below shows changes in the hedge reserve in equity:

	2025			2024		
	Before tax	Tax	After tax	Before tax	Tax	After tax
<b>Cash flow hedge reserve at the beginning of the period</b>						
- energy price risk	(119,618)	22,727	(96,891)	(18,975)	3,605	(15,370)
Effective portion of profits/(losses) on hedging instruments	(17,404)	3,306	(14,098)	(111,583)	21,200	(90,383)
Reclassification to the statement of profit or loss, adjusting:						
- Operating costs	10,025	(1,904)	8,121	10,940	(2,078)	8,862
<b>Cash flow hedge reserve at the end of the period</b>						
- energy price risk	(126,997)	24,129	(102,868)	(119,618)	22,727	(96,891)

The ineffective portion of cash flow hedges recognised in financial costs in 2025 amounted to PLN 8,875 thousand (in 2024 PLN 3,670 thousand).

## 8. Financial instruments, financial risk and liquidity management continued

### 8.2. Objectives and principles of financial risk management

The table below presents the Group's exposure to financial risk and the manner in which this risk may affect the Group's future financial results.

Risk	Source	Measurement	Risk management
Market risk - interest rate risk	Cash and cash equivalents with variable interest rates Financial liabilities (loans and borrowings, trade payables and other liabilities) with a variable interest rate	Sensitivity analysis	» Current observation of financial market and hedging (interest rate option CAP) if relevant.
Market risk - foreign currency risk	Sale or purchase transactions in currencies other than the functional currency Financial assets (loans granted) in currencies other than the functional currency Financial liabilities (borrowings, lease liabilities) in currencies other than the functional currency	Sensitivity analysis	» Hedging the price with derivatives (this method is not used for the periods presented) » Monitoring of planned payments in currencies other than the functional currency
Credit risk	Trade receivables Other financial assets (loans granted) Cash and cash equivalents	Age analysis Credit ratings`	» Credit verification of customers before granting a trade loan » Minimising the concentration of credit risk due to the large number of customers » Most receivables secured by inventory » Monitoring the status of receivables
Liquidity risk	Financial liabilities (loans and borrowings, lease liabilities, liability for a written put option over non-controlling interest, trade payables and other liabilities)	Maturity analysis	» Monitor projected cash flows using the periodic liquidity planning tool » Conclusion of reverse factoring contracts with several factors » Maintaining unused factoring and credit limits
Market risk - volatile electricity prices (spot)	Highly likely planned power purchase transactions at volatile price	Regression analysis Scenario analysis	» Entering into vPPAs » Applying cash flow hedge accounting

The Group reviews and agrees rules for managing each of these risks - these rules are briefly discussed below. The Group also monitors market price risk with respect to all of its financial instruments.

## 8. Financial instruments, financial risk and liquidity management continued

### Market risk - interest rate risk

The Group's exposure to the risk of changes in interest rates results mainly from the investment of cash and the use of external financing sources.

The Group manages interest costs by using both fixed and variable interest rate obligations.

Fixed rate items that are measured at amortised cost do not expose the Group to the risk of cash flow volatility or volatility of financial result as a result of changes in interest rates. Therefore, they are not included in the following sensitivity analysis.

The items exposed to the interest rate risk are presented below, taking into account the value of the variable interest rate.

	31.12.2025			31.12.2024		
	Net carrying amount	including floating interest rate amount	share	Net carrying amount	including floating interest rate amount	share
Cash and cash equivalents	1,078,992	1,078,992	100%	749,578	749,578	100%
Loans granted	5,855	-	0%	6,769	2,558	38%
Other financial assets	57,060	-	0%	67,624	1,578	2%
Loans and borrowings	(4,147,670)	(4,147,670)	100%	(4,548,816)	(4,548,815)	100%
Trade payables and other financial liabilities	(6,760,106)	(3,322,029)	49%	(5,990,400)	(2,736,424)	46%
Lease liabilities	(5,301,400)	(39,041)	1%	(4,854,647)	(49,041)	1%

In the case of loans and borrowings, the Group is exposed to the risk of changes in the interest rate as the interest rate is based on the WIBOR and EURIBOR rates.

## 8. Financial instruments, financial risk and liquidity management continued

### Interest rate risk - sensitivity to changes

The table below shows the sensitivity of gross financial result to reasonably possible changes in interest rates, assuming that other factors remain unchanged, broken down into individual items exposed to interest rate risk.

	Change of interest rate	31.12.2025	31.12.2024
Cash and cash equivalents	+1 p.p. (+100 bp)	10,790	7,496
	-1 p.p. (-100 bp)	(10,790)	(7,496)
Loans granted	+1 p.p. (+100 bp)	-	26
	-1 p.p. (-100 bp)	-	(26)
Other financial assets	+1 p.p. (+100 bp)	-	16
	-1 p.p. (-100 bp)	-	(16)
Loans and borrowings	+1 p.p. (+100 bp)	(41,477)	(45,488)
	-1 p.p. (-100 bp)	41,477	45,488
Trade payables and other financial liabilities	+1 p.p. (+100 bp)	(33,220)	(27,364)
	-1 p.p. (-100 bp)	33,220	27,364
Lease liabilities	+1 p.p. (+100 bp)	(390)	(490)
	-1 p.p. (-100 bp)	390	490

### Market risk - foreign currency risk

The Group is exposed to the currency risk arising from transactions it executes. Such risk arises as a result of sales or purchases, due to indebtedness, loans granted, and lease contracts in currencies other than the functional currency. The Group did not conclude any material sale transactions denominated in currencies other than in the functional currencies of particular entities within the Group.

The table below shows the sensitivity of the profit before tax (regarding the change in the carrying value of monetary assets and liabilities) and other comprehensive income of the Group to reasonably possible fluctuations in the currency exchange rate, assuming that other factors remain unchanged. The amounts presented below are in foreign currency:

## 8. Financial instruments, financial risk and liquidity management continued

Exposure in foreign currency	31.12.2025		31.12.2024		31.12.2024	
	Changes of exchange rate +1% Profit before tax	Changes of exchange rate -1% Profit before tax	Exposure in foreign currency	Changes of exchange rate +1% Profit before tax	Changes of exchange rate -1% Profit before tax	
<b>EUR</b>						
Cash and cash equivalents	12,046	509	(509)	3,115	133	(133)
Trade receivables	772	33	(33)	740	32	(32)
Other financial assets	30,325	1,282	(1,282)	31,247	1,335	(1,335)
Loans and borrowings	(68,451)	(2,893)	2,893	(154,901)	(6,619)	6,619
Lease liabilities	(219,468)	(9,276)	9,276	(183,505)	(7,841)	7,841
Trade payables and other financial liabilities	(22,840)	(965)	965	(6,534)	(279)	279
<b>Total</b>	<b>(267,616)</b>	<b>(11,311)</b>	<b>11,311</b>	<b>(309,838)</b>	<b>(13,239)</b>	<b>13,239</b>
<b>GBP</b>						
Cash and cash equivalents	120	6	(6)	112	6	(6)
Trade receivables	18	1	(1)	22	1	(1)
Trade payables and other financial liabilities	(16)	(1)	1	(11)	(1)	1
<b>Total</b>	<b>122</b>	<b>6</b>	<b>(6)</b>	<b>123</b>	<b>6</b>	<b>(6)</b>
<b>USD</b>						
Cash and cash equivalents	439	16	(16)	228	9	(9)
Trade receivables	1,026	37	(37)	694	28	(28)
Trade payables and other financial liabilities	(2,900)	(104)	104	(1,946)	(80)	80
<b>Total</b>	<b>(1,435)</b>	<b>(52)</b>	<b>52</b>	<b>(1,024)</b>	<b>(42)</b>	<b>42</b>

## 8. Financial instruments, financial risk and liquidity management continued

Exposure in foreign currency	31.12.2025		Exposure in foreign currency	31.12.2024	
	Changes of exchange rate +1% Profit before tax	Changes of exchange rate -1% Profit before tax		Changes of exchange rate +1% Profit before tax	Changes of exchange rate -1% Profit before tax
<b>RON</b>					
Cash and cash equivalents	-	-	103	1	(1)
Loans granted	3	-	-	-	-
Trade receivables	27	-	45	-	-
Other financial assets	-	-	14	-	-
<b>Total</b>	<b>30</b>	<b>-</b>	<b>162</b>	<b>1</b>	<b>(1)</b>

## 8. Financial instruments, financial risk and liquidity management continued

### Credit risk

The Group defines credit risk as the possibility of untimely or total failure of the Group's counterparty to meet its obligations, or the possibility of not recovering the funds invested. Credit risk mainly relates to trade receivables, loans granted and cash and cash equivalents in bank accounts.

The maximum exposure to credit risk as at 31 December 2025 and as at 31 December 2024 is presented in the table below.

Item	Note	31.12.2025	31.12.2024
Loans granted	6.8	5,855	6,769
Other non-current financial assets	6.8	29,175	37,236
Trade receivables	6.7	2,793,509	2,277,481
Other current financial assets	6.8	27,885	30,388
Cash and cash equivalents	7.4	1,078,992	749,578
<b>Total assets</b>		<b>3,935,416</b>	<b>3,101,452</b>

### Credit risk related to trade receivables

All customers who wish to use trade credits are subject to initial credit verification procedures. Credit risk that relates to receivables is minimised due to the large number of customers. There is no significant concentration of credit risk in the Group. In addition, receivables are mostly secured with inventory located in 'Žabka' stores, and thanks to ongoing monitoring of receivables, the Group's exposure to the risk of bad debts is insignificant. The method of measuring expected credit losses in relation to trade receivables is presented in note 6.7.

## 8. Financial instruments, financial risk and liquidity management continued

The Group's exposure to credit risk is presented in the table below:

As at 31.12.2025							
Category	current	up to 30 days	31-90 days	91-180 days	181-360 days	over 361 days	Total
Gross value at risk	2,710,796	48,878	12,732	7,713	10,740	78,243	2,869,102
Loss allowance for expected credit losses	(1,008)	(1,149)	(1,466)	(2,642)	(4,119)	(65,209)	(75,593)
<b>Total net value</b>	<b>2,709,788</b>	<b>47,729</b>	<b>11,266</b>	<b>5,071</b>	<b>6,621</b>	<b>13,034</b>	<b>2,793,509</b>
<b>Expected credit loss rate</b>	<b>0%</b>	<b>2%</b>	<b>12%</b>	<b>34%</b>	<b>38%</b>	<b>83%</b>	<b>3%</b>

As at 31.12.2024							
Category	current	up to 30 days	31-90 days	91-180 days	181-360 days	over 361 days	Total
Gross value at risk	2,197,018	55,454	9,192	5,554	10,442	78,931	2,356,591
Loss allowance for expected credit losses	(2,443)	(788)	(1,300)	(1,813)	(3,049)	(69,717)	(79,110)
<b>Total net value</b>	<b>2,194,575</b>	<b>54,666</b>	<b>7,892</b>	<b>3,741</b>	<b>7,393</b>	<b>9,214</b>	<b>2,277,481</b>
<b>Expected credit loss rate</b>	<b>0%</b>	<b>1%</b>	<b>14%</b>	<b>33%</b>	<b>29%</b>	<b>88%</b>	<b>3%</b>

Credit risk related to cash in bank accounts and deposits included within other financial assets is limited due to the fact that the parties to the transaction are banks with high credit ratings, which are obtained from international rating agencies. Information on the allowance for expected credit losses for the loans granted is presented in note 6.8.

### Liquidity risk

The Group monitors liquidity risk by using the periodical liquidity planning tool. This tool takes into account maturity / maturity dates of both liabilities and financial assets (e.g. accounts receivable, other financial assets) and forecast cash flows from operating activities.

As part of its liquidity management, the Group uses reverse factoring agreements in relation to its liabilities, under which it submits for factoring invoices relating to purchases from selected suppliers as well as a factoring agreement with regard to its receivables, under which it submits sales invoices for selected franchisees for factoring.

The Group minimises the liquidity risk resulting from the use of reverse factoring agreements by selecting reliable, long-term partners who are also lenders in syndicated agreements and by diversifying them (10 financial institutions, the involvement of none

of them exceeds 20%). In line with market practice, reverse factoring agreements are entered into by the Group for an indefinite period (with one month's notice) or with a term of up to 12 months (it depends on the agreement). Since the launch of the factoring programme in 2017, no financial institution has terminated its cooperation with the Group in this area (it means that none of the agreements have been terminated). The Management assumes that the Group will be able to use the concluded factoring agreements for at least the next 12 months to the same extent as at the end of the reporting date.

The Group maintains unused factoring limits, an unused overdraft limit and an unused investment loan limit, which totalled PLN 1,082,770 thousand as at 31 December 2025, and PLN 1,555,582 thousand as at 31 December 2024.

As part of the working capital management, the Group also uses a factoring agreement for its receivables, under which it factors sales invoices for selected franchisees. The amount of receivables financed by the factor as at 31 December 2025 amounted to PLN 93,367 thousand and as at 31 December 2024: PLN 202,387 thousand.

In order to improve Group's liquidity sale and leaseback transactions are entered into.

## 8. Financial instruments, financial risk and liquidity management continued

The tables below present the Group's financial liabilities as at 31 December 2025 and as at 31 December 2024, by maturity based on contractual undiscounted payments.

Item	Note	up to 6 months	6-12 months	1-5 years	over 5 years	Total - undiscounted	Total - carrying amount
Loans and borrowings	7.3	(288,520)	(252,758)	(2,933,766)	(1,244,390)	(4,719,434)	(4,147,670)
<i>Bank loans</i>		<i>(256,597)</i>	<i>(220,439)</i>	<i>(1,723,179)</i>	<i>(1,244,390)</i>	<i>(3,444,605)</i>	<i>(3,133,142)</i>
<i>Bonds</i>		<i>(28,613)</i>	<i>(29,403)</i>	<i>(1,201,555)</i>	-	<i>(1,259,571)</i>	<i>(1,000,948)</i>
<i>Borrowings</i>		<i>(3,310)</i>	<i>(2,916)</i>	<i>(9,032)</i>	-	<i>(15,258)</i>	<i>(13,580)</i>
Lease liabilities	6.4	(691,728)	(584,366)	(3,600,891)	(1,817,427)	(6,694,412)	(5,301,400)
Liability for a written put option over non-controlling interest	6.11	(29,659)	-	(40,054)	(294,240)	(363,953)	(141,642)
Trade payables and other financial liabilities	6.12	(6,588,489)	(27,919)	(172,003)	(120,335)	(6,908,746)	(6,760,106)
<i>Trade payables</i>		<i>(2,641,147)</i>	<i>(297)</i>	-	-	<i>(2,641,444)</i>	<i>(2,641,444)</i>
<i>Trade payables covered by reverse factoring</i>		<i>(3,322,029)</i>	-	-	-	<i>(3,322,029)</i>	<i>(3,322,029)</i>
<i>Contracts for difference (virtual power purchase agreements)*</i>		<i>(15,058)</i>	<i>(14,310)</i>	<i>(115,546)</i>	<i>(84,742)</i>	<i>(229,656)</i>	<i>(129,465)</i>
<i>Other</i>		<i>(610,255)</i>	<i>(13,312)</i>	<i>(56,457)</i>	<i>(35,593)</i>	<i>(715,617)</i>	<i>(667,168)</i>
<b>Balance at the end of the period - 31.12.2025</b>		<b>(7,598,396)</b>	<b>(865,043)</b>	<b>(6,746,714)</b>	<b>(3,476,392)</b>	<b>(18,686,545)</b>	<b>(16,350,818)</b>

\*The undiscounted cash flows relating to power purchase contracts for difference have been presented by taking into account the calibration used in the fair value valuation technique for these hedging instruments based on unobservable inputs so that on initial recognition the result of the valuation technique corresponds to the transaction price.

## 8. Financial instruments, financial risk and liquidity management continued

Item	Note	up to 6 months	6-12 months	1-5 years	over 5 years	Total - undiscounted	Total - carrying amount
Loans and borrowings	7.3	(347,941)	(345,989)	(5,366,210)	-	(6,060,140)	(4,548,816)
<i>Bank loans</i>		<i>(330,139)</i>	<i>(343,199)</i>	<i>(5,366,861)</i>	-	<i>(6,040,199)</i>	<i>(4,531,137)</i>
<i>Borrowings</i>		<i>(17,802)</i>	<i>(2,790)</i>	<i>651</i>	-	<i>(19,941)</i>	<i>(17,679)</i>
Lease liabilities	6.4	(610,481)	(537,604)	(3,407,982)	(1,748,979)	(6,305,046)	(4,854,647)
Liability for a written put option over non-controlling interest	6.11	(27,811)	-	-	(188,977)	(216,788)	(98,815)
Trade payables and other financial liabilities	6.12	(5,838,231)	(18,691)	(161,879)	(122,207)	(6,141,008)	(5,990,400)
<i>Trade payables</i>		<i>(2,643,396)</i>	-	-	-	<i>(2,643,396)</i>	<i>(2,643,396)</i>
<i>Trade payables covered by reverse factoring</i>		<i>(2,736,424)</i>	-	-	-	<i>(2,736,424)</i>	<i>(2,736,424)</i>
<i>Contracts for difference (virtual power purchase agreements)*</i>		<i>(13,119)</i>	<i>(10,939)</i>	<i>(114,648)</i>	<i>(87,619)</i>	<i>(226,325)</i>	<i>(119,619)</i>
<i>Other</i>		<i>(445,292)</i>	<i>(7,752)</i>	<i>(47,231)</i>	<i>(34,588)</i>	<i>(534,863)</i>	<i>(490,961)</i>
<b>Balance at the end of the period - 31.12.2024</b>		<b>(6,824,464)</b>	<b>(902,284)</b>	<b>(8,936,071)</b>	<b>(2,060,163)</b>	<b>(18,722,982)</b>	<b>(15,492,678)</b>

## 8. Financial instruments, financial risk and liquidity management continued

### Market risk – volatile electricity prices (spot)

The Group makes physical purchases of electricity consumed for business purposes at market prices (volatile prices – spot prices). To mitigate the risk of electricity price volatility resulting from purchases made at spot prices, the Group enters into vPPAs. For a detailed description of the vPPAs concluded by the Group, see note 8.1.

As part of its financial risk management strategy, the Group anticipates that in the event of a rise in electricity prices in the Polish market, the exposure arising from the Group's physical purchases of electricity at market prices will be counterbalanced by increased cash payments stemming from contracts for difference under vPPAs, and vice versa.

Upon entering into a vPPA, the Group documents the establishment of a hedge relationship and designates the contracts for difference entered into as part of vPPAs in their entirety as hedging instruments. For the fair values of derivative financial instruments designated in hedging relationships, see note 8.1.

Within each hedging relationship, the hedged item is the volatile electricity price component contained in power purchase agreements. Other risk elements driving the volatility of the purchase price are separately identifiable and reliably measurable, and are not part of the hedge (among them are electricity transmission and distribution fees, taxes, certificates, etc.). The Group believes, based on its long-term business plans, that the planned power purchase transactions covered by hedging are highly probable. Furthermore, the hedged electricity volumes do not exceed 50% of the total projected electricity consumption, as estimated by the Group using its historical consumption profile.

Volumes of hedged items are determined as at the date of designation of hedge relationships based on expected farm output and are fixed throughout the duration of the relationship. In volume terms, the hedging ratio is 100% for each designation.

An assessment of hedge effectiveness is made at the time the hedging relationship is established and regularly at each reporting date or in the event of a material change in circumstances, whichever occurs first. The existence of an economic relationship is considered and evaluated separately for each designated hedging relationship through a combination of qualitative and quantitative analysis.

In the quantitative analysis, the Group evaluates hedge effectiveness using the dollar offset method and the hypothetical derivative method: comparing changes in the fair value of the hedge instrument (the vPPA contract for difference) with changes in the fair value of the hedged item on a cumulative basis (calculated using the hypothetical derivative method).

The Group conducts a scenario analysis to check the sensitivity of the potential effectiveness of the hedge relationship to changes in the key variables of the hedge relationship (prices in the energy market, profile costs, generation volumes in the case of pay-as-produce agreements, etc.) that may lead to hedge ineffectiveness during the life of the contract and the hedging relationship.

The main causes of ineffectiveness of vPPA hedges include:

- » changes in consumption cost profile or production profile,
- » changes in credit risk,
- » changes in the expected and actual production volume of a renewable asset (in the case of pay-as-produce agreements),
- » changes in inflation above the contractual level resulting in an adjustment of the fixed vPPA price,
- » difference between vPPA settlement prices and prices at which the Group purchases energy.

The sensitivity analysis carried out by the Group showed that a potential increase/decrease of 10% in electricity prices used for the measurement of derivatives hedging electricity price risk, with the other parameters of the valuation model unchanged, would result in a change in the fair value of these instruments affecting the amount of equity as at 31 December 2025 by PLN 48,779 thousand (as at 31 December 2024 by PLN 42,724 thousand), in case of an increase of 10% or PLN -46,289 thousand (as at 31 December 2024 by PLN -42,963 thousand), in case of a decrease of 10% and the financial result by PLN -4,357 thousand (as at 31 December 2024 by PLN 620), in case of an increase of 10% or PLN 2,467 thousand (as at 31 December 2024 by PLN 0), in case of a decrease of 10%.

## 9. Other notes

### 9.1. Contingent liabilities

#### Tax settlements

Tax settlements and other areas of activity subject to regulations (e.g. customs or foreign exchange matters) may be the subject of control of administrative authorities, which are authorised to impose high penalties and sanctions. The lack of reference to established legal regulations in Poland results in the occurrence of ambiguities and inconsistencies in the applicable provisions. Frequently occurring differences in opinions as to the legal interpretation of tax regulations, both within government bodies and between government bodies and companies, create uncertainties and conflicts. Due to the above, the tax risk in Poland is significantly higher than that usually existing in countries with a more developed tax system.

Tax settlements may be inspected for a period of 5 years, starting from the end of the year in which the tax was paid. As a result of the inspections, the current tax settlements of the Group may be increased by additional tax liabilities. As at 31 December 2025, Żabka Polska was in the process of a customs and corporate income tax audit for 2022. The outcome is not yet known. As at 31 December 2024, the Company was undergoing the aforementioned customs and tax audit. The Group believes that no additional provision for tax risks was required as at 31 December 2025 and as at 31 December 2024.

### 9.2. Share-based payments

#### Accounting policy

The cost of transactions settled with employees in equity instruments is measured by reference to the fair value as at the date of granting rights. The measurement of transactions settled in equity instruments takes into account market vesting conditions and conditions other than vesting conditions.

The cost of transactions settled in equity instruments is recognised together with the corresponding increase in the value of equity (Share-based payment reserve) in the period in which the conditions of effectiveness / performance and / or the rendering work or services are met, ending on the date on which specific employees will be fully entitled to benefits ('vesting date'). The cumulative cost recognised for equity-settled transactions at each reporting date up to the vesting date reflects the

extent to which the vesting period has expired and the number of awards to which rights, in the opinion of the Group's Management as at that date, based on the best estimate of the number of equity instruments, will be finally acquired.

No cost is recognised for awards that are not ultimately vested, except for awards where vesting is subject to market conditions or non-vesting conditions, which are deemed to be vested regardless of whether the market conditions are met or other than vesting conditions, provided that all other conditions of effectiveness / performance and / or rendering work or services are met.

If the terms of granting equity-settled awards are modified, costs are recognised as if the terms had not changed. In addition, costs are recognised for each increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any award costs not yet recognised are immediately recognised. This also applies to awards where the conditions other than vesting conditions under the control of the Group or the employee are not met. However, if the cancelled award is replaced with a new award - defined as the replacement award on the date it was awarded, the cancelled award and the new award are treated as if they were a modification of the original award, i.e. as described in the paragraph above.

## 9. Other notes continued

### Values based on professional judgement and estimates

#### Management Incentive Plan (2017-2025)

During 2017, the Group introduced an incentive scheme. Within the scheme key personnel ('the Management') were given the opportunity to acquire shares in Heket Investments S.à r.l. The key personnel comprised of representatives of key personnel of Żabka Polska sp. z o.o. and representatives of key personnel of the then parent company. The scheme was designed in such a way that it combines the profits of the managers in the program with the value of Żabka Polska Sp. z o.o. and the Group, and therefore it was classified as subject to the International Financial Reporting Standard 2 *Share-based payment* ('IFRS 2'). In accordance with IFRS 2, the program was valued at fair value at the grant date, taking into account all the conditions of the program, market conditions and the risks associated with the instruments. The value of instruments granted to managers of the Group, according to the best estimate of the Management, did not differ significantly from the fair value and was the same as the value of respective instruments acquired by the majority shareholder at that moment.

The Management considers the valuation and treatment of the granted equity instruments as a fixed pool of instruments, taking into account that the allocation and principles of allocating shares within this fixed pool are known to the participants of the program from the moment of its launch.

Consequently, subsequent changes / reallocations to such a fixed pool of equity instruments do not affect the measurement of the pool and the Group's financial statements.

#### Long-Term Incentive Plan (2025-2027)

The Company introduced a The Long-Term Incentive Plan under which the rights to the shares have been granted to certain: executive directors members of the Management Committee as well as key managers and employees of the Group (the 'LTIP'). It is intended that the LTIP will provide incentive for the achievement of targets covering the financial years 2025-2027 approved by the Board of Directors.

For the Long-Term Incentive Plan, the allocation of rights to beneficiaries is subject to the level of achievement of Target EBITDA, Sales and ESG KPI.

All aforementioned KPIs (EBITDA, Sales and ESG) are treated as the non-market conditions within the meaning of IFRS 2.

#### IPO Award

Because franchise partners do not render services for the Group (they buy goods and services from the Group entities), IPO award granted to them was recognized under IFRS 15.

In 2025 and 2024 the following share-base payment programs were active:

- » Management Incentive Plan (2017 - 2025)
- » IPO Award
- » Long-Term Incentive Plan (2025-2027) (LTIP)
- » Incentive plan for Lite key employees

### Management Incentive Plan (2017 - 2025)

The shares based scheme for the key management of the Group has been classified as equity-settled due to the fact that the Group does not have any obligation or intention to settle the obligation arising under the program by delivering cash to the participants.

The Group analysed the program and the prices at which the managers acquired the shares and concluded that they were acquired at their fair value as at that date and the fair value of the award was 0.

### IPO Award

The IPO Award is a one-off award grant, in the form of Company's shares to the Group employees, B2B contractors as well as franchise partners (together: 'IPO Awards Participants') in connection with the IPO based with at least 2 years of service in the Group at the last day of the calendar month when the IPO occurred. The IPO Awards Participants will be entitled to receive a one-off grant of shares on the first anniversary

## 9. Other notes continued

of the IPO for no consideration with a condition that the participant remains actively engaged by the Group both on the IPO date and on the first anniversary of the IPO and is not in a notice period on any of these dates. LTIP Participants (defined below in the section *Long-Term Incentive Plan 2025 - 2027*) are not entitled to the IPO Award.

IPO Award granted to employees and B2B contractors has been classified as equity-settled program, and the part granted to franchise partners has been accounted for under IFRS 15.

The grant date was stipulated on 22 October 2024 which is a date on which the terms and conditions of the program were shared with Participants.

The grant date fair value of the awards is determined based on the closing price of Parent Company shares listed on the Warsaw Stock Exchange on the grant date and equals PLN 20,005. At a grant date there is fixed amount of shares and equals 465 shares per person.

The whole IPO Award vested after 1 year from IPO which was 17 October 2025. The IPO Award was finally settled by the issuance of new shares.

### Long-Term Incentive Plan (2025-2027) (LTIP)

The Group has adopted the Long Term Incentive Plan (2025-2027) (the 'LTIP') in 2024. The LTIP is a plan under which awards in the form of performance share units ('PSUs') and restricted stock units ('RSUs') may be granted to employees of the Group. LTIP program has been classified as the equity settled share based payment considering the fact that the LTIP Participants will obtain the equity instruments of the Company.

Awards under the LTIP may be granted in the form of PSUs or RSUs which give the participants a right to receive shares without payment on completion of a vesting period and, in the case of PSUs, subject to the satisfaction of performance conditions.

The awards will normally be delivered following the receipt of audited financial results.

The service vesting condition (for RSU and PSU) and non-market performance conditions (for PSU) are reflected in the calculation of the number of awards that will vest. The Group performs the periodic reassessment of the number of awards that

are expected to vest resulting in an impact on the total cost of the LTIP program recognised over the vesting period. Those adjustments are mostly driven by fluctuation of the number of units granted under the LTIP program, due to changes in employment.

Performance Share Units (PSUs) and Restricted Share Units (RSUs) are designed for the Management Committee and key roles of the Group. The period of achieving the performance targets starts in January 2025 and will last until December 2027.

LTIP is subject to two vesting conditions to be entitled to the Company shares and includes:

- (i) service condition (Participant needs to complete a specified period of service during which services are provided to the entity), and
- (ii) performance condition (only for PSUs).

The performance condition contains a performance target (EBITDA Growth, Revenue Growth, ESG KPIs) that is not related to the market price of the equity instrument of the Company i.e. the total number of shares that the Participant may receive is connected to the cumulative results of EBITDA Growth, Revenue Growth and ESG KPIs that the Group achieves within the 3-year-period of the LTIP program.

The final number of shares received depends on the target achievement of those KPIs and ranges from 0% to 110 % for each performance conditions, their weights and provided that overall achievement of performance conditions is capped at 100%.

Restricted Stock Units are not subject to any performance conditions related to target achievement. If a holder of RSU leaves before the end of the vesting period, all shares due to vest at future vesting dates shall lapse.

The grant date was stipulated as 23 October 2024 and 27 November 2024 which are dates when number of shares granted to each individual participant as well as terms and conditions of the program was shared with them. The grant date fair value of the awards is determined based on the closing price of Parent Company shares listed on the Warsaw Stock Exchange on the grant date and equals PLN 19,1220 and PLN 18,2500 respectively.

## 9. Other notes continued

The LTIP award is subject to different vesting periods. Each of these installments (tranche) is accounted for as a separate award. This is known as 'staged' vesting (or 'tranching' or 'graded' vesting) in accordance with IFRS 2.

Recognition of the estimated cost of the program with corresponding increase in equity reflects the vesting period of specific tranche :

Tranche	Split of tranche	Vesting period (from grant date)
Tranche for 2025	1/3 delivered immediately	until audited results for 2025
	1/3 deferred	until audited results for 2026
	1/3 deferred	until 31.12.2027
Tranche for 2026	1/3 delivered immediately	until audited results for 2026
	2/3 deferred	until 31.12.2027
Tranche for 2027	3/3 delivered immediately	until 31.12.2027

The table below presents all the outstanding shares under the incentive programs introduced by the Group.

Maximum number of shares to be vested	LTIP	IPO Awards
As at 01.01.2025	21,069,739	3,871,125
Granted during the year	434,884	113,925
Forfeited during the year	(376,743)	(1,010,445)
Vested during the year	-	(2,974,605)
<b>Outstanding but not vested at 31.12.2025</b>	<b>21,127,880</b>	<b>-</b>

Maximum number of shares to be vested	LTIP	IPO Awards
As at 01.01.2024	-	-
Granted during the year	21,069,739	3,974,820
Forfeited during the year	-	(103,695)
Vested during the year	-	-
<b>Outstanding but not vested at 31.12.2024</b>	<b>21,069,739</b>	<b>3,871,125</b>

The expense has been recognized as follows:

2025	LTIP	IPO Awards
Revenue	-	(27,235)
Cost of sales	(9,543)	(12,028)
Marketing costs	(1,705)	(404)
Costs of technology, innovation and development	(42,553)	(3,420)
General and administrative costs	(69,481)	(3,904)
<b>Total</b>	<b>(123,282)</b>	<b>(46,991)</b>
2024	LTIP	IPO Awards
Revenue	-	(7,725)
Cost of sales	(1,907)	(2,936)
Marketing costs	(300)	(98)
Costs of technology, innovation and development	(7,785)	(820)
General and administrative costs	(12,329)	(923)
<b>Total</b>	<b>(22,321)</b>	<b>(12,502)</b>

The Group recognised cost from the date when the Group advises participants of the terms of a share award (October 2024).

The weighted average fair value of shares granted during the year was PLN 21.8296 (2024: PLN 18.712) for LTIP and PLN 20.000 for IPO Award.

### Incentive plan for Lite key employees

In 2021, Żabka Polska sp. z o. o. and Lite e-commerce sp. z o.o. included selected key employees of the subsidiary in an incentive plan based on IFRS 2. The plan has two components: fixed and variable. Participants in the plan acquired rights to a certain number of the company shares, which were repurchased by Żabka Polska sp. z o.o (note 6.12). The plan was fully settled in 2025.

## 9. Other notes continued

### 9.3. Transactions with related parties

There were no material transaction with related parties in 2025.

The table below present transactions with related entities for 2024:

	Other related parties	Total
<b>Transactions in the period 2024</b>	<b>12,464</b>	<b>12,464</b>
Interest income	12,186	12,186
Revision of estimated contractual cash flows	278	278
<b>As at 31.12.2024</b>	-	-
Loans granted and other receivables	-	-

In 2024 the loans were fully repaid (the capital in the amount of PLN 235,370 thousand with interests).

The terms of transactions between related entities were not more favourable than the terms of similar transactions possible to be carried out on market terms with unrelated entities.

### 9.4. Compensation of the key management personnel of the Group

	2025	2024
Short-term employee benefits	28,370	29,944
Share-based payments	53,335	9,768
<b>Compensation of key management personnel of the Group</b>	<b>81,705</b>	<b>39,712</b>

The key management personnel of the Group are members of the Board of Directors of the Parent Company and members of the Management Committee that are also members of the Management Board of Żabka Polska sp. z o.o.

For details of share-based payment please refer to note 9.2.

### 9.5. Employment

The average number of the Group's employees for the year ended 31 December 2025 was 4,137, for the year ended 31 December 2024: 3,881.

### 9.6. Information on the remuneration of the entity authorised to audit financial statements

	31.12.2025	31.12.2024
Statutory annual audit	4,919	4,198
Half-year reviews	1,030	2,856
Other non-audit services	208	3,209
<b>Auditor's remuneration</b>	<b>6,157</b>	<b>10,263</b>

The entity authorised to audit the Group's financial statements for 2025 and 2024 was Ernst & Young Société anonyme.

Other non-audit services included mainly other assurance services related to IPO (before the Group was listed in 2024) and Limited Assurance Report on CSRD Reporting.

### 9.7. Events after the reporting date

On 2 January 2026, Cool-Logistics sp. z o.o. merged with MasterLife Solutions sp. z o.o.

On 26 January 2026, the Group drew the RFC line under Senior Facilities Agreement in the amount of PLN 180,000 thousand. It was repaid on 27 February 2026.

On 26 February 2026, Zabka International S.a r.l. increased its share in Froo Romania Holding S.A. by 11.6% to 84,78% (transaction is not yet registered).

In 2026 the Group has increased its factoring limit by PLN 12,300 thousand as a result of the annex to the agreement signed with one of the factors.

In 2026, in relation to the positive Supreme Administrative Court Judgement received regarding the income tax (described in note 5.5) the Group has received another refund of overpayment in the amount of PLN 25,307 thousand.

## 9. Other notes continued

Board of Directors of Zabka Group S.A.

**Tomasz Suchański**

**István Szőke**

**Krzysztof Krawczyk**

**Stephan Schäli**

**Giulia Fitzpatrick**

**Olga Grygier-Siddons**

**Anna Pawlak-Kuliga**

Luxembourg, 19 March 2026.

## Independent auditor's report



**Ernst & Young**  
Société anonyme

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Autorisations d'établissement :  
00117514/13, 00117514/14, 00117514/15, 00117514/17, 00117514/18, 00117514/19

B.P. 780  
L-2017 Luxembourg  
R.C.S. Luxembourg B47771  
TVA LU 16063074



### Independent auditor's report

To the Shareholders of  
Zabka Group S.A.  
2, rue Jean Monnet  
L-2180 Luxembourg

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

#### Opinion

We have audited the consolidated financial statements of Zabka Group S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

#### Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter:	Accounting for bonuses and discounts granted to franchisees
Description of Key Audit Matter:	<p>In the consolidated financial statements, the Group presents revenues from franchisees for the year ended 31 December 2025 in the amount of PLN 25,455,728 thousand.</p> <p>The main source of the Group's revenues are contracts concluded with franchisees under which the Group, among other things, sells goods, rents out stores with equipment and provides the know-how. The Group identifies one performance obligation under contracts with franchisees.</p> <p>Revenue is recorded as goods are delivered. Revenue from services that accompany sale of physical goods to franchisees is, in principle, dependent on the turnover of physical goods and is not separate from that revenue stream. Their value is part of the variable remuneration per performance obligation under the franchise agreement. Under the franchise agreement, the Group grants to franchisees price discounts and volume bonuses the amount of which depends on the turnover made by franchisees.</p> <p>Bonuses and discounts granted to franchisees are accounted for as variable consideration and recognized as a reduction of the transaction price, and are presented on a net basis in the consolidated statement of profit or loss.</p> <p>At the end of each reporting period, the Group estimates the amount of remuneration to which it will be entitled in exchange for the transfer of the goods or services to franchisees, taking into account the expected discounts and bonuses, as well as potential returns of goods. The expected discounts and bonuses and expected returns of goods represent a variable component in the remuneration of the transaction price. This variable remuneration is recognized only to the extent that there is a high probability that the amount previously recognized as revenue will not be reversed. The amount of the variable remuneration is determined based on an estimation calculated by the Management.</p> <p>Due to the inherent subjectivity and complexity involved in estimating this variable remuneration with franchisees the matter was considered as a Key Audit Matter. The estimates made by management could materially affect the revenue recognition as well as the refund liabilities.</p> <p>The accounting policies adopted by the Group in this respect are presented in note 5.1 "Revenue" to the consolidated financial statements.</p>

## Independent auditor's report continued



Our Response:	<p>We assessed the appropriateness of the Group's accounting principles relating to the recognition of accruals for bonuses and discounts granted to franchisees in accordance with IFRS.</p> <p>We obtained an understanding of the Group's internal processes for entering into contracts with franchisees as well as the internal controls implemented to ensure appropriate settlement of the bonuses and discounts granted to franchisees. As part of our audit, we have also performed procedures, which included among others:</p> <ul style="list-style-type: none"> <li>• inspecting a sample of the franchise agreements and identifying the terms that give rise to variable consideration (bonus and discounts);</li> <li>• recalculation of the bonus amount based on contractual terms included in the agreements signed by franchisees;</li> <li>• verification of accruals for bonuses and discounts recognized at year end to actual settlement after the reporting date;</li> <li>• analysis of historical data on bonuses and discounts provided to franchisees to assess the accuracy and reliability of management's estimates.</li> <li>• reconciliation of the key inputs embedded into the model to the underlying supporting documentation;</li> <li>• analytical procedures on franchises financial results and rationalization of bonuses and discounts to which franchisees are entitled;</li> <li>• assessment of the adequacy and accuracy of disclosures in the consolidated financial statements.</li> </ul>
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<b>Key Audit Matter:</b>	<b>Recognition of rebates related to contracts with suppliers</b>
Description of Key Audit Matter:	<p>In the consolidated financial statements, the Group presents cost of sales for the year ended 31 December 2025 in the amount of PLN 22,052,772 thousand.</p> <p>The Group receives various types of supplier rebates, which are included in cost of sales. These rebates are associated with supply contracts with vendors and take various forms such as credits and discounts. Such rebates obtained from contracts with suppliers decreased balance of trade payables with suppliers and are considered as a component of the cost of the inventory, respectively recognized in the income statement when the products are sold (according to IAS 2 – Inventories).</p> <p>Given the large number of contracts with suppliers and diversity of terms and conditions, as well as the complexity of the calculation model, we considered this area as a Key Audit Matter.</p> <p>The accounting policies adopted by the Group in respect to the recognition and presentation of rebates related to contracts with suppliers are presented in note 6.6 "Inventory", 6.12. "Trade payables and other financial liabilities", in the consolidated financial statements.</p>



Our Response:	<p>We assessed the appropriateness of the Group's accounting principles relating to the recognition of rebates related to contracts with suppliers in accordance with IFRS.</p> <p>During our audit we also obtained an understanding of the Group's internal processes for entering into contracts with suppliers as well as the internal controls implemented to ensure appropriate settlement of the rebates with suppliers.</p> <p>We have also performed procedures, which included among others:</p> <ul style="list-style-type: none"> <li>• for a selected sample of suppliers, we assessed whether the methodology applied in calculating the rebates was in line with contractual terms and arrangements with suppliers;</li> <li>• for a selected sample of suppliers, we tested arithmetical accuracy of the calculations;</li> <li>• for a selected sample of suppliers, obtaining audit evidence in respect to the value of purchases;</li> <li>• reconciliation of the key inputs embedded into the model to the underlying supporting documentation;</li> <li>• performing retrospective review of prior year management's calculation by testing subsequent collections of supplier rebate balances as well as by testing subsequent transactions after the balance sheet date;</li> <li>• assessment of the adequacy and accuracy of disclosures in the consolidated financial statements.</li> </ul>
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**Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the Introduction and Management report, Responsibility Statement and Glossary, but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## Independent auditor's report continued

**Responsibilities of the Board of Directors for the consolidated financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the consolidated financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements**

The objectives of our audit 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 a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF 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 EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

**Report on other legal and regulatory requirements**

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 17 June 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is five years.

The Introduction and Management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the consolidated management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Independent auditor's report continued



We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2025 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2025, identified as Zabkagroup-2025-12-31-1-en, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Alban Aubree

## Responsibility statement



### Zabka Group

Société anonyme

Rue Jean Monnet 2, L - 2180 Luxembourg,

Grand Duchy of Luxembourg R.C.S. Luxembourg: B263068

### RESPONSIBILITY STATEMENT

The Board of Directors of Zabka Group Société anonyme (the “Company”) confirms that, to the best of its knowledge:

The annual 2025 Consolidated Financial Statements, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union (IFRS), and the Standalone Financial Statements, prepared in accordance with the Generally Accepted Accounting Principles in Luxembourg, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole. The Management Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Approved by the Board of Directors on its behalf by:

**Krzysztof Krawczyk**  
Chairman of the  
Board of Directors

**Tomasz Suchański**  
Group Chief Executive Director

## Glossary

Term	Definition
● Adjusted EBITDA	EBITDA adjusted for certain non-recurring costs, including changes in ownership structure, raising new financing, group reorganisation, asset disposals, M&A transaction costs, and incentive programs (detailed reconciliation and explanations provided in the Financial review chapter).
Adjusted EBITDA margin	Adjusted EBITDA divided by Sales to End Customers.
● Adjusted EBITDA (post-rent)	Adjusted EBITDA reduced by rent (real estate rent cost as incurred).
● Adjusted Net Profit	Net profit /(loss) from continuing operations adjusted for EBITDA Adjustments taxed at corporate nominal tax rate.
● Adjusted Net Profit margin	Adjusted Net Profit divided by Sales to End Customers.
APM, Alternative Performance Measures	Alternative performance measure within the meaning of the European Securities and Markets Authority Guidelines on Alternative Performance Measures. Reconciliation and explanations of APMs are provided in the Financial review chapter.
Audit Committee	The audit committee of the Company.
Board of Directors	The board of directors of the Company.
CAGR	Compound Annual Growth Rate.
CAPEX (Capital Expenditure)	Sum of additions to other intangible assets and property, plant and equipment.
CEO	The Chief Executive Officer of the Company.
CFO	The Chief Financial Officer of the Company.
Chairman	The Chairman of the Board of Directors.
Company, Zabka Group SA	Zabka Group, a public limited liability company (société anonyme), with its registered office in Luxembourg.
● CPET	Crystallized Polyethylene Terephthalate, a high-performance plastic widely used for food packaging that requires high heat resistance, such as ready-to-eat meal trays.

● Alternative Performance Measures (APM)

● ESG definitions

Term	Definition
● CSRD	Corporate Sustainability Reporting Directive – a regulatory framework adopted by the European Union to enhance and standardize the disclosure of sustainability-related information by companies.
CVC, CVC Capital Partners	A Luxembourg-based private equity and investment advisory firm, the shareholder in Zabka Group holding a controlling interest.
Cyberstore	A platform containing a set of applications dedicated to franchisees, allowing remote control over store activities.
D2C	Direct to Consumer.
DAM	Directly Addressable Market.
Dark store	A retail outlet or distribution center that caters exclusively to online shopping. A dark store is generally a warehouse that can either be used to facilitate a click- and-collect service, where a customer collects an item, they have ordered online, or as an order fulfilment platform for online sales.
DCO, Digital Customer Offering	An advanced digital offering of the Group which includes D2C meal solutions (Maczfit), a SaaS-enabled D2C meal marketplace (Dietly), eGrocery businesses (delio, Zabka Jush) and autonomous stores (Nano).
delio	A part of Lite e-commerce group, an e-grocery solution offering a range of approximately 10,000 products.
Dietly	Masterlife Solutions sp. z o.o., with its registered office in Warsaw, a software-as-a-service (SaaS) marketplace, providing online access to meal plans in Poland.
Digital Active Shoppers	Yearly active shoppers across the digital ecosystem; making at least one transaction over the past 12 months.
Directors	Executive Directors and Non-Executive Directors of the Company

## Glossary continued

Term	Definition	Term	Definition
● DMA	Double materiality assessment - an analysis that evaluates sustainability issues from two perspectives: how the organisation's activities impact society and the environment (impact materiality), and how sustainability issues affect the organisation's financial performance (financial materiality). This approach recognises that environmental and social impacts often create financial risks and opportunities for the business. It helps organisations prioritise sustainability initiatives, comply with regulations, and improve stakeholder communication by providing a comprehensive view of material sustainability topics.	● ESRS	European Sustainability Reporting Standards -a set of guidelines and requirements developed to support the implementation of the CSRD within the European Union.
		Executive Directors	Executive directors of the Board of Directors and all the members of the Management Committee of the Company.
		EU	The European Union.
		The EU Taxonomy	The EU Taxonomy is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals including, but not limited to, climate change mitigation.
		Eurostat	The statistical office of the European Union
Downstream	All activities that occur after a company's product is sold. This includes distribution, customer use, and end-of-life processes like recycling and disposal.	● FCF, Free Cash Flow	Means Adjusted EBITDA (post-rent) minus CAPEX plus cost of the Sale and Leaseback Transaction plus changes in working capital and provisions.
DRIM	DRIM Daniel Distributie FMCG S.R.L. with its registered office in Argeselu Village, Maracineni Commune (Romania), is a leading distribution network company, specializing in FMCG. It uses strong logistic platforms to efficiently supply a wide range of products to retail and distribution outlets across the region.	● Free Cash Flow Conversion	Free Cash Flow divided by Adjusted EBITDA (post-rent).
		FMCG	The Fast-Moving Consumer Goods.
		Franchisee margin	The amount the franchisee earns from selling products, accounting for the incentives received from the Group.
EBITDA	The Group's net income/(loss) for the reporting period before the effect of income taxes, financing activities and depreciation and amortisation expense.	Froo	Refers to Froo Romania Retail S.R.L., a registered office based in Bucharest that operates a growing network modern convenience store under brand Froo, which are similar to Zabka stores in Poland.
● EcoVadis	A global provider of a standardised and independent sustainability rating system.	● Gallup, Gallup Q12 survey	A Gallup Institute survey that measures employee engagement; it consists of 12 questions that measure the level of engagement of employees in an organisation. GDP Gross Domestic Product.
ETR, Effective Tax Rate	The actual percentage of taxes paid by a company based on its pre-tax income.	General Meeting	The ordinary (annual) or extraordinary general meeting of shareholders of the Company.
eGrocery	A practice of purchasing groceries and household products online with home delivery or pickup.		
● ESG	Environment, social and governance.		

● Alternative Performance Measures (APM)      ● ESG definitions

## Glossary continued

Term	Definition	Term	Definition
● GHG	Greenhouse gases, gases that include Carbon dioxide (CO <sub>2</sub> ), Methane (CH <sub>4</sub> ), Nitrous Oxide (N <sub>2</sub> O), Sulphur hexafluoride (SF <sub>6</sub> ), Nitrogen trifluoride (NF <sub>3</sub> ), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs). Gases are listed in Part 2 of Annex V of Regulation (EU) 2018/1999 of the European Parliament and of the Council.	Lite e-commerce	Lite e-commerce sp. z o.o., a Polish start-up within the Żabka Group since 2021, based in Warsaw and specialising in e-commerce technology.
Group entity	A company within the Żabka Group, which includes Żabka Polska Sp. z o.o., Żabka Nano Sp. z o.o., Żabka Property Fund Sp. z o.o., Lifestyle Solutions sp. z.o.o., Fresh Meals Factory Sp. z o.o., Cool-Logistics Sp. z o.o., Masterlife Solutions Sp. z o.o., Froo Romania Holding S.A., and DRIM Daniel Distributie FMCG S.R.L.	Luxembourg	The Grand Duchy of Luxembourg.
HVAC	Heating, ventilation, and air conditioning systems.	LTIP	The long-term incentive plans in the form of financial instruments of the Company.
IFRS	The International Financial and Reporting Standards, the International Accounting Standards and their interpretations adopted and approved by the European Union.	Maczfit	Fresh Meals Factory Sp. z o.o (formerly Maczfit Foods sp. z o.o.) , with its registered office in Szymanów, is a subscription-based direct-to-consumer meal provider. The company is well-known for delivering high-quality, ready-made meals directly to customers' doors.
IPO	Initial Public Offering; the first public sale of a Company's shares to raise capital.	Management Committee	The management committee (comité de direction) appointed by the Board of Directors on 20 June 2024.
IROs	Impact, Risks and Opportunities.	Managing Directors	Members of the Management Committee.
KSeF	KSeF is an obligatory, national system of e-Invoices, intended for issuing, sending, receiving and storing structured invoices.	● MSCI ESG Rating	The MSCI ESG Rating, developed by global analytics firm MSCI Inc., is one of the framework used for assessing ESG risk exposure and organisational maturity. Ratings are assigned on a seven-point scale: CCC, B, BB, BBB, A, AA and AAA.
Law	The Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders in general meetings of listed companies and implementing Directive 2007/36/EC of the European Parliament and the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, as amended by the law of 18 December 2015 (implementing Directive 2014/59/EU) and the law of 1 August 2019 (implementing Directive (EU) 2017/828).	● Net Debt (excluding lease liabilities) / Adjusted EBITDA (post-rent)	Net Debt excluding lease liabilities divided by Adjusted EBITDA (post-rent) for the preceding twelve months.
LfL, LfL sales growth	Like for Like, comparison of sales to end customers in Żabka stores, taking into account the sales of stores operating on the same day in both the current and previous period.	● Net Debt (excluding lease liabilities)	Sum of loans and borrowings, less cash and cash equivalents.
		● Net Debt (including lease liabilities) / Adjusted EBITDA	Net Debt including lease liabilities divided by Adjusted EBITDA for the preceding twelve months.

● Alternative Performance Measures (APM)      ● ESG definitions

## Glossary continued

Term	Definition
● Net Debt, Net Debt (including lease liabilities)	Sum of loans and borrowings, lease liabilities less cash and cash equivalents.
Net profit	IFRS measure representing net profit from continuing operations.
Net profit margin	Net profit / (loss) from continuing operations divided by Sales to End Customers.
New Growth Engines	Groups reporting segment that comprises Digital Customer Offering and operations in Romania under Froo and DRIM brands.
Non-Executive Directors	Non-executive directors of the Board of Directors.
NPS	Net Promoter Score
Number of franchisees and agents	The number of franchisees (in Poland) and agents (in Romania) running a Żabka store at the end of the reporting period.
OECD	Organisation for Economic Cooperation and Development.
OptiPlan	An efficiency and management tool to increase productivity at the store level.
● Own workforce	Own workforce means: 1) employees – those individuals who are in an employment relationship with an entity within the Group; 2) non-employees / co-workers – those workers who are bound to an entity within the Group by a civil law contract, individual contractors providing services within the Group, and self-employed people (B2B); temporary workers – those who are provided to an entity within the Group by entities engaged in employment activities, such as temporary recruitment agencies.

● Alternative Performance Measures (APM)

● ESG definitions

Term	Definition
● Physical risk	Risk that is a direct result of the Company's dependence on nature. Physical risk arises when natural systems are compromised, due to the impact of climatic events, geologic events or changes in ecosystem equilibria, which affect the ecosystem services the Company depends on. Physical risk can be acute, chronic or both.
POS (points of sale)	Total number of Żabka stores, including unmanned Żabka Nano stores.
QMS	Quick Meal Solutions.
QSR	Quick Service Restaurant.
Real GDP	Means an inflation-adjusted measure that reflects the value of all goods and services produced by an economy in a given year (expressed in base-year prices), calculated by dividing nominal GDP over a GDP deflator.
Remuneration Policy	The Remuneration Policy of Żabka Group SA adopted by the Board of Directors on 30 September 2024.
Remuneration Report	The remuneration report of the Management Board and Management Committee of Żabka Group SA for the financial year 2025.
● rPET	rPET (recycled polyethylene terephthalate) is a recycled plastic made from used PET products like bottles.
Sales to End Customers	Sales to End Customers (StEC) is defined as the combined sales generated by both reporting segments: Ultimate Convenience (Żabka stores) and New Growth Engines (NGE). While not directly equivalent to consolidated revenue, StEC serves as a key performance indicator that reflects the underlying commercial strength of the Group's business model. It is widely used by investors and analysts to assess performance across the grocery retail sector
SKU	Stock Keeping Unit.
TAM	Total Addressable Market.

## Glossary continued

Term	Definition	Term	Definition
Ticket	A single customer transaction recorded at the point of sale, represented by one receipt. In retail analytics, a ticket is used as a proxy for the number of customers visiting a store, since each issued ticket corresponds to one completed purchase by an individual shopper.	WSE	The Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) and, unless the context requires otherwise, the regulated market operated by such company.
● TNFD	The Taskforce on Nature-related Financial Disclosures – an initiative aimed at developing a framework for organizations to report and act on evolving nature-related risks and opportunities.	WSE Best Practices	Code of Best Practices for WSE Listed Companies 2021, which constitutes a set of rules and recommendations regarding corporate governance applicable to companies listed on the WSE.
● Transition plan	A specific type of action plan that is adopted by the company in relation to a strategic decision and addresses: (i) public policy objective, and/or (ii) company-specific action plan organised as a structured set of targets and actions associated with strategic decisions, major change in business model, and/or particularly important actions and allocated resources.	Your opinion index	Your Opinion is Żabka's customer satisfaction survey conducted through the Żappka app. After completing a purchase with the Żappka app scanned, customers receive a push notification inviting them to fill out a short questionnaire. The survey covers key areas such as overall satisfaction with the visit, service quality, store cleanliness, and queue experience. On average, we collect feedback from approximately 0.5 million customers each month.
● Transition risk	Risk that results from a misalignment between the company's strategy and management and the changing regulatory, policy or societal landscape in which it operates. Transition risk refers to risk arising from the transition away from fossil fuels and other GHG-emitting activities.	YoY	Year over Year.
Upstream	All activities that occur before a company's own operations primarily covering its supply chain. This encompasses raw material sourcing, component manufacturing and transportation from suppliers.	Żabka	Brand of Żabka.
● Workers in the value chain	Individuals who perform work in the Group's value chain regardless of the existence or nature of any contractual relationship with the Group, such as workers in suppliers' factories or workers of downstream partners. This concept extends a company's social responsibility throughout its upstream and downstream activities.	Żabka Group, the Group	The Company and its subsidiaries.
		Żabka Jush!	A part of Lite e-commerce group, a brand offering 15-minute deliveries of approximately 4,000 products ordered via the Żabka Jush app.
		Żabka Nano	Żabka Nano sp. z o.o. with its registered office in Poznań is a 24/7 autonomous D2C store that offers convenient, checkout less shopping and can be customised for various locations. It complements traditional stores by expanding potential sites and allowing placement in hard-to-reach areas.
		Żabka Polska	Żabka Polska sp. z o.o., with its registered office in Poznań.
		Żappka	Żabka's mobile application for customers.
		Żapps	Loyalty points collected by customers in Żappka app.

● Alternative Performance Measures (APM)

● ESG definitions

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