



TOYA S.A. Financial Statements for the Year Ended 31 December 2025



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Statement of financial position

		31 December 2025	31 December 2024
ASSETS	Note		
Property, plant and equipment	7	21 725	21 033
Intangible assets	8	2 829	3 241
Right-of-use assets	9	9 789	16 100
Investments in subsidiaries	10	70 803	70 803
Deferred income tax assets	30	3 002	2 431
Non-current assets		108 148	113 608
Inventory	11	324 560	328 095
Trade and other receivables	12	48 301	52 968
Cash and cash equivalents	13	49 971	7 711
Current assets		422 832	388 774
Total assets		530 980	502 382
EQUITY AND LIABILITIES			
Share capital	15	7 504	7 504
Share premium		35 677	35 677
Own shares	16	(8 090)	-
Reserve capital (*)	17	92 239	100 329
Other capitals		(177)	(89)
Retain earnings	18	334 274	256 652
Equity		461 427	400 073
Lease liabilities	22	3 350	9 647
Liabilities from employee benefits	21	971	756
Other long-term liabilities		18	22
Long-term liabilities		4 339	10 425
Trade and other payables	20	38 828	71 005
Liabilities from employee benefits	21	12 601	9 495
Lease liabilities	22	6 404	6 770
Liabilities from current income tax		5 578	3 182
Provisions	23	1 803	1 432
Short-term liabilities		65 214	91 884
Total liabilities		69 553	102 309
Total equity and liabilities		530 980	502 382

(*) Under the "reserve capital" item, a change in presentation was made compared to the data published in the annual report for 2024, whereby the amount of PLN 100,000 thousand resulting from the reserve capital established for the repurchase of the Company's own shares was reclassified from the "retained earnings" item to the "reserve capital" item.

Statement of profit or loss

	Note	12 months ended 31 December 2025	12 months ended 31 December 2024
Revenue from sales of goods	24, 25	674 518	627 541
Cost of goods sold	26	(459 812)	(434 874)
Gross profit		214 706	192 667
Selling costs	26	(102 211)	(100 007)
Administrative expenses	26	(30 596)	(27 265)
Expected credit losses	12	(46)	(88)
Other operating revenue	28	3 959	5 329
Other operating expenses	28	(310)	(748)
Operating profit		85 502	69 888
Financial revenue	29	1 591	769
Financial expenses	29	(955)	(1 727)
Profit before tax		86 138	68 930
Income tax	30	(16 606)	(13 277)
Net profit		69 532	55 653
Net profit for the period attributable to shareholders of the Company		69 532	55 653

Earnings per share

		12 months ended 31 December 2025	12 months ended 31 December 2024
Basic earnings per share in PLN	31	0,93	0,74
- from continuing operations		0,93	0,74
- from discontinued operations		-	-
Diluted earnings per share in PLN	31	0,93	0,74
- from continuing operations		0,93	0,74
- from discontinued operations		-	-

Statement of comprehensive income

	Note	12 months ended 31 December 2025	12 months ended 31 December 2024
Net profit		69 532	55 653
<i>Items that cannot be transferred to profit or loss</i>			
Actuarial gains or losses	21	(109)	18
Income tax on other comprehensive income		21	(3)
Other net comprehensive income		(88)	15
Total net comprehensive income for the financial year		69 444	55 668
Total comprehensive income for the period attributable to shareholders of the Company		69 444	55 668
Other comprehensive income attributable to shareholders of the Company		(88)	15



Statement of changes in equity

	Share capital	Share premium	Own shares	Reserve capital (*)	Other capitals	Retained earnings	Total equity
As at 1 January 2025	7 504	35 677	-	329	(89)	356 652	400 073
<i>Comprehensive income</i>							
Net profit	-	-	-	-	-	69 532	69 532
Other comprehensive income	-	-	-	-	(88)	-	(88)
Total comprehensive income	-	-	-	-	(88)	69 532	69 444
<i>Transactions with owners</i>							
Repurchase of own shares	-	-	(8 090)	-	-	-	(8 090)
Settlement of the reserve capital created for the repurchase of own shares in accordance with Article 363 § 6 of the Polish Commercial Companies Code	-	-	-	(8 090)	-	8 090	-
Total changes in equity	-	-	(8 090)	(8 090)	(88)	77 622	61 354
As at 31 December 2025	7 504	35 677	(8 090)	92 239	(177)	334 274	461 427
As at 1 January 2024	7 504	35 677	-	329	(104)	300 999	344 405
<i>Comprehensive income</i>							
Net profit	-	-	-	-	-	55 653	55 653
Other comprehensive income	-	-	-	-	15	-	15
Total comprehensive income	-	-	-	-	15	55 653	55 668
<i>Transactions with owners</i>							
Creation of a reserve capital for the repurchase of own shares	-	-	-	100 000	-	(100 000)	-
Total changes in equity	-	-	-	100 000	15	(44 347)	55 668
As at 31 December 2024	7 504	35 677	-	100 329	(89)	256 652	400 073

(*) Under the "reserve capital" item, a change in presentation was made compared to the data published in the annual report for 2024, whereby the amount of PLN 100,000 thousand resulting from the reserve capital established for the repurchase of the Company's own shares was reclassified from the "retained earnings" item to the "reserve capital" item.

Statement of cash flows

	Note	12 months ended 31 December 2025	12 months ended 31 December 2024
Cash flows from operating activities			
Profit before tax		86 138	68 930
Adjustments for:			
Amortisation and depreciation	26	10 140	11 208
Net interest	29	(591)	923
Profit/Loss on investing activities	28	(734)	(1 344)
Foreign exchange gains/losses		128	(247)
Other adjustments		(44)	35
Changes in balance sheet items:			
Change in trade and other receivables	14	4 667	(19 678)
Change in inventories	14	3 535	(123 640)
Change in provisions	14	371	427
Change in trade and other payables	14	(32 136)	45 939
Change in employee benefit liabilities	14	3 212	1 411
Income tax paid		(14 760)	(13 040)
Net cash from operating activities		59 926	(29 076)
Cash flows from investing activities			
Sale of property, plant and equipment		1 849	2 114
Purchase of property, plant and equipment and intangible assets		(4 901)	(8 101)
Cash inflows from loans granted		16 510	-
Cash outflows from loans granted		(16 749)	-
Interest received		1 034	764
Dividends received		512	-
Net cash from investing activities		(1 745)	(5 223)
Cash flows from financing activities			
Proceeds from loans	19	15 192	31 971
Repayments of loans	19	(15 192)	(31 971)
Repayment of lease liabilities	22	(6 877)	(5 419)
Interest paid on loans	19	(81)	(451)
Interests paid on leases	22	(874)	(1 236)
Payments for the repurchase of own shares		(8 090)	-
Net cash from financing activities		(15 922)	(7 106)
Change in net cash and cash equivalents		42 259	(41 405)
Balance sheet change in cash and cash equivalents, including:		42 260	(41 396)
- change in cash due to exchange rate differences		1	9
Cash and cash equivalents at the beginning of the period	13	7 711	49 107
Cash and cash equivalents at the end of the period	13	49 971	7 711

Accounting policy and other explanatory notes

1. General information

Name of the reporting entity: TOYA S.A. (hereinafter referred to as the "Company")

Legal form of the entity: Joint-stock company

Entity's registered office address: ul. Sołtysowicka 13/15, 51-168 Wrocław

Entity's headquarters: Wrocław

Country of registration: Poland

Primary location of entity's operations: Poland

The Company is a successor of the civil law partnership "TOYA IMPORT-EKSPORT" with its registered office in Wrocław, whose partners, given the scale of the business and its rapid development, resolved to transfer the business in 1999 to a newly established joint-stock company TOYA S.A. with its registered office in Wrocław.

The Company was incorporated by virtue of a Notarial Deed of 17 November 1999 drawn up by Notary Public Jolanta Ołpińska in the Notarial Office in Wrocław (Rep. A No 5945/99). Next, pursuant to a court decision of 3 December 1999, the Company was entered in the Commercial RHB Register maintained by the District Court for Wrocław-Fabryczna, 6th Commercial Division, under entry No RHB 9053. By virtue of a decision of 5 December 2001, the District Court for Wrocław-Fabryczna, 6th Commercial Division of the National Court Register, entered the Company into the Register of Entrepreneurs under entry No. KRS 0000066712.

As at 31 December 2025, TOYA S.A. operates one branch – in Nadarzyn.

The Company's Statistical Identification Number (REGON) is 932093253, the Nadarzyn Branch has been assigned the Statistical Identification Number (REGON): 932093253-00031.

Description of the nature and basic scope of Company's activities

The core business activities of TOYA S.A. include import and distribution of industrial goods, including primarily hand and power tools for professional and DIY use. The Company distributes goods manufactured and supplied mainly by companies located in China. For many years, the Company has been implementing its strategy of expanding into international markets. It focuses primarily on Central, Southern, and Eastern Europe (Romania, Ukraine, Baltic countries, Hungary, Belarus, Moldova, Czech Republic, Bulgaria and Germany). Moreover, in 2003 a subsidiary, TOYA Romania S.A., was established, whose business includes sales of hand and power tools in Romania. This company offers the same products and brands as those offered by the Company in Poland. In 2008, the company Yato Tools (Shanghai) Co. Ltd., located in China, was established. The entity deals in the distribution of YATO brand tools and power tools in China and in certain other foreign markets not supported by TOYA S.A. In 2019, the company Yato Tools (Jiaxing) Co. Ltd. was founded, with its registered office in Baibu Town, China, which main business is also distribution of tools and power tools. The major part of the activities of Yato Tools (Shanghai) and Yato Tools (Jiaxing) is supply chain management to companies in Poland and Romania.

Duration of the Company is unlimited.

Toya S.A. is the parent company of the TOYA S.A. Capital Group.

In period from 1 January to 31 December 2025 and until the date of approval of these financial statements for publication, the Management Board was composed of the following members:

- | | | |
|---|------------------|---|
| • | Grzegorz Pinkosz | President of the Management Board; |
| • | Maciej Lubnauer | Vice-President of the Management Board; |
| • | Robert Borys | Vice-President of the Management Board; |
| • | Jan Jakub Szmidt | Vice-President of the Management Board. |

In the period from 1 January to 31 December 2025 and until the date of approval of these financial statements for publication, the Supervisory Board was composed of the following members:

- | | | |
|---|------------------------------|---|
| • | Piotr Mondalski | President of the Management Board; |
| • | Jan Szmidt | Vice-President of the Management Board; |
| • | Dariusz Górka | Member of the Supervisory Board; |
| • | Grzegorz Maciąg | Member of the Supervisory Board; |
| • | Wojciech Bartłomiej Papierak | Member of the Supervisory Board; |
| • | Beata Szmidt | Member of the Supervisory Board; |
| • | Zenon Beker | Member of the Supervisory Board. |

These financial statements of the Company cover the year ended on 31 December 2025. Comparative data is presented:

- as at 31 December 2024 for the statement of financial position,
- for the period from 1 January 2024 to 31 December 2024 for the statement of profit or loss and other comprehensive income, the statement of cash flows, and the statement of changes in equity.

These financial statements of the Company for the year ended 31 December 2025 were approved for publication by the Management Board on 26 March 2026.

The Company has also prepared the consolidated financial statements for the year ended 31 December 2025, which were approved for publication by the Management Board on 26 March 2026.

2. Summary of significant accounting policies

The most significant accounting principles applied for the drawing up of these financial statements have been presented below. Those principles were applied in all periods presented in a continuous way, unless stated otherwise.

2.1 Basic of preparation

These financial statements of the Company for the financial year ended 31 December 2025 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board, as adopted by the European Union ("EU").

These financial statements have been prepared in accordance with IFRS and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which were issued and in effect as at the reporting date 31 December 2025.

The policies described below have been consistently applied to all the periods presented, except for changes resulting from the application of new or amended IFRS from 1 January 2025, which were described below.

These financial statements have been prepared in accordance with the historical cost convention.

The preparation of financial statements in conformity with IFRS requires use of significant accounting estimates. It also requires the Management Board to exercise judgement in the process of applying the accounting policies adopted by the Company. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are material from the point of view of the financial statements are disclosed in note 4.

Going concern

These financial statements have been prepared on the assumption that the Company will continue as going concerns in the foreseeable future.

2.2 Effect of new standards and interpretations on the Company's financial statements

These financial statements have been prepared on the basis of the EU IFRS issued and effective as at the reporting date, i.e. 31 December 2025.

The EU IFRS comprise all International Accounting Standards, International Financial Reporting Standards and related Interpretations, excluding Standards and Interpretations listed below, which are awaiting approval by the European Union.

a) New standards, interpretations and amendments to existing standards effective in 2025

- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"**

The amendment clarifies how an entity should assess whether a currency is exchangeable and how to determine the exchange rate in the absence of exchangeability. It also requires disclosures that enable users of financial statements to understand the impact of a lack of currency exchangeability.

This amendment had no impact on the Company's financial statements.

b) New standards, interpretations and amendments, which are not yet effective and have not been applied early by the Company

As at the date of approval of these financial statements for publication, the Management Board has not yet completed its assessment of the impact of the adoption of the following standards and amendments to standards on the accounting policies applied by the Company, with respect to its operations or financial performance. The expected impact, based on information available as at the date of approval of these financial statements, is presented in the table below.

Standards/Interpretations	Effective date	Description of changes to the standard/interpretation	Possible impact on the financial statements
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" regarding classification and measurement of financial instruments	annual periods beginning on 1 January 2026 amendments endorsed by the European Commission	The amendments to IFRS 9 introduce a choice of accounting policy regarding the timing of derecognition of a financial liability when payment is made via an electronic payment system (if certain conditions are met). The amendments to IFRS 9 regarding the SPPI test provide guidance to help assess whether the cash flows arising from a contract are consistent with a basic lending arrangement. In addition, the amendments introduce a clearer definition of the "non-recourse" feature. The amendments to IFRS 9 also provide additional guidance on the characteristics of contractually linked instruments. • regarding investments in equity instruments designated as measured at fair value through other comprehensive income, • for each class of financial assets measured at amortized cost or at fair value through other comprehensive income, as well as for financial liabilities measured at amortized cost.	The changes are not expected to have a significant impact on the Company's financial statements.
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" regarding PPAs (Contracts Referencing Nature-dependent Electricity)	annual periods beginning on 1 January 2026 amendments endorsed by the European Commission	The amendments to IFRS 9 include information on which PPAs can be used for hedge accounting and what specific terms are permitted in such hedging relationships. The amendments to IFRS 7 introduce new disclosure requirements for PPAs as defined in the amendments to IFRS 9.	The changes are not expected to have a significant impact on the Company's financial statements.
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	annual periods beginning on 1 January 2026 amendments endorsed by the European Commission	Annual Improvements – only formal/organizational changes in the standards.	The changes are not expected to have a significant impact on the Company's financial statements.

Standards/Interpretations	Effective date	Description of changes to the standard/interpretation	Possible impact on the financial statements
<i>New IFRS 18 "Presentation and Disclosures in Financial Statements"</i>	annual periods beginning on 1 January 2027 amendments endorsed by the European Commission	The new standard will replace IAS 1 "Presentation of Financial Statements". IFRS 18 introduces, among others: • a new structure of the profit and loss statement, • increased requirements for data aggregation and disaggregation, • requirements for disclosure of <i>management-defined performance measures</i>.	The application of IFRS 18 will result in a reclassification of certain items of finance income and finance costs between the investing and financing categories. In particular, this will apply to interest income from bank deposits, which under the new structure of the statement of profit or loss will be presented within the investing category, as well as to the presentation of foreign exchange differences, which will be presented in the same category as the item to which they are economically related. In addition, the Company plans to present management performance measures (MPMs) in the financial statements. These changes will be presentation-related only and will not affect the Company's total net profit or its financial position.
<i>New IFRS 19 "Subsidiaries without public accountability: Disclosures"</i>	annual periods beginning on 1 January 2027 amendments endorsed by the European Commission	The standard applies to subsidiaries without public accountability for which their parent prepares consolidated financial statements in accordance with IFRS. The new IFRS 19 exempts from the disclosures required by other standards and introduces a new list in their place.	The standard does not apply to the Company's operations; therefore, it is not expected to have any impact on the Company's financial statements.
Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	annual periods beginning on 1 January 2027 amendments endorsed by the European Commission	IFRS 19 allows subsidiaries without public accountability to apply IFRS with reduced disclosure requirements. It limits disclosure requirements relating to other standards and amendments issued up to February 2021. The newly issued amendments to IFRS 19 allow subsidiaries to reduce disclosure requirements for standards and amendments published in the period from February 2021 to May 2024, in particular: IFRS 18, amendments to IAS 7 and IFRS 7, amendments to IAS 12, amendments to IAS 21, and amendments to IFRS 9 and IFRS 7. As a result of these amendments, IFRS 19 reflects changes to IFRS standards effective until 1 January 2027, i.e. until the date from which IFRS 19 will become applicable.	The standard does not apply to the Company's operations; therefore, it is not expected to have any impact on the Company's financial statements.

Standards/Interpretations	Effective date	Description of changes to the standard/interpretation	Possible impact on the financial statements
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"	annual periods beginning on 1 January 2027 amendments endorsed by the European Commission	The amendments to IAS 21 clarify foreign currency translation principles in specific situations. When an entity translates amounts from the functional currency of a non-hyperinflationary economy into the presentation currency of a hyperinflationary economy, it uses the closing rate as at the date of the most recent statement of financial position, applying it also to comparative information. Conversely, when the presentation currency ceases to be the currency of a hyperinflationary economy while the functional currency remains that of a non-hyperinflationary economy, the entity applies the requirements of IAS 21 prospectively, without restating comparative information. In addition, it has been clarified that when both the functional and presentation currencies belong to a hyperinflationary economy, an entity translating comparative information of a foreign operation in a non-hyperinflationary economy applies a general price index in accordance with IAS 29. The amendments also introduce additional disclosure requirements related to the above changes.	The amendments are not expected to have a material impact on the Company's financial statements.

2.3 Interest in subsidiaries

Interests in controlled entities are recognised at acquisition cost.

Investments in subsidiaries are tested for impairment whenever there is an indication of impairment or that any previously recognised impairment loss is no longer required or has decreased.

2.4 Segment reporting

Information on operating segments is presented on the same basis as that used for internal reporting to the Company's Management Board which is responsible for the allocation of resources and assessment of the segments' results. Amounts presented in the internal reporting process are measured using the same policies as those followed in these financial statements prepared in accordance with the UE IFRS.

2.5 Valuation of items denominated in foreign currencies

Functional currency

Items contained in the Company's financial statements are measured in the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in the Polish zloty, which is the functional currency and the presentation currency of the Company.

Transactions and balances

Transactions expressed in foreign currencies are translated into the functional currency according to the exchange rate applicable on the transaction date. Any currency exchange gains or losses arising on settlement of such transactions or on accounting measurement of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss and presented on net basis in other income or other operating expenses.

Monetary assets and liabilities expressed in foreign currencies are translated as at the reporting period end date using the average market rate effective for the given currency for that date.

Non-monetary assets and liabilities carried at historical cost in a foreign currency are translated using the average market rate effective for the transaction date. Non-monetary items of the statement of financial position expressed in foreign currencies which are carried at fair values are translated using the average market exchange rate effective for the fair value measurement date.

2.6 Property, plant and equipment

Property, plant and equipment are stated at acquisition or production cost less accumulated depreciation and potential accumulated impairment.

The acquisition price includes the purchase price of an asset (i.e. the amount due to a seller, decreased by deductible taxes: VAT and excise duty), public charges (in the case of imports) and expenditure directly attributable to the acquisition of the asset and its adaptation for its intended use, including the costs of transport, loading and unloading. Rebates, discounts as well as other similar concessions and recoveries decrease the asset acquisition cost.

Production cost of a tangible fixed asset or a tangible fixed asset under construction includes all the expenses incurred by the entity during its construction, assembly, adaptation or improvement, incurred until the date on which the asset became available for use, including any non-deductible VAT and excise duties.

Any subsequent expenditure on replacement of parts of items of property, plant and equipment is capitalised if it can be measured reliably and it is probable that the Company will derive economic benefits associated with the replaced items. Repair and maintenance costs are charged to profit or loss as incurred.

Except for land and tangible non-current assets under construction, all items of property, plant and equipment are depreciated over their estimated useful lives using the straight-line method, taking into account the residual value, if material. The following groups are depreciated using the following depreciation rates:

- buildings and structures from 10 to 40 years;
- plant and equipment from 2 to 10 years;
- vehicles from 2 to 10 years;
- other tangible fixed assets from 2 to 20 years.

Correctness of the applied useful lives, depreciation methods and residual values (except where insignificant) is reviewed by the Company on an annual basis. Any changes are presented as changes in accounting estimates and their effect is taken to profit or loss in the period when the estimate changes and in subsequent periods.

Significant components of property, plant and equipment are depreciated based on their estimated useful lives.

Any gains or losses on the disposal or liquidation of items of property, plant and equipment are determined as the difference between the revenue from the sale and the carrying amount of the items, and recognised in profit or loss.

Tangible fixed assets under construction are stated at cost or at the amount of the aggregate expenses directly associated with their production, less impairment. The cost of borrowings contracted to finance tangible fixed assets under construction increases their value.

2.7 Intangible assets

Intangible assets are stated at acquisition or production cost less accumulated amortisation and impairment.

Any subsequent expenditure on existing intangible assets is capitalised only when it increases the future economic benefits to be generated by the asset. Other expenditures are taken to profit or loss as incurred.

The period and method of amortisation of intangible assets are reviewed at the end of each financial year. Any changes are recognised as changes in accounting estimates and their effect is charged to profit or loss in the period in which the amortisation rates are changed and in subsequent periods.

Amortisation is calculated over the estimated useful life of intangible assets, using the straight line method. The amortisation rates applied to intangible assets are as follows:

- trademarks 10 years;
- licences and software from 1 to 20 years.

2.8 Leases

a) Right-of-use assets

The Company recognizes right-of-use assets on the lease commencement date (i.e. on the day when the underlying asset is available for use). Right-of-use assets are measured at cost, less total depreciation and impairment losses, adjusted for any revaluation of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and any lease payments paid on or before the lease start date, less any incentives received. Unless the Company is sufficiently certain that it will obtain the ownership title to the leased asset at the end of the lease period, the recognized right-of-use assets are amortized using the straight-line method, over the shorter of the two periods: estimated useful life of the leased asset or lease period. Right-of-use assets are subject to impairment assessment.

Right-of-use assets are presented in the statement of financial position as a separate line item.

b) Lease liability

At the lease commencement date, the Company measures the lease liabilities at the amount of the current value of the future lease payments, remaining to be paid on that date. Lease payment includes fixed fees (essentially fixed lease payments) less any lease incentives due, variable fees that depend on the index or rate, and amounts expected to be paid under the guaranteed residual value. Lease payments include also the price of the call option (if it can be assumed with sufficient certainty that the Company will exercise it) and the payment of fines for termination of the lease (if the lease provides for the option of terminating the lease by the Company). Variable lease payments that do not depend on an index or rate are recognized as costs in the period in which the event or condition giving rise to the payment occurs.

When calculating the current value of future lease payments, the Company uses the lessee's marginal interest rate determined on the day the lease starts. After the start date, the amount of the lease liability is increased to reflect interest and reduced by the lease payments made. In addition, the carrying amount of lease liabilities is remeasured in the event of a change in the lease period or a change in the principal fixed lease payments.

c) Short-term lease and lease of low-value assets

The Company applies the exemption from recognizing short-term leases to its short-term lease contracts (i.e. contracts for which lease period is 12 months or less from the commencement date and does not contain purchase option). The Company also applies an exemption regarding the recognition of leases of low-value assets in relation to its low-value leases. Lease payments for short-term leases and leases of low-value assets are recognized as costs, using the straight-line method, over the duration of the lease contract.

2.9 Impairment on non-financial non-current assets

As at the end of each reporting period, the Company assesses whether there is any evidence that any of its non-financial non-current assets may be impaired. If the Company finds that there is such evidence, or if the Company is required to perform annual impairment tests (in the case of goodwill), the Company estimates the recoverable amount of the given asset or cash-generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit ("CGU") is equal to the higher of the asset's or cash-generating unit's fair value less costs to dispose or its value in use. The recoverable amount is determined for individual assets unless a given asset does not generate separate cash inflows largely independent from those generated by other assets or asset groups. If the carrying amount of an asset is higher than its recoverable amount, the asset is impaired and an impairment loss is recognised up to the established recoverable amount. The impairment loss is allocated in the

following order: first, the carrying amount of goodwill is reduced, and then the carrying amounts of other assets of the cash-generating unit are reduced pro rata.

Impairment losses related to assets are disclosed under the cost categories corresponding to the function of the asset with respect to which impairment has been identified.

As at the end of each reporting period, the Company assesses whether there is evidence that any impairment loss recognised in the previous periods with respect to a given asset or cash-generating unit is no longer necessary or should be reduced. If such evidence exists, the Company measures the recoverable amount of the given asset or CGU.

2.10 Borrowing costs

Borrowing costs that are directly attributable to acquisition or production of assets which take a substantial period of time to become available for their intended use, are capitalised (unless immaterial) as part of the cost of tangible non-current assets or intangible assets, as appropriate, until such assets become available for their intended use.

2.11 Financial assets

Upon initial recognition, financial assets are measured at fair value of the consideration given plus transaction costs, with the exception of financial assets at fair value through profit or loss in the case of which the transaction costs are charged to profit or loss. Purchases and sales of financial instruments are recognised as at the date of the transaction. A trade receivable without a significant financing component is initially measured at the transaction price at the time it arises.

Financial assets are derecognised when the rights to receive cash flows from these assets have expired or have been transferred and substantially all risks and rewards incidental to ownership of such assets have been transferred. If there has been no transfer of substantially all the risks and rewards of the asset, the asset is derecognised when the Company loses control over the asset.

The Company classifies its financial assets to the following categories:

- a) measured at amortized cost;
- b) measured at fair value through profit or loss;
- c) measured at fair value through other comprehensive income;

The classification depends on the Company's business model objective for its financial assets as well as the characteristics of contractual cash flow from those instruments. For financial assets, reclassification is performed, if and only if the entity's business model objective for its financial assets has changed.

a) financial assets measured at amortized cost

Financial assets held to receive contractual cash flows, which include only repayment of principal amount and interest, are measured at amortised cost. The Company classifies trade receivables and cash and cash equivalents into this category of financial assets. Interest revenue (for receivables with a deadline for repayment of over 1 year) are determined using effective interest rate method and recognized as "financial income" in statement of profit or loss. Impairment losses on trade receivables are recognised in line with the accounting policy described in note 2.12 and are recognized in cost of sales.

As at 31 December 2025 and 2024, the Company did not held any assets qualified within the remaining two categories, i.e. (ii) measured ad fair value through profit or loss, and (iii) measured at fair value through other comprehensive income.

2.12 Impairment of financial assets

The Company performs individual and group analysis of impairment of trade receivables.

Receivables are analysed individually when there is an objective evidence of impairment that may have a negative effect on the amount of future cash flows. Significant objective conditions include, for example, taking legal action against a debtor, serious financial problems of the debtor, significant overdue payments.

In the case of short-term trade receivables analysed in groups, which do not have a significant financing element, the Company applies the simplified approach required in IFRS 9 and measures impairment losses in the amount of credit losses expected throughout the lifetime of the receivable from its initial recognition. The Company utilizes provision matrix where a fixed provision rate applies depending on the number of days that a trade receivable is outstanding.

For the purpose of estimation of the expected credit losses, trade receivables are grouped on the basis of credit risk characteristics (separate groups were determined for certain distribution channels – receivables from export customers, network customers, wholesale customers and individual customers). Customers credit non-performance analysis was performed for the last 3 years, to determine the general non-performance ratios.

These ratios are determined for the following ranges:

- not yet due;
- past due under 30 days;
- past due from 30 to 60 days;
- past due from 60 to 90 days;
- past due over 90 days.

Historical data on receivables referred to court and written-down as well as information about share of amounts received in each time range indicated above, are used in determination of non-performance ratio for each time range. Other factors, such as insurance of receivable or expected impact of future events, are also taken into consideration.

Impairment write-down is estimated considering non-performance ratios, adjusted for expected impact of future events and based on balance of outstanding receivables as of the balance sheet date, for each of the time ranges indicated above.

2.13 Inventory

Inventory includes goods for resale and assets for expected returns.

Goods for resale are measured at the costs of acquisition not higher than net realisable value.

Net realisable value is equal to the estimated selling price of an item of inventory less any costs of completion and costs necessary to make the sale.

Inventory decrease is measured based on average prices, i.e. determined as weighted average prices of individual goods for resale.

The assets for expected returns, (i.e. value of goods which are expected to be returned by customers in accordance with the right provided to customers in the agreement or under the binding laws and regulations - please refer to revenue recognition policy in note 2.21) are estimated based on historical data, including ratio of returns from customers to revenue from sales for the period of last 3 years. Estimated value of these assets offsets the costs of goods sold.

The amount of an impairment loss is calculated based on rotation of individual items of goods for resale and it depends on the ratio of inventory level and the quantity of goods sold over the last 12 months. Items for which inventory level exceeds sales expected for the 2-years period are written off. Inventory impairment is recognised in relation to goods which are in the permanent offer of the Company due to the need to obtain reliable historical data in terms of actual data over a longer period of time. New products are excluded from the calculation of impairment loss, due to the period required to place the new product on the market and lack of sufficient historical data for further analysis.

Impairment losses on inventory are recognised in cost of sales.

2.14 Cash and cash equivalents

Cash and cash equivalents disclosed in the statement of financial position include cash at bank and in hand as well as highly liquid current financial assets whose original maturity does not exceed three months and which are readily convertible into specific cash amounts and subject to insignificant risk of fluctuation in fair value.

2.15 Equity

Equity is disclosed in the accounting records divided into categories, in accordance with the rules set forth in applicable laws and the provisions of the Company's Articles of Association.

The particular categories of equity are:

- share capital of the Company – stated at its par value as specified in the Company's Articles of Association and entered in the court register,
- share premium is stated in the proceeds from the issue of shares in the amount exceeding the par value of shares, less transactions costs associated with the public share issue,
- reserve capital for buyback of own shares is created based on the resolution of General Shareholders' Meeting,
- other capitals include actuarial gains and losses arising from the actuarial valuation of provisions for pensions and related benefits,
- retained earnings – comprising profit/(loss) distributions, undistributed profit/(loss), and net profit/(loss) for the reporting period to which given financial statements relate.

Transaction cost related to the public share issue is taken to equity and reduces the share premium account as at the share issue date. Transaction cost related to the purchase of own shares reduces the amount of reserve capital created for this purpose by General Shareholders Meeting.

2.16 Bank loan liabilities

Bank loans are initially recognised at fair value less transaction cost. Following initial recognition, bank loans are measured at amortized cost, using the effective interest method.

2.17 Trade and other payables

Trade payables are initially recognised at fair value, and subsequently, where the discount effect is material, they are measured at amortised cost using the effective interest method.

Other liabilities include liabilities arising from returns of goods from customers (in accordance with the right provided to customers in the agreement or under the existing laws and regulations - please refer to revenue recognition policy in note 01). Value of these liabilities is estimated based on historical data, including ratio of returns from customers to revenue from sales for the period of last 3 years. At the same time, the Company recognizes in inventories the asset for goods which the customers are expected to return, with the offsetting entry to cost of goods sold (see note 03).

According to the regulations of European Parliament and other laws in force, i.e. EU Waste Electrical and Electronic Equipment Act, the Company, as entity that places electrical and electronic equipment, batteries, containers and products such as oils and tires on the market, is subject to Extended Producer Responsibility, under which it is responsible for the products at the stage when it becomes a waste. The Parent Company is obliged to finance a system for collecting and recycling waste generated from products and packaging introduced by the Company. These obligations are fulfilled by concluding an agreement with Recovery Organizations. Costs arising from these contracts are recognized throughout the period and settled at the end of the financial year after receipt of the final invoice.

2.18 Current and deferred income tax

Mandatory decreases of profit include current and deferred income tax.

- **Current tax**

Current tax expense is calculated based on the taxable profit for the given reporting period. Tax expense is calculated based on tax rates applicable during the fiscal year in question.

- **Deferred income tax**

Deferred tax assets and liabilities are determined based on temporary differences between the accounting and tax values of assets and liabilities.

Deferred tax assets are recognised only if it is probable that the Company will have future taxable profits allowing for utilisation of the temporary differences and deduction of the tax losses. Deferred tax assets are determined as the amount of income tax recoverable in the future in respect of deductible temporary differences which will reduce future income tax base and any deductible tax loss, determined in accordance with the prudence principle.

The amount of deferred tax assets and liabilities is determined using income tax rates which will be effective when a deferred tax asset is utilised or a deferred tax liability arises.

Deferred tax assets and liabilities have been offset at the level of individual entity level, as at this level the criteria of IAS 12 "Income taxes" with respect to offsetting deferred tax assets against deferred tax liabilities were met.

A deferred tax liability is recognised for temporary differences associated with investments in subsidiaries and jointly-controlled entities, except where the Company controls the reversal of such temporary differences and it is probable that such differences will not reverse in the foreseeable future.

2.19 Liabilities from employee benefits

- **Post-employment benefit plan – the defined contribution plan**

The Company participates in the national post-employment benefit plan by paying an appropriate percentage of an employee's gross pay as a contribution to the Social Insurance Institution (ZUS). This plan is a defined contribution plan. The contributions are expensed as paid.

From 2019, the Company participates also in the Employee Capital Plans program by paying the appropriate percentage of gross pay as a contribution. This program is a defined contribution program and the contributions paid are recognized as an expense when incurred.

- **Post-employment benefit plan - the defined benefit plan (retirement severance pays) and other benefits**

In accordance with the Labour Code and applicable remuneration systems and rules, employees of the Company are entitled to death benefits and retirement severance pays. Death benefits are one-off benefits paid to the family of an employee, following the employee's death. Retirement severance pays are one-off benefits paid when an employee retires. The plan is fully financed by the Company. The amount of a retirement severance pay or death benefit depends on the length of employment and average remuneration of a given employee. The Company accrues for future retirement severance pay and death benefit obligations in order to attribute costs to the periods to which they relate.

The present value of such obligations is determined by an independent actuary using the projected unit credit method. Accrued liabilities are equal to the discounted future payments, taking into account the employee turnover, and relate to the period until the end of the reporting period. Demographic information and information on staff turnover are based on historical information. Actuarial gains and losses are recognised in profit or loss, except for actuarial gains and losses recognised in other comprehensive income.

2.20 Provisions

Provisions are created when the Company has a present obligation (legal or customarily expected) resulting from past events and when it is probable that the discharge of this obligation will result in an outflow of economic benefits, and the obligation can be measured reliably.

A provision is recognised as a reliable estimate of the amount required to settle the existing obligation, made as at the end of the reporting period taking into account the risks and uncertainties associated with the obligation.

In particular, a provision is created for the expected returns and complaints. The provision for returns is estimated based on the actual quantity of goods sold over the last 12 months period and taking into consideration the defined failure ratio and average cost of servicing customer complaints. Parameters required for calculation of this provision, for the period of previous 3 years, are updated on an annual basis.

2.21 Recognition of revenue

Revenue is recognised at fair value of consideration received or receivable, net of VAT, returns, rebates and discounts. The Company recognizes revenue from contracts with customers when all of the following five criteria are met:

- the contract has been approved (in writing, orally, or in accordance with other customary business practices) and the parties are committed to perform their obligations in the contract;
- each party's rights regarding the goods or services to be transferred can be identified;
- the payment terms for the goods or services to be transferred can be identified;
- the contract has commercial substance (i.e. the risk, timing or amount of the vendor's future cash flows is expected to change as a result of the contract);
- it is probable that the consideration for the exchange of the goods or services that the vendor is entitled to will be collected.

In particular, revenue from sales of goods is recognized in accordance with rules described above. The sales agreement with customer contains only one performance obligation – obligation to deliver goods to customer, therefore revenue is recognized at the specified point in time. The entity recognizes revenue when the goods are transferred to the customer. The transfer of control over the asset takes place at the time specified under Incoterms or in accordance with agreements concluded with customers.

Revenue from sales of goods include transportation services, provided by external parties, costs of which are incurred by the customers, in case the Company is responsible for organizing the transportation and bears the risks during the transport.

Some contracts with customers contain elements of variable consideration, arising from rebates granted to customers, including these tied to achieving a set level of turnover. In accordance with requirements of IFRS 15, the Company estimates amounts of rebates owned to customers and recognizes these rebates as an offsetting entry to revenues from sales and as a trade liability.

Some contracts with customers contain right to return goods. In accordance with the applicable laws and regulations, the customer has a right to withdraw from the purchase agreement within 14 days from the date of delivery of goods. This right applies to customers who purchase goods at internet store toya24.pl and other shopping portals. In addition, the Company extends the right of return of purchased goods, within limited period of time, to some of its customers. The Company estimates the potential liability arising from these rebates and if the estimated liability is material, the Company recognizes this amount as an offset to revenues from sales and as a liability due to expected returns in "trade liabilities" line (note 2.17). At the same time, the Company recognizes the estimated amount of inventories to be returned by the customers and recognizes this amount as inventory and offset to costs of goods for resale sold (note 2.13).

2.22 Dividends

The obligation to pay dividends is recognized when the shareholders' right to receive such dividends is approved.

3. Foreign currencies used in preparation of these financial statement

Foreign currency items of the statement of financial position were translated using the following exchange rates:

Currency	31 December 2025 (*)	31 December 2024 (*)
1 EUR	4.2267	4.2730
1 USD	3.6016	4.1012
1 CNY	0.5153	0.5621

(*) in accordance with NBP table No. 251/A/NBP/2025 of 31.12.2025

4. Material accounting estimates and judgements

Estimates and judgements are verified on an ongoing basis. Estimates and judgements used during the preparation of the financial statements are based on historical experience as well as analyses and expectations of future events which, to the best knowledge of the Management Board, are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the actual results. The estimates and assumptions that involve a significant risk of the necessity to make a material adjustment to the carrying amounts of assets and liabilities during the current or following financial year are outlined below.

- **Revenue recognition – variable consideration and returns**

Some contracts with customers contain elements of variable consideration, arising from rebates granted to customers, including these tied to achieving a set level of turnover.

In accordance with IFRS 15, where a contract contains elements of variable consideration, the entity will estimate the amount of variable consideration to which it will be entitled under the contract in exchange for transferring promised goods or services to the customer. Variable consideration is only included in the transaction price if, and to the extent that, it is highly probable that its inclusion will not result in a significant revenue reversal in the future when the uncertainty has been subsequently resolved. The Company estimates the potential liability arising from rebates granted to customers, and if the estimated liability is material, the Company recognizes this liability as an offset to revenues from sales and as a trade liability. At the end of the financial year, the rebates were largely settled.

- **Useful lives and depreciation rates for property, plant and equipment**

The Company's Management Board determines estimated useful lives and depreciation rates for tangible non-current assets. The estimates are based on the projected useful lives for individual assets. The estimates may change materially as a result of new technological solutions emerging on the market, plans of the Company's Management Board, or intensity of use. The Management Board increases or decreases a depreciation rate for a given asset if its useful life proves shorter or longer than expected, respectively, and revalues technologically obsolete assets, and assets which are not of strategic importance and whose use has been discontinued.

If the actual useful lives of property, plant and equipment had been by 10% shorter than the Management Board's estimates, the depreciation of property, plant and equipment would have been higher by PLN 312 thousand as at 31 December 2025 (PLN 671 thousand as at 31 December 2024).

- **Lease period for contracts concluded for an unspecified period of time**

The Company is a party to contracts with an indefinite term. When determining the lease period, the Company determines the period of contract enforceability. Leasing ceases to be enforceable when both the lessee and the lessor have the right to terminate the contract without having to obtain permission from the other party without incurring more than insignificant penalties. The Company assesses the significance of broadly understood penalties, meaning that apart from contractual or financial matters, it also takes into account all other significant economic factors discouraging the termination of the contract (e.g. significant investments in leased asset, availability of alternative solutions, relocation costs). If neither the Company as the lessee nor the lessor incurs a significant penalty for termination (broadly understood), leasing ceases to be enforceable and its period is a termination notice period.

- **Lessee's marginal interest rate**

The Company is not able to easily determine the interest rate for some lease contracts, which is why it uses the lessee's marginal interest rate when measuring the lease liability. This is the interest rate that the Company would have to pay to borrow (for a similar period, in the same currency and with similar collateral) the funds necessary to purchase an asset with a similar value as the right-of-use asset in a similar economic environment.

- **Provisions**

As at each end of a reporting period, the Management Board of the Company makes material estimates of provisions:

- provisions for guarantees and complaints – estimated level of the ratio used to perform calculations in accordance with the policy described in note 23; This ratio was determined on the basis of historical costs and claims and is verified on a regular basis through reference with actually incurred costs; for details on the amount of the provision, see note 233;
- other provisions arising from claims raised against the Company – the assessment involves estimating the probability of an obligation to make a payment and the amount of the potential claim. In 2025, the Company received three demands for payment of additional remuneration from an unrelated party in connection with services rendered, with a total gross value of PLN 5,170 thousand. The contract governing the relationship between the parties expired at the end of the first quarter of 2025. The Management Board considers that there are no factual or legal grounds for such a claim and that the probability of any payment obligation is low. In the Company's view, all liabilities for services rendered during the term of the above-mentioned contract have been fully settled. Therefore, no provision was recognised in the 2025 financial statements in respect of this matter.

- **Write-downs of inventories to net realizable value**

When determining the amount of the inventory write-down, the Company analyses the rotation of goods. The estimated average period during which the product is sold, and beyond which a write-down is created in accordance with the policy described in note 2.13; for details on the amount of the write-down, see note 11.

- **Expected credit losses**

The Company utilizes provision matrix to estimate expected credit losses in relation to trade receivables. For the purpose of estimation of the expected credit losses, trade receivables are grouped on the basis of credit risk characteristics. Historical data regarding credit losses, adjusted for expected impact of future events, is used by the Company in estimation of the expected credit losses, in accordance with the policy described in note 2.12; for details on the amount of the write-down, see note 12.

5. Financial risk management

The Company's business activities expose it to a number of various financial risks, such as market risk (including foreign exchange risk and the risk of fair value or cash flow changes as a result of interest rate movements), credit risk and liquidity risk. The Company's overall risk management programme is designed to mitigate the potential effect of risk on the Company's financial performance. The Company does not use derivatives to hedge against those risks.

The Management Board defines overall risk management rules as well as the policy for specific areas such as credit risk or investing liquidity surpluses.

5.1 Market risk

Foreign exchange risk

Currently the Company purchases significant amounts of goods from foreign suppliers, located primarily in China, at prices denominated in foreign currencies, particularly in CNY and USD. The currency structure of trade liabilities is presented below:

	31 December 2025	31 December 2024
PLN	36%	20%
USD	10%	7%
CNY	54%	73%
TOTAL	100%	100%

The Company may use EUR and USD-denominated credit facilities available under executed credit facility agreements. As at 31 December 2025 and 31 December 2024, the Company had no loan liabilities denominated in foreign currencies.

As at 31 December 2025, cash in foreign currencies (USD and EUR) represented 2% of total cash (as at 31 December 2024 – 1%).

29.6% of the Company's revenue is generated from export activities, at prices denominated in foreign currencies, mainly EUR. As at 31 December 2025, trade receivables denominated in this currency represented 12% of the total trade receivables (as at 31 December 2024 – 8%). In addition, 3% of the total balance relates to receivables denominated in USD (as at 31 December 2024: 14%).

There is a risk that future fluctuations in exchange rates may have a negative or positive impact on the Company's financial performance. To date, the Company has not used derivative financial instruments to hedge against the effects of future changes in foreign exchange rates. The sensitivity of the gross profit or loss to a 10% increase in the exchange

rates of individual currencies as at 31 December 2025 and 31 December 2024, assuming all other variables remain constant, is presented below. The sensitivity is determined by calculating the effect of higher/lower exchange rates on the remeasurement of trade receivables and payables, as well as other balances denominated in foreign currencies.

10% currency rate increase as of 31 December 2025	USD	EUR	CNY	TOTAL
Trade and other receivables	167	593	-	760
Trade and other payables	(319)	7	(1 628)	(1 940)
TOTAL impact on 2025 result	(152)	600	(1 628)	(1 180)

10% currency rate increase as of 31 December 2024	USD	EUR	CNY	TOTAL
Trade and other receivables	767	419	-	1 186
Trade and other payables	(412)	(2)	(4 526)	(4 940)
TOTAL impact on 2024 result	355	417	(4 526)	(3 754)

According to the Company's Management Board, foreign exchange risk concentration is low, because to a large extent balances denominated in foreign currencies are offsetting each other.

Risk of interest rate changes affecting cash flows and fair values

As at 31 December 2025, the Company had cash in bank accounts bearing interest based on a variable interest rate (short-term bank deposits), which exposes the Company to the risk of changes in cash flows as a result of changes in interest rates; however, due to the amount of such interest, the risk is not significant. During 2025, the Company also recognised an interest-bearing loan granted to the related party Toya Romania, as described in Note 33 to the financial statements. Apart from the above, the Company does not have any other interest-bearing assets. As at 31 December 2024, the Company had no interest-bearing assets.

The Company's policy envisages the use of bank loans bearing interest at variable rates. This exposes the Company to the risk of changes in cash flows as a result of changes in interest rates. As at 31 December 2025 and 2024, the Company had no debt under bank loans; however, during the year it used current account overdraft facilities bearing interest at variable rates.

The Company analyses its exposure to the risk of changes in cash flows and fair values resulting from changes in interest rates. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company calculates the impact of specific changes in interest rates on its financial performance. Simulations are prepared for liabilities, which constitute the largest item exposed to changes in interest rates.

The sensitivity analysis to cash flow risk resulting from changes in interest rates presented below was prepared on the basis of financial instruments bearing variable interest rates. The financial instruments held by the Company were based on WIBOR rates for PLN-denominated assets and liabilities (cash and bank loans) and SOFR rates for USD-denominated assets (loans granted). The impact of changes in market interest rates on the financial result was calculated as the product of the balances of assets and liabilities at the end of individual months in 2025 and 2024 and the assumed deviation for the WIBOR rate.

	+50 basis points	-50 basis points
	Effect on profit before income tax	Effect on profit before income tax
Financial assets		
Loans granted	26	(26)
Cash in bank accounts	128	(128)
Financial liabilities		
Variable interest rate loans	(6)	6
Total for 2025	148	(148)
	+50 basis points	-50 basis points

	Effect on profit before income tax	Effect on profit before income tax
Financial assets		
Cash in bank accounts	122	(122)
Financial liabilities		
Variable interest rate loans	(34)	34
Total for 2024	88	(88)

The Company does not use derivatives to hedge against the risk of interest rate changes affecting its cash flows and fair values.

5.2 Credit risk

Credit risk arises mainly from bank deposits and credit exposures to customers, including trade receivables due.

Credit risk relating to bank deposits is considered by the Management Board as low because the Company cooperates with renowned financial institutions which enjoy premium credit ratings (Bank Handlowy w Warszawie S.A., mBank S.A. and BNP Paribas Bank Polska S.A. and Santander Bank Polska S.A.).

Credit risk relating to credit exposures to Company's customers is considered as low by the Management Board. The Company sells its products to 2 key customer groups: retail chains and wholesale customers (including wholesalers, distributors and authorised retail stores). The Company sells its products on the domestic and foreign markets – mainly countries in Central, Eastern and Southern Europe (Romania, Ukraine, Baltic countries, Hungary, Belarus, Moldova, the Czech Republic, Bulgaria and Germany).

The table below presents the Company's sales structure by customer group and market:

Share in sales revenues	2025	2024
Domestic sales – wholesale market	45.0%	42.3%
Export	29.6%	31.3%
Domestic sales – networks	15.2%	13.5%
Domestic sales – retail chains	10.2%	12.9%
Total	100.0%	100.0%

With regards to retail chains channel, the Company sells its products through the largest retail chains in Poland. Credit exposure within this customer group is not evenly distributed. Two key retail chains jointly account for approximately 70.6% of turnover generated within this distribution channel. Credit risk exposure to retail chains is considered by the Company as low, as these customers are generally reliable and financially transparent entities with an established market position and a positive payment history.

Within the wholesale distribution channel, the Company cooperates with several dozen distributors and wholesale customers across all provinces, as well as with numerous stores. In the wholesale channel, the concentration of receivables in 2025 was at a slightly lower level than in 2024. In 2025, 75% of turnover was generated by 31 customers, whereas in 2024 – by 24 customers. In the case of wholesale customers, the Company implements a policy of limiting credit exposure to individual customers by setting credit limits, which are determined individually for each counterparty based on a detailed analysis of its financial results, market position, payment discipline and the situation in the industry. The use of credit limits is regularly monitored. Transactions exceeding the granted credit limit may only be executed upon authorisation by authorised persons in accordance with the internal credit policy.

The Company mitigates its credit risk by having trade receivables insured in a renowned insurance institution. As at 31 December 2025, 87% of trade receivables were insured (31 December 2024 – 83%). This applies both to customers granted an individual limit and customers covered by the so-called automatic limit up to the amount specified in the insurance contract. Under the insurance contract, the deductible is typical for such contracts. The Company also mitigates credit risk through the implementation of an effective risk management system integrated with SAP, supporting the maintenance of proper payment discipline among the Company's customers. It should also be stressed that for certain customers who do not have a stable and predictable financial condition, sales are realised on a prepayment basis.

The maturity structure of trade receivables together with information on past due receivables is presented in Note 12.

The credit quality of financial assets that are neither past due nor impaired can be estimated by reference to external credit ratings or historical information regarding delays in repayments by counterparties. Cash is deposited in banks rated A-, A+ and BBB- (Fitch rating agency).

With regard to trade receivables, the Company cooperates with reputable organisations providing tools for credit risk analysis and continuously monitors delays in repayments by counterparties.

The maximum credit risk exposure is approximately equal to the carrying amount of trade receivables net of insured receivables and cash and cash equivalents. As at 31 December 2025, the maximum exposure to credit risk amounted to PLN 54,296 thousand (including PLN 49,971 thousand of cash and cash equivalents and PLN 4,325 thousand of trade receivables). As at 31 December 2024, the maximum exposure amounted to PLN 14,912 thousand (including PLN 7,711 thousand of cash and cash equivalents and PLN 7,201 thousand of trade receivables).

5.3 Liquidity risk

The Management Board of the Company believes that the Company's liquidity is secured for the foreseeable future. The Company follows a prudent liquidity risk management policy which focuses on maintaining an adequate level of cash and securing the ability to use the credit facilities. The Management Board monitors the level of short-term liabilities and current assets, as well as current cash flows of the Company. A significant increase in the value of inventories is in line with the adopted liquidity management policy and enables the continuity of sales in the event of delays in the supply chains.

Key items analysed for the purpose of monitoring of the liquidity risk are as follows:

	31 December 2025	31 December 2024
Current assets	422 832	388 774
Current liabilities	65 214	91 884
	2025	2024
Cash flow from operating activities	59 926	(29 076)

The table below presents financial liabilities of the Company by maturities, which are determined based on contractual future payment dates, uniform for each group of liabilities. The figures presented below represent undiscounted contractual cash flows.

Due date	up to 3 months	4-6 months	7-12 months	2-3 years	4-5 years	More than 5 years	Total	Carrying amount
Trade and other payables	31 155	-	-	-	-	-	31 155	31 155
Lease liabilities	1 796	1 738	3 265	1 875	120	3 816	12 610	9 754
Warranty liability (*)	486	-	-	-	-	-	486	18
As at 31 December 2025	33 437	1 738	3 265	1 875	120	3 816	44 251	40 927
Trade and other payables	63 169	-	-	-	-	-	63 169	63 169
Lease liabilities	1 780	1 780	3 560	7 716	125	3 936	18 897	16 417
Warranty liability (*)	40 963	-	-	-	-	-	40 963	62
As at 31 December 2024	105 912	1 780	3 560	7 716	125	3 936	123 029	79 648

(*) the liabilities arising from the warranty issued represent the maximum amount that can be used (gross value of the guarantee) and are assigned to the earliest period in which the guarantee can be used.

5.4 Capital management

The Management Board of the Company defines capital as the Company's equity. The equity held by the Company meets the requirements provided for in the Polish Commercial Companies Code. There are no other capital requirements imposed by external regulations.

The Company's capital management activities are aimed at protecting the Company's ability to continue its operations so as to ensure a return on investment for the shareholders and benefits for other interested parties, as well as maintenance of the optimum capital structure to lower the cost of capital.

The Company also follows a rule that non-current assets are to be fully financed by equity.

	31 December 2025	31 December 2024
Non-current assets	108 148	113 608
Equity	461 427	400 073

One of the important indicators from the management point of view is the equity ratio understood as the ratio of equity to total assets.

	31 December 2025	31 December 2024
Equity	461 427	400 073
Total assets	530 980	502 382
Equity ratio	87%	80%

In the period covered by these financial statements, the Company implemented the above objective.

6. Financial instruments

As at 31 December 2025	Financial assets	Financial liabilities	
	Measured at amortised cost	Measured at amortised cost	Measured at fair value
Trade receivables	46 309	-	-
Cash and cash equivalents	49 971	-	-
Trade and other payables	-	31 155	18
Lease liabilities	-	9 754	-
TOTAL	96 280	40 909	18

As at 31 December 2024	Financial assets	Financial liabilities	
	Measured at amortised cost	Measured at amortised cost	Measured at fair value
Trade receivables	51 312	-	-
Cash and cash equivalents	7 711	-	-
Trade and other payables	-	63 170	62
Lease liabilities	-	16 417	-
TOTAL	59 023	79 587	62

Revenue and expense recognised in the 2025 and 2024, financial results, relating to financial assets or financial liabilities not measured at fair value though profit or loss are presented below:

12 months ended 31 December 2025	Financial assets	Financial liabilities
Interest income	1 034	-
Interest expenses	-	(955)
Profits on exchange differences	874	8 987
Losses on exchange differences	(2 847)	(3 983)
Establishment of impairment write-downs	(46)	-
Reversal of impairment write-downs	-	-
Total net profit/ (loss)	(985)	4 049

12 months ended 31 December 2024	Financial assets	Financial liabilities
Interest income	764	-
Interest expenses	-	(1 687)
Profits on exchange differences	1 505	7 256
Losses on exchange differences	(1 222)	(4 188)
Establishment of impairment write-downs	(88)	-
Reversal of impairment write-downs	-	-
Total net profit/ (loss)	959	1 381

Fair value estimation

In the Company's opinion, the fair value of financial assets and liabilities does not differ from their carrying amount, mainly due to their short maturity. In case of long-term financial liabilities measured at amortized cost, the Company uses market interest rates. Therefore the Company estimates that the carrying value of these liabilities also does not differ significantly from their fair value.

7. Property, plant and equipment

	31 December 2025	31 December 2024
Land	2 907	2 907
Buildings and structures	10 014	6 783
Plant and equipment	3 660	3 212
Vehicles	901	2 368
Other	3 004	3 024
Total	20 486	18 294
Property, plant and equipment not transferred for use	1 239	2 739
Total property, plant and equipment	21 725	21 033

Apart from the property, plant and equipment serving as security in respect of working capital facilities (note 19), there are no restrictions on the use of property, plant and equipment held by the Company.

In 2025 and 2024 the Company did not capitalise borrowing costs due to the insignificance of these amounts.

As at 31 December 2025, the Company had commitments to incur expenditures on property, plant and equipment in the amount of PLN 77 thousand.



Changes in property, plant and equipment by type

	Land	Buildings and structures	Technical equipment and machinery	Vehicles	Other	Fixed assets not transferred for use	Total
Initial value							
As at 1 January 2025	2 907	13 597	12 031	6 400	8 604	2 739	46 278
Purchase	-	-	-	-	454	4 135	4 589
Liquidation / sale	-	-	-	(2 766)	-	-	(2 766)
Reclassification	-	3 799	1 640	1 715	196	(5 635)	1 715
As at 31 December 2025	2 907	17 396	13 671	5 349	9 254	1 239	49 816
As at 1 January 2024	2 907	13 597	11 046	3 132	8 087	602	39 371
Purchase	-	-	-	-	377	7 438	7 815
Liquidation / sale	-	-	(25)	(3 122)	(30)	-	(3 177)
Reclassification	-	-	1 010	6 390	170	(5 301)	2 269
As at 31 December 2024	2 907	13 597	12 031	6 400	8 604	2 739	46 278
Accumulated depreciation							
As at 1 January 2025	-	6 814	8 819	4 032	5 580	-	25 245
Depreciation for the period	-	568	1 192	381	670	-	2 811
Decreases	-	-	-	(1 652)	-	-	(1 652)
Reclassification	-	-	-	1 687	-	-	1 687
As at 31 December 2025	-	7 382	10 011	4 448	6 250	-	28 091
As at 1 January 2024	-	6 382	7 745	1 958	4 984	-	21 069
Depreciation for the period	-	432	1 099	2 181	625	-	4 337
Decreases	-	-	(25)	(2 353)	(29)	-	(2 407)
Reclassification	-	-	-	2 246	-	-	2 246
As at 31 December 2024	-	6 814	8 819	4 032	5 580	-	25 245
Carrying amount							
As at 31 December 2025	2 907	10 014	3 660	901	3 004	1 239	21 725
As at 31 December 2024	2 907	6 783	3 212	2 368	3 024	2 739	21 033

Notes constitute an integral part of these financial statements

8. Intangible assets

	31 December 2025	31 December 2024
Licences, concessions and patents, including:	2 320	1 780
– <i>software</i>	2 320	1 780
Other - trademarks and industrial designs	322	370
Total	2 642	2 150
Intangible assets under development	187	1 091
Total intangible assets	2 829	3 241

There are no intangible assets internally generated by the Company.

No security interests have been created over intangible assets.

Intangible assets under development comprise licences and software currently under implementation. No impairment has been identified in respect of these assets.

The table below presents changes in intangible assets:

	Software	Trademarks and industrial designs	Intangible assets under development	Total
<u>Initial value</u>				
As at 1 January 2025	6 317	845	1 091	8 253
Purchase	-	-	307	307
Liquidation	-	-	-	-
Reclassification	1 196	20	(1 211)	5
As at 31 December 2025	7 513	865	187	8 565
As at 1 January 2024	6 258	790	916	7 964
Purchase	71	43	175	289
Liquidation	-	-	-	-
Reclassification	(12)	12	-	-
As at 31 December 2024	6 317	845	1 091	8 253
<u>Accumulated amortization</u>				
As at 1 January 2025	4 537	475	-	5 012
Amortization for the period	656	68	-	724
Liquidation	-	-	-	-
As at 31 December 2025	5 193	543	-	5 736
As at 1 January 2024	3 960	404	-	4 364
Amortization for the period	577	71	-	648
Liquidation	-	-	-	-
As at 31 December 2024	4 537	475	-	5 012
<u>Carrying amount</u>				
As at 31 December 2025	2 320	322	187	2 829
As at 31 December 2024	1 780	370	1 091	3 241

9. Right-of-use assets

	31 December 2025	31 December 2024
Perpetual usufruct right to land	1 719	1 744
Buildings	6 132	10 689
Plant and equipment	697	951
Vehicles	1 241	2 716
Total	9 789	16 100

Changes in the right-of-use assets are presented below:

	Land	Buildings and structures	Technical equipment and machinery	Vehicles	Total
Initial value					
As at 1 January 2025	1 897	32 715	1 775	5 660	42 047
New lease agreements	-	-	-	-	-
Modification of lease contracts	-	349	-	(27)	322
Reclassification - repurchase	-	-	-	(1 715)	(1 715)
As at 31 December 2025	1 897	33 064	1 775	3 918	40 654
As at 1 January 2024	1 897	32 612	1 775	5 534	41 818
New lease agreements	-	-	-	2 395	2 395
Modification of lease contracts	-	103	-	-	103
Reclassification - repurchase	-	-	-	(2 269)	(2 269)
As at 31 December 2024	1 897	32 715	1 775	5 660	42 047
Accumulated depreciation					
As at 1 January 2025	153	22 026	824	2 944	25 947
Depreciation	25	4 906	254	1 420	6 605
Reclassification - repurchase	-	-	-	(1 687)	(1 687)
As at 31 December 2025	178	26 932	1 078	2 677	30 865
As at 1 January 2024	127	17 277	571	3 995	21 970
Depreciation	26	4 749	253	1 195	6 223
Reclassification - repurchase	-	-	-	(2 246)	(2 246)
As at 31 December 2024	153	22 026	824	2 944	25 947
Carrying amount					
As at 31 December 2025	1 719	6 132	697	1 241	9 789
As at 31 December 2024	1 744	10 689	951	2 716	16 100

In 2025, the Company did not enter into any new lease agreements. The lease agreement for forklift trucks expired and, in accordance with the terms and conditions set out in the agreement, the Company decided to purchase the assets. As a result, these assets were reclassified to property, plant and equipment. Following this operation, the right-of-use assets were reduced by PLN 1,715 thousand at initial value (PLN 28 thousand at carrying amount as at the purchase date). In addition, the following agreements were modified:

- the warehouse lease agreement – as a result of the indexation of rent rates provided for in the agreement, the right-of-use assets and lease liability increased by PLN 349 thousand,
- the vehicle lease agreement – as a result of an annex to the agreement, the right-of-use assets and lease liability decreased by PLN 27 thousand.

Information on lease liabilities is presented in Note 22.

10. Investments in subsidiaries

As at 31 December 2025 and 31 December 2024 the Company held shares in the following entities:

	Country	Type of equity link	% of shares and votes held	Value of shares
31 December 2025				
Toya Romania S.A.	Romania	Subsidiary	99.99	1 885
Yato Tools (Shanghai) Co. Ltd	China	Subsidiary	100.00	20 746
Yato Tools (Jiaxing) Co. Ltd.	China	Subsidiary	100.00	48 172
				70 803
31 December 2024				
Toya Romania S.A.	Romania	Subsidiary	99.99	1 885
Yato Tools (Shanghai) Co. Ltd	China	Subsidiary	100.00	20 746
Yato Tools (Jiaxing) Co. Ltd.	China	Subsidiary	100.00	48 172
				70 803

The Company has not identified any indications of impairment of its investments in subsidiaries.



Key financial data of subsidiaries is presented in the table below (data before consolidation adjustments).

	Non-current assets	Current assets	Equity	Long-term liabilities	Short-term liabilities	Revenues (*)	Expenses (**)	Net profit
2025								
Yato Tools (Jiaxing) Co. Ltd.	38 495	151 464	87 938	48	101 973	526 999	(518 096)	8 903
Yato Tools (Shanghai) Co. Ltd.	7 478	115 994	35 308	1 183	86 981	211 150	(208 299)	2 851
Toya Romania S.A.	12 057	63 594	51 516	7 730	16 405	91 012	(85 289)	5 723
TOTAL	58 030	331 052	174 762	8 961	205 359	829 161	(811 684)	17 477
2024								
Yato Tools (Jiaxing) Co. Ltd.	44 717	177 138	86 909	252	134 694	535 875	(526 863)	9 012
Yato Tools (Shanghai) Co. Ltd.	9 059	157 505	35 448	400	130 716	224 273	(221 834)	2 439
Toya Romania S.A.	15 427	83 948	47 515	9 744	42 115	79 314	(75 258)	4 056
TOTAL	69 203	418 591	169 872	10 396	307 525	839 462	(823 955)	15 507

(*) revenues comprise: revenue from the sales of goods for resale, other operating revenue and financial revenue

(**) expenses comprise: cost of goods for resale sold, selling costs, administrative expenses, expected credit losses, other operating expenses, financial expenses and income tax expense

11. Inventory

	31 December 2025	31 December 2024
Goods for resale at warehouse and in transit	324 330	327 528
Asset for expected returns from customers	230	567
Total inventory (carrying amount)	324 560	328 095
Revaluation write-down for goods at warehouse to net recoverable amount	3 566	2 966
Gross inventories	328 126	331 061

Changes in the write-down of inventories to net realizable value are presented in the table below:

	2025	2024
As at 1 January	2 966	2 963
Increase	600	3
Reversal	-	-
As at 31 December	3 566	2 966

Reversal of inventory write-downs made in the current year as well as write-downs made in previous years were recorded in the financial result and presented as cost of goods for resale sold. Reversal of write-offs resulted from a decrease in the value of these inventories, which, in accordance with the policy adopted by the Company, should be written down, mainly as a result of their sale.

12. Trade and other short-term receivables

	31 December 2025	31 December 2024
Trade receivables from related parties	874	7 322
Trade receivables from third parties	47 437	45 947
Total trade receivables	48 311	53 269
Other receivables from third parties	79	45
Advances paid to other entities	116	40
Prepayments and deferred costs	1 798	1 607
Total gross receivables	50 304	54 961
Impairment write-downs of doubtful trade receivables	(2 003)	(1 957)
Impairment write-downs of other receivables	-	(36)
Total net receivables	48 301	52 968

The Company applies a simplified approach and measures the allowance in an amount equal to the expected credit losses throughout the life cycle using the provision matrix, described in the accounting policies described in Note 2.12. The average repayment period of receivables is 26 days.

Changes in gross trade receivables are summarized in table below.

	Receivables analysed in group	Receivables analysed individually	Total
As at 1 January 2025	51 623	1 646	53 269
Increase due to sales	788 784	-	788 784
Receivables and overpayments written off	2	-	2
Receivables individually classified as impaired	(232)	232	-
Collected receivables	(792 155)	-	(792 155)
Compensated receivables	(1 199)	-	(1 199)
Other changes, including currency translation differences	(390)	-	(390)
As at 31 December 2025	46 433	1 878	48 311

Changes in the write-downs of trade receivables are presented in the table below:

	2025	2024
As at 1 January	1 957	1 869
Creation	45	88
Reversal	-	-
As at 31 December	2 002	1 957

Collaterals established on receivables are described in note 19.

The table below presents the ageing structure of receivables, including average expected credit loss ratio for each overdue period.

31 December 2025	Total	Not overdue	0-30 days	31-60 days	61-90 days	over 90 days
Gross trade receivables	48 311	43 292	3 011	147	(6)	1 867
Group analysis – gross value	46 433	43 292	3 011	147	(6)	(11)
expected credit loss ratio		0,5%-5%	1%-10%	5%-25%	10%-50%	20%-100%
Expected credit losses	(305)	(256)	(37)	(9)	(2)	(1)
Individual analysis – gross value	1 878	-	-	-	-	1 878
Impairment loss on customers analysed individually	(1 698)	-	-	-	-	(1 698)
Total expected credit losses	(2 003)	(256)	(37)	(9)	(2)	(1 699)
Total net trade receivables	46 308	43 036	2 974	138	(8)	168

31 December 2024	Total	Not overdue	0-30 days	31-60 days	61-90 days	over 90 days
Gross trade receivables	53 269	49 724	1 666	202	39	1 638
Group analysis – gross value	51 623	49 724	1 666	202	39	(8)
expected credit loss ratio		0,5%-5%	1%-10%	5%-25%	10%-50%	20%-100%
Expected credit losses	(317)	(266)	(23)	(17)	(9)	(2)
Individual analysis – gross value	1 646	-	-	-	-	1 646
Impairment loss on customers analysed individually	(1 640)	-	-	-	-	(1 640)
Total expected credit losses	(1 957)	(266)	(23)	(17)	(9)	(1 642)
Total net trade receivables	51 312	49 458	1 643	185	30	(4)

The individual analysis is carried out in relation to customers for which indicators described in the policy in note 2.12 have been identified, i.e. most often overdue for over 90 days, which results in the customer being transferred for debt collection. The allowance for expected credit losses for this group of customers is determined taking into account the terms and conditions of insurance, provided that the customer is subject to insurance, i.e. the allowance includes the own contribution in accordance with the concluded agreement. In relation to receivables analysed individually, the part not covered by the write-down relates to the insured receivables.

In relation to the remaining customers, analysed in groups with the use of the provisions matrix, expected credit loss ratios are determined separately for insured receivables (lower range limits shown in the table above) and uninsured receivables (main range limits).

13. Cash and cash equivalents

	31 December 2025	31 December 2024
Cash in hand and at bank	49 971	7 711
Total cash and cash equivalents	49 971	7 711

In addition to the cash disclosed in the statement of financial position, the Company holds a separate bank account for the Social Benefits Fund (ZFŚS), the balances of which are presented within other receivables on a net basis, offset against liabilities and receivables related to the ZFŚS. As at 31 December 2025, these funds amounted to PLN 119 thousand, and as at 31 December 2024 to PLN 64 thousand. The Company may use these cash resources only in accordance with the legal regulations governing the Social Benefits Fund.

As a result of the implementation of the split payment mechanism, the Company holds VAT bank accounts to which the Company's customers may transfer payments relating to their liabilities towards TOYA S.A., in the portion attributable to VAT. These funds may be used solely for the payment of VAT liabilities or for the settlement of public-law obligations. As at 31 December 2025, cash held in VAT accounts amounted to PLN 713 thousand (as at 31 December 2024: PLN 986 thousand). In the Management Board's judgement, the restrictions on the use of these funds arising from tax regulations do not affect their classification as cash and cash equivalents, as the Company uses them on an ongoing basis to settle short-term tax liabilities.

Apart from cash held in VAT and ZFŚS accounts, as at 31 December 2025 and 31 December 2024 the Company did not hold any other cash subject to partially restricted access.

14. Additional explanation to cash flow statement

Reconciliation of changes in balance sheet items as shown in the statements of financial position and in the statements of cash flows:

12 months ended 31 December 2025	Balance sheet change	Adjustments			Change in the cash flow statement
		Measurement of cash in foreign currencies	Valuation of the financial guarantee granted	Actuarial gains/losses recognized in comprehensive income	
Change in trade and other receivables	4 667	-	-	-	4 667
Change in inventories	3 535	-	-	-	3 535
Change in provisions	371	-	-	-	371
Change in trade and other payables	(32 181)	-	45	-	(32 136)
Change in employee benefit liabilities	3 321	-	-	(109)	3 212
Change in cash	42 260	(1)	-	-	42 259

12 months ended 31 December 2024	Balance sheet change	Adjustments			Change in the cash flow statement
		Measurement of cash in foreign currencies	Valuation of the financial guarantee granted	Actuarial gains/losses recognized in comprehensive income	
Change in trade and other receivables	(19 678)	-	-	-	(19 678)
Change in inventories	(123 640)	-	-	-	(123 640)
Change in provisions	427	-	-	-	427
Change in trade and other payables	45 974	-	(35)	-	45 939
Change in employee benefit liabilities	1 393	-	-	18	1 411
Change in cash	(41 396)	(9)	-	-	(41 405)

15. Share capital

As at 31 December 2025, the share capital amounts to PLN 7,504,222.60 and comprises 75,042,226 shares with a par value of PLN 0.1 each.

All of the shares are paid up. The ownership structure and the percentage of the Company's shares held as at 31 December 2025, based on the information provided to the Company by the shareholders, are presented in the table below:

Name	Status	Number of shares	Type of shares	Par value per share (PLN)	Par value of the shares (PLN)	Structure (%)
Jan Szmidt	natural person	28 284 304	ordinary bearer	0.1	2 828 430.40	37.69%
Romuald Szałagan	natural person	9 652 290	ordinary bearer	0.1	965 229.00	12.86%
Generali OFE	legal person	5 001 147	ordinary bearer	0.1	500 114.70	6.66%
Other - share below 5%	not applicable	32 104 485	ordinary bearer	0.1	3 210 448.50	42.79%
TOTAL		75 042 226			7 504 222.60	100.00%

16. Own shares

As part of the share purchase offer conducted from 5 to 13 June 2025, the Company repurchased 1,004,979 own shares at a price of PLN 8.00 per share, representing 1.34% of the total number of issued shares. The total value of the repurchased own shares amounted to PLN 8,040 thousand. Total costs of the share buy-back in 2025 amounted to PLN 50 thousand.

17. Reserve capital

	31 December 2025	31 December 2024
Reserve capital from reduction of share capital	329	329
Reserve capital for the purchase of treasury shares	91 910	100 000
Total reserve capital	92 239	100 329

The reserve capital from the reduction of share capital was created in accordance with Article 457(2) of the Polish Commercial Companies Code as a result of the cancellation of treasury shares in 2018.

The reserve capital for the purchase of treasury shares was created pursuant to the resolution of the General Meeting of Shareholders dated 26 June 2024. A change in presentation was made in this item compared to the data published in the 2024 annual report, whereby the amount of PLN 100,000 thousand resulting from the reserve capital created for the purchase of own shares was reclassified from the "retained earnings" item to the "reserve capital" item. In 2025, in connection with the acquisition of own shares, the reserve capital created for this purpose was settled in accordance with Article 363(6) of the Polish Commercial Companies Code. The value of the acquired own shares resulted in a decrease in reserve capital and a corresponding increase in retained earnings by PLN 8,090 thousand.

18. Retained earnings and dividend per share

On 24 June 2025, the General Meeting of Shareholders of Toya S.A. approved TOYA S.A.'s financial statements for 2024 and also decided to transfer the 2024 profit in the amount of PLN 55,653 thousand to supplementary capital.

In accordance with the provisions of the Polish Commercial Companies Code, retained earnings are used to create statutory reserve funds, to which at least 8% of the profit for a given financial year is allocated until the reserve fund reaches at least one-third of the share capital, i.e. in the case of the Company PLN 2,501 thousand as at 31 December 2025. These reserve funds are excluded from distribution to shareholders and may be used solely to cover losses. As at 31 December 2025 and 31 December 2024, the reserve fund was established at the required level.

Retained earnings as at 31 December 2025 comprise the current year result and supplementary capital created from profits generated in prior years, and may be distributed as dividends, except for the amount excluded from distribution as indicated above.

In 2025 and 2024, the Company did not pay dividends.

The Company's Management Board did not present a proposal for the distribution of the 2025 financial result.

19. Loans and borrowings liabilities

As at 31 December 2025 and 2024, the Company had no bank loan liabilities.

The table below presents a reconciliation of changes in bank loan liabilities during the financial year:

	Revolving bank loans
As at 1 January 2024	-
Increase in loans	31 971
Interest for the period (note 29)	451
Interest repaid	(451)
Loans repaid	(31 971)
As at 31 December 2024	-
Increase in loans	15 192
Interest for the period (note 29)	81
Interest repaid	(81)
Loans repaid	(15 192)
As at 31 December 2025	-
– long-term	-
– short-term	-

In the year ended 31 December 2025, the Company entered into a new credit facility agreement, the terms of which do not deviate from market conditions. During 2025, there were no significant changes in the contractual terms of the loans or changes in expected cash flows.

Description of loan agreements:

Object and value of agreement	Name of the Bank	Loan amount as per agreement as at 31 December 2025	Current interest rate	Date of expiry
Overdraft facility agreement no. WAR/8833/20/326/CB	BNP Paribas Bank Polska S.A. with its registered office in Warsaw	25 000	WIBOR 1 M + bank's margin	17 November 2026
Overdraft facility agreement No.9/030/19/Z/VV	mBank S.A. with its registered office in Warsaw	60 000	WIBOR ON + bank's margin	26 March 2026
Overdraft facility agreement No. K01535/25	Santander Bank Polska S.A. in Warsaw	70 000	WIBOR 1 M + bank's margin	12 December 2027
Total liabilities, of which:		155 000		
– short-term portion		155 000		
– long-term portion		-		

The bank margins relating to the loans listed above do not exceed 1%.

The value of mortgage collateral was determined as the sum of security interests established in favour of individual lending banks, in the amount required by the banks (as stipulated in the relevant agreements). The carrying amount of assets subject to mortgage security amounted to PLN 10,302 thousand as at 31 December 2025 (PLN 9,671 thousand as at 31 December 2024). The value of security in the form of transfer of ownership of inventories for security purposes, together with the assignment of rights under an insurance policy, was determined at the maximum amount resulting from the agreements and amounted to PLN 20,109 thousand as at 31 December 2025 (PLN 52,109 thousand as at 31 December 2024).

The securities remain in force for the entire term of the credit agreements. The Company has limited ability to dispose of assets subject to mortgage security.

Effective interest rate for loans

The effective interest rates are close to the nominal interest rates calculated in line with the terms of the agreements described above. As at 31 December 2025, the weighted average cost of loans (excluding commissions) was 4.41 % (as at 31 December 2024: 6.37%).

Defaults under loan agreements

As at 31 December 2024, the Company did not default on its debt repayment obligations or on any other of its obligations under loan agreements in a manner which would result in an acceleration of debt repayment.

Loan agreements require the borrower to maintain its capitalisation and debt ratios at an agreed level throughout the lending period and to maintain inflows to bank accounts in the agreed amount, in accordance with the terms of the loan agreements.

The Company has good relationships with banks, and in its activity to date it had no problems with renewal of bank loans. Based on this, the Management Board believes that the risk resulting from short-term financing is not significant.

20. Trade and other payables

	31 December 2025	31 December 2024
Trade payables to related parties	15 269	44 281
Trade payables to third parties	15 265	17 905
Total trade payables	30 534	62 186
Tax liabilities	7 062	7 377
Liability due to expected goods returns	590	930
Prepayments received	611	418
Other payables to third parties	31	54
Liabilities arising from guarantees and sureties granted	-	40
Total other current payables	8 294	8 819
Total	38 828	71 005

Advances received represent contractual obligations in accordance with IFRS 15.

An average payables payment period is 21 days.

During the year ended 31 December 2025, the Company recognized revenues in the amount of PLN 54 thousand, which were classified as prepayments at the beginning of the period.

21. Liabilities from employee benefits

	31 December 2025	31 December 2024
Provisions for retirement benefits, disability pensions and for death benefits	971	756
Liabilities from employee benefits – non-current portion	971	756
Provisions for retirement benefits, disability pensions and for death benefits	35	47
Payroll liabilities	10 169	7 357
Unused holidays	2 397	2 091
Liabilities from employee benefits – current portion	12 601	9 495

The Company pays retirement benefits, disability pensions and death benefits in accordance with the Labour Code, in the amount of a one month's remuneration. The amount of provision for retirement benefits and death benefits as at 31 December 2025 and 31 December 2024 was estimated by an actuary. The basic assumptions were as follows:

Assumptions	31 December 2025	31 December 2024
Discount rate (risk-free rate)	5.06%	5.80%
Growth rate of remunerations		
- in the first year	3.50%	9.00%
- in the second year	3.50%	7.00%
- in the third year	3.50%	5.00%
- in the subsequent years	3.50%	3.50%

Assumptions concerning future mortality are determined based on statistics published by the Central Statistical Office (GUS).

The statement of actuarial gains and losses is presented below.

	31 December 2025	31 December 2024
Current value of liability as at 1 January	803	731
current service cost	71	63
net interest on net liability	45	36
actuarial gains or losses, including resulting from:	109	(18)
<i>changes in demographic assumptions</i>	4	(25)
<i>changes in financial assumptions</i>	31	(23)
<i>ex post adjustments of actuarial assumptions</i>	73	30
benefits paid	(22)	(8)
Current value of liability as at 31 December	1 006	804

Total expenses recognised in profit or loss in respect of future employee benefits amounted to PLN 116 thousand in 2025 and PLN 98 thousand in 2024 and were recognised in administrative expenses. Actuarial losses incurred in 2025 amounted to PLN 109 thousand (in 2024: profits in the amount of PLN 18 thousand) and were recognised in other comprehensive income.

Sensitivity analyses of liability under defined benefits (retirement benefits, disability pensions and death benefits) to changes in main weighted estimates as at 31 December 2025 are as follows:

Assumption	Changes in the assumption	Increase in the assumption	Decrease in the assumption
technical discount rate	0.5%	(52)	56
salary rise in the Company	1.0%	118	(102)
turnover ratio	1.0%	(43)	46

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used for preparing the sensitivity analysis did not change compared to the previous period.

The table below contains the profile of the forecast cash flows in the coming years, by relevant benefits. These values take into account the nominal amounts paid out and their probability.

name of benefit	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year (and further)
retirement benefit	19	59	38	43	96	3 515
disability pension	3	3	3	3	3	43
death benefit	15	15	18	20	21	680
total	37	77	59	66	120	4 238

22. Lease liabilities

The Company has the right of perpetual usufruct of land and uses warehouses, offices, servers, passenger cars and forklifts on the basis of rental and leasing contracts. The change in liabilities resulting from these contracts, taking into account the impact of adoption of IFRS 16, is presented below.

	2025	2024
Lease liability as at 1 January	16 417	19 573
New contracts	-	2 395
Modification of the terms of the contract	322	103
Accrued interest	874	1 236
Lease payments (*)	(7 750)	(6 655)
Valuation of contracts in foreign currencies	(109)	(235)
Lease liability as at 31 December	9 754	16 417

(*)lease payments include net amounts paid, according to invoices, including both capital instalments and interest.

Undiscounted future cash flows are presented below.

	31 December 2025	31 December 2024
up to 1 year	6 800	7 121
1–3 years	1 875	7 716
3–5 years	120	125
more than 5 years	3 815	3 936
Total	12 610	18 898

The costs resulting from lease contracts are presented below.

	2025	2024
Amortization and depreciation	6 605	6 225
interest	874	1 236
exchange rate differences	(111)	(235)
Total	7 368	7 226

During the year ended 31 December 2025, the Company incurred costs in connection with the short-term lease agreements in the amount of PLN 22 thousand and low-value lease agreements in the amount of PLN 27 thousand.

Total cash outflow from leases in 2025 amounted to PLN 7,834 thousand (excluding VAT).

Information on leased assets is presented in note 9.

The maturity analysis of lease liabilities is presented in note 5.3.

23. Provisions

Provision for warranty repairs	2025	2024
As at 1 January	1 432	1 005
Provision created	1 803	1 432
Provision utilized	(1 432)	(1 005)
As at 31 December	1 803	1 432
Short-term as at 31 December	1 803	1 432

The provision for guarantee repairs is created in accordance with the policy described in note 1. The obligation of the Company to incur the costs of guarantee repairs results from general provisions on surety and guarantee granted to certain product groups. It is to be used within less than 12 months, and the amount is estimated based on historical costs of guarantee repairs borne; thus, the uncertainty towards its value should not have a material impact on the Company's future results. Provisions are recognised in the financial result under "costs of goods for resale sold".

24. Operating segments

Identification of operating and reporting segments

The Management Board of the Company makes decisions related to the Company's operations from the perspective of distribution channels and geographical coverage.

The company distinguishes 4 operating and reporting segments in its operations:

- sales on the domestic market to retail chains;
- sale on the domestic market - wholesale market;
- foreign sales;
- retail sales.

As part of the retail networks segment, the Group cooperates with large retail networks throughout Poland and Romania. Wholesale on all markets where the Group holds its entities is conducted through a network of wholesalers and stores. Foreign markets are supported using sales department of the Company. As part of retail sales, sales are mainly realized through an online store and popular online platforms. There are no revenues obtained from transactions between the segments, therefore all revenues generated by individual segments come from transactions with external customers.

Data analysed by the Management Board of the Company for segment description is consistent with the data disclosed in the statement of comprehensive income.

In 2025 and in 2024 the Company did not record revenue from sale to a single external customer exceeding 10% of total sales revenue.

As at 31 December 2025, the Company's assets amounted to PLN 530,980 thousand (31 December 2024: PLN 502,382 thousand), and the Company's liabilities amounted to PLN 69,553 thousand (31 December 2024: PLN 102,309 thousand) and were related only to trading activities. The Management Board of the Company does not analyse the assets and liabilities of the Company broken down into individual segments.

The Company has no non-current assets located abroad.

The most important geographic export directions of the Company are disclosed in note 25. Moreover, in the report on its activities, the Company also presented information by brand.



12 months ended 31 December 2025	EXPORT SALES	WHOLESALE MARKET	RETAIL NETWORKS	RETAIL SALES	Total
Sales revenue					
Sales to external customers by geographical areas:					
Poland		303 407	102 310	69 216	474 933
Other countries	199 585	-	-	-	199 585
Total segment revenue	199 585	303 407	102 310	69 216	674 518
Cost of goods sold					
Sales to external customers	(145 057)	(204 470)	(72 028)	(38 257)	(459 812)
Total costs of goods sold	(145 057)	(204 470)	(72 028)	(38 257)	(459 812)
Gross profit	54 528	98 937	30 282	30 959	214 706
Gross profit margin	27%	33%	30%	45%	32%

12 months ended 31 December 2024	EXPORT SALES	WHOLESALE MARKET	RETAIL NETWORKS	RETAIL SALES	Total
Sales revenue					
Sales to external customers by geographical areas:					
Poland	-	265 345	84 995	80 963	431 303
Other countries	196 238	-	-	-	196 238
Total segment revenue	196 238	265 345	84 995	80 963	627 541
Cost of goods sold					
Sales to external customers	(146 452)	(181 188)	(60 825)	(46 409)	(434 874)
Total costs of goods sold	(146 452)	(181 188)	(60 825)	(46 409)	(434 874)
Gross profit	49 786	84 157	24 170	34 554	192 667
Gross profit margin	25%	32%	28%	43%	31%

25. Sales revenue

	12 months ended 31 December 2025	12 months ended 31 December 2024
Sales of goods for resale	674 518	627 566
Total sales revenue	674 518	627 566

The geographical structure of sales revenues is presented below. Moreover, in the report on its activities, the Company also presented information by brand.

	12 months ended 31 December 2025		12 months ended 31 December 2024	
	Sales revenue	Share	Sales revenue	Share
Ukraine	59 147	8.8%	46 967	7.5%
Hungary	37 270	5.5%	28 516	4.5%
Czech Republic	17 112	2.5%	14 148	2.3%
Lithuania	14 697	2.2%	13 685	2.2%
Moldova	13 452	2.0%	12 006	1.9%
Bulgaria	9 406	1.4%	10 098	1.6%
Belarus	7 098	1.1%	17 289	2.8%
Latvia	6 394	0.9%	5 225	0.8%
Greece	4 707	0.7%	5 980	1.0%
Romania	4 005	0.6%	16 418	2.6%
Germany	3 277	0.5%	3 655	0.6%
Europe – other EU countries	12 998	1.9%	9 769	1.6%
Europe – other non-EU countries	8 158	1.2%	10 759	1.7%
Other continents	1 864	0.3%	1 723	0.3%
Total export	199 585	29.6%	196 238	31.3%
Poland	474 933	70.4%	431 303	68.7%
Total sales revenue	674 518	100.0%	627 541	100.0%

The company has been present on the markets of Eastern Europe for a long time, in particular in Ukraine, Belarus and Russia. Despite its long presence on these markets, the Company did not have any assets there, and transactions with local customers were of a short-term nature. The Russian-Ukrainian conflict that started with hostilities on 24 February 2022 disrupted trade relations in these markets, resulting in a temporary freezing of relations with some clients or suspension of cooperation. It should be emphasized that the Company complied with all sanctions imposed by the Polish government, European Union structures, governments of other countries and international institutions on entities, persons and goods indicated in the relevant legal acts. TOYA S.A. has implemented appropriate procedures in this regard. However, the implemented procedures and the need to verify and comply with all economic sanctions resulted in a slowdown in trade with customers from these markets, which is, however, beyond the Company's control. This may impact trade with customers present in these markets in future quarters.

26. Cost by type and cost of goods sold

	12 months ended 31 December 2025	12 months ended 31 December 2024
Amortisation and depreciation	10 140	11 208
Material and energy consumption	6 719	7 574
Third-party services, including:	39 578	40 409
<i>costs of transportation</i>	16 236	13 367
<i>warehouse services</i>	5 281	1 677
<i>service charges for space lease agreements</i>	2 519	2 641
<i>IT and telecommunications costs</i>	3 203	2 847
<i>costs of accessing online sales platforms</i>	6 679	10 196
<i>legal, audit and consulting costs</i>	1 056	4 519
<i>other</i>	4 604	5 162
Taxes and fees	3 297	3 115
Costs of employee benefits	68 005	59 777
Other costs by type	5 068	5 189
Value of goods for resale and materials sold	459 812	434 874
Total costs by type and value of goods for resale sold	592 619	562 146
Selling costs, including:	102 211	100 007
<i>amortisation and depreciation</i>	8 463	9 641
<i>costs of employee benefits</i>	45 328	40 354
Administrative expenses, including:	30 596	27 265
<i>amortisation and depreciation</i>	1 677	1 567
<i>costs of employee benefits</i>	22 677	19 423
Cost of goods for resale sold	459 812	434 874
Total selling, administrative costs and costs of goods sold	592 619	562 146

The Company does not conduct important R&D works.

27. Cost of employee benefits

	12 months ended 31 December 2025	12 months ended 31 December 2024
Salaries for employment contracts and appointment contracts	49 484	43 655
Wages of temporary workers and contracts of mandate	6 481	5 742
Cost of social insurance	9 622	8 456
Cost of provision for unused holidays	305	254
Cost of provision for retirement benefits	94	90
Cost of retirement and similar benefits paid	22	8
Total employee benefit costs	68 005	59 777

Information on the number of employees is presented below:

	12 months ended 31 December 2025	12 months ended 31 December 2024
Average number of employees per full-time equivalent	344	330
Persons employed at the end of the year	352	346

28. Other operating revenue and expenses

OTHER OPERATING REVENUE	12 months ended 31 December 2025	12 months ended 31 December 2024
Surplus of FX gains over FX losses on operating activities	3 031	3 351
Revenue from other sales	98	137
Compensations received	18	386
Gain on sale of property, plant and equipment	734	1 344
Traffic damages on balance with received compensation	1	33
Other operating revenue	77	78
Total other operating revenue	3 959	5 329

OTHER OPERATING EXPENSES	12 months ended 31 December 2025	12 months ended 31 December 2024
Cost of other sales	181	179
Court and debt recovery fees	28	98
Donations given	13	5
Losses in goods incurred during transport	-	390
Other	88	76
Total other operating expenses	310	748

29. Financial revenues and expenses

FINANCIAL REVENUE	12 months ended 31 December 2025	12 months ended 31 December 2024
Interest on cash in bank accounts	705	764
Interest income on loans granted	329	-
Dividends received	512	-
Valuation of granted financial guarantees and sureties	45	5
Total financial revenue	1 591	769

FINANCIAL EXPENSES	12 months ended 31 December 2025	12 months ended 31 December 2024
Interest and commissions on loans	81	451
Interest on lease liabilities	874	1 236
Valuation of granted financial guarantees and sureties	-	40
Total financial expenses	955	1 727

30. Income tax

The reporting periods presented in these financial statements cover the following tax periods:

- from 1 January 2025 to 31 December 2025,
- from 1 January 2024 to 31 December 2024,

	12 months ended 31 December 2025	12 months ended 31 December 2024
Current tax	17 156	13 826
Deferred tax	(550)	(549)
Total income tax	16 606	13 277

A 19% corporate income tax rate was applicable in all the aforementioned periods.

Reconciliation of the theoretical tax on the pre-tax profit and the statutory tax rate with the income tax expense recognised in profit or loss is presented in the table below:

	12 months ended 31 December 2025	12 months ended 31 December 2024
Profit before tax	86 138	68 930
Tax rate applicable in the period	19%	19%
Tax calculated at the applicable tax rate	16 366	13 097
<u>Tax effect of the following items:</u>		
- permanent tax differences - revenue	19	26
- permanent tax differences – costs	275	249
- temporary differences for which assets have not been created	(6)	-
- tax relating to the previous period	-	(47)
- tax credit	(48)	(48)
Tax shown in the profit and loss account	16 606	13 277

The provisions on VAT, CIT, PIT or social security contributions frequently change, often resulting in the absence of any established regulations or legal precedents for reference. The regulations in effect tend to be unclear, thus leading to differences in opinions as to legal interpretation of fiscal regulations, both between state authorities themselves and between state authorities and entrepreneurs.

Tax declarations and other settlements (e.g. customs or foreign exchange) can be audited by authorities which are authorised to impose high fines, and the additional liabilities arising from such audits have to be paid including high interest. In the light of the above, the tax risk in Poland is higher than usual tax risk in countries with better-developed tax systems. In Poland, no formal procedures are present for the determination of the final amount of tax due

Therefore, the amounts disclosed in the financial statements may change at a later date, following final determination of their amount by the competent tax authorities.

Effective 15 July 2016, the Polish Tax Code was amended for the General Anti-Abuse Rule (GAAR) provisions. GAAR is intended to prevent the creation and use of artificial legal arrangements to avoid payment of tax in Poland and defines tax avoidance as an act carried out primarily in order to achieve a tax benefit, contrary in the circumstances to the object and goal of a provision of a tax act, which shall not result in a tax benefit, if the mode of action was not genuine. All unjustified (i) split of operations, (ii) involvement of intermediary entities without any economic or business justification, (iii) elements that compensate or exclude each other and (iv) other actions with a similar effect to the previously mentioned, may be considered as prerequisites of artificial activities subject to GAAR. The new regulation will require significantly more judgement in assessment of the tax consequences of particular transactions.

The GAAR clause is effective with respect to transactions performed following its entry into force as well as transactions that were carried out before, but the benefits were / are being achieved after the date of its entry into force. Implementation of the above provisions will enable the Polish tax authorities to challenge legal arrangements by the taxpayers such as group's restructurings and reorganizations.

The Company recognizes current and deferred income tax assets and liabilities using IAS 12 Income tax based on profit (tax loss), tax base, unsettled tax losses, unused tax exemptions and tax rates, taking into account assessment of uncertainties related to tax settlements.

If there is uncertainty over where or not and in what scope the tax authority will accept tax accounting for transactions, the Company recognizes these settlements taking into account an uncertainty assessment.

Deferred income tax

As at 31 December 2025	Assets	Liabilities	Net	As at 1 January 2025 net	Recognised in profit or loss/equity
Non-current assets					
Difference between tax and accounting depreciation rates of property, plant and equipment and intangible assets	-	957	(957)	(971)	14
Right-of-use assets	-	1 860	(1 860)	(3 059)	1 199
Current assets					
Write-down of inventories	678	-	678	564	114
Asset for expected returns	-	43	(43)	(108)	64
Deliveries on their way to customers	-	-	-	(238)	238
Write-down of receivable	381	-	381	372	9
Differences in the timing of revenue recognition for accounting and tax purposes	-	3	(3)	341	(344)
Balance-sheet valuation of receivables denominated in foreign currencies	3	-	3	(71)	74
Balance sheet valuation of cash in foreign currencies	-	1	(1)	-	(1)
Long-term liabilities					
Liabilities from finance leases	636	-	636	1 805	(1 168)
Provision for retirement benefits	185	-	185	144	41
Financial guarantees granted	3	-	3	12	(9)
Short-term liabilities					
Provisions for liabilities	112	-	112	381	(269)
Balance-sheet valuation of short-term liabilities	-	96	(96)	(39)	(57)
Provisions for unused vacation and bonuses	2 293	-	2 293	1 712	581
Accrued interest	-	-	-	-	-
Lease liabilities	1 328	-	1 328	1 314	14
Provisions for guarantee repairs	343	-	343	272	71
Total deferred income tax, of which	5 962	2 960	3 002	2 431	571
- recognised in profit or loss					550
- recognised in equity (*)					21

(*) applies to deferred tax from actuarial losses recognised in other comprehensive

As at 31 December 2024	Assets	Liabilities	Net	As at 1 January 2024 net	Recognised in profit or loss/equity
Non-current assets					
Difference between tax and accounting depreciation rates of property, plant and equipment and intangible assets	-	971	(971)	(1 019)	48
Right-of-use assets	-	3 059	(3 059)	(3 771)	712
Current assets					
Write-down of inventories	564	-	564	563	1
Asset for expected returns	-	108	(108)	(72)	(36)
Deliveries on their way to customers	-	238	(238)	-	(238)
Write-down of receivable	372	-	372	354	8
Goods in process of delivery	341	-	341		341
Balance sheet measurement of receivables denominated in foreign currency	-	71	(71)	6	(77)
Balance sheet valuation of cash in foreign currencies	-	-	-	1	(1)
Long-term liabilities					
Liabilities from finance leases	1 833	-	1 833	2 929	(1 096)
Provision for retirement benefits	144	-	144	129	15
Financial guarantees granted	12	-	12	5	7
Short-term liabilities					
Provisions for liabilities	381	-	381	335	46
Balance-sheet valuation of short-term liabilities	-	39	(39)	(24)	(15)
Provisions for unused vacation and bonuses	1 712	-	1 712	1 468	244
Accrued interest	-	-	-	-	-
Lease liabilities	1 286	-	1 286	790	496
Provisions for guarantee repairs	272	-	272	191	81
Total deferred income tax, of which	6 917	4 486	2 431	1 885	546
- recognised in profit or loss					549
- recognised in equity (*)					(3)

(*) applies to deferred tax from actuarial losses recognised in other comprehensive income

Within the above-declared value of the deferred tax asset, the amount minus PLN 354 thousand (provision) concerns titles that, according to the company's expectations, should be realized in a period longer than 12 months.

There are no significant temporary differences and tax losses in connection with which an asset was not created.

31. Earnings per share

	12 months ended 31 December 2025	12 months ended 31 December 2024
Net profit	69 532	55 653
Weighted average number of ordinary shares issued ('000)	75 042	75 042
Basic earnings per share (PLN)	0.93	0.74
Earnings per share attributable to ordinary shareholders, used to calculate diluted earnings per share		
	69 532	55 653
Weighted average number of issued ordinary shares, applied to calculate basic earnings per share	75 042	75 042
Dilution impact	-	-
Adjusted weighted average number of ordinary shares used for calculating diluted earnings per share ('000)	75 042	75 042
Diluted earnings per share (PLN)	0.93	0.74

Basic earnings per share were calculated by dividing the net profit by the weighted average number of ordinary shares during the period.

As at 31 December 2025 and 2024, the Company had no dilutive factors.

32. Financial guarantees granted and received

As at 31 December 2025, the Company was party to the following guarantee agreements in connection with their operations, granted by the following entities:

No	Counterparty	Subject of guarantee	Guarantee amount	Date of expiry
1	Bank Handlowy S.A. w Warszawie	guarantee of proper performance-timely payment for the lease of warehouses in Nadarzyn by TOYA S.A.	638,698.83 EUR	28 February 2026
2	Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A.	Security for amounts due to customs duties, taxes and other fees in relation to goods subject to admission to circulation on the basis of a customs declaration by TOYA S.A.	270,000 PLN	31 December 2025 (*)

(*) after the end of the year the guarantee was extended until 31 December 2026

On 12 June 2019, TOYA S.A. granted a guarantee of payment of liabilities arising from warehouse and office rental agreement by Toya Romania S.A. to the landlord up to the amount of EUR 115 thousand. The lease agreement was concluded on 8 February 2019 and covers a period of 10 years, with the option of changing this period. The warranty expires 3 months after the date of termination of the lease. The guarantee was measured at fair value.

On 29 March 2024, TOYA S.A. entered into a surety agreement with Citibank (China) Company Limited-Shanghai Branch, based in the People's Republic of China, in order to secure the repayment of receivables due to the bank under the conclusion by YATO TOOLS (Shanghai) Co., Ltd of a short-term working capital loan agreement in the amount of CNY 60,000 thousand. The agreement assumes TOYA S.A.'s surety for the liabilities of the subsidiary up to the amount of CNY 72,000 thousand. The surety was granted until 31 August 2025.

33. Transactions with related entities

In 2025 and 2024, the Company effected transactions with the following related parties:

- Toyota Katowice Sp. z o.o. – entity related through key management personnel,
- Unicas Sp. z o.o. – entity related through key management personnel,
- Grzegorz Pinkosz – President of the Management Board – key management personnel,
- Maciej Lubnauer – Vice-President of the Management Board – key management personnel,
- Robert Borys – Vice-President of the Management Board – key management personnel,
- Jan Jakub Szmidt – Vice-President of the Management Board – key management personnel, (from 26.06.2024),
- Piotr Mondalski – President of the Supervisory Board – key management personnel,
- Jan Szmidt – Vice-President of the Supervisory Board – key management personnel,
- Grzegorz Maciąg – Member of the Supervisory Board – key management personnel,
- Dariusz Górka – Member of the Supervisory Board – key management personnel,,
- Michał Kobus - Member of the Supervisory Board – key management personnel (till 26.06.2024),
- Wojciech Bartłomiej Papierak – key management personnel,
- Beata Szmidt – Member of the Supervisory Board – key management personnel,
- Zenon Beker – Member of the Supervisory Board – key management personnel (from 26.06.2024).

In the years ended 31 December 2025 and 31 December 2024, there were no indications of impairment and therefore no receivables from related parties were written down.

Balances due to transactions with related entities are not insured.

Information on remuneration and benefits of key management personnel and on transactions executed with such personnel

The Management Board and the Supervisory Board of the Company comprise the key management personnel of the Company.

The remuneration and benefits paid or payable to the Company's key management personnel are as follows:

	2025	2024
Remunerations and benefits under employment contracts and appointment contracts - Management Board	4 329	3 602
Social insurance (ZUS) costs borne by the Company - Management Board	29	21
Remunerations for positions held - Supervisory Board	1 152	985
Social insurance (ZUS) costs borne by the Company - Supervisory Board	179	176
Employee Capital Plans (PPK) financed by the Company	8	8

In 2025 and 2024, no dividend was paid to key management personnel.

In addition to the transactions listed above, the Company entered into transactions with key management personnel as indicated in the table below.



Summary of transactions and balances with related entities

			Revenue from sales of goods and services and other income	Purchases of goods and services	Finance income – interest	Loans granted	Dividends received
Trade receivables Trade payables							
31.12.2025			1.01.2025 - 31.12.2025				
Subsidiaries	873	15 268	4 091	362 718	329	16 749	512
TOYA Romania S.A.	873	-	4 082	-	329	16 749	-
Yato Tools (Shanghai) Co. Ltd.	-	101	-	21 271	-	-	-
Yato Tools (Jiaxing) Co. Ltd.	-	15 168	9	341 447	-	-	512
Entities related through key management personnel	1	0	189	-	-	-	-
Total	874	15 269	4 280	362 718	329	16 749	512
31.12.2024			1.01.2024 - 31.12.2024				
Subsidiaries	7 320	44 280	16 543	390 206	-	-	-
TOYA Romania S.A.	7 320	-	16 495	-	-	-	-
Yato Tools (Shanghai) Co. Ltd.	-	80	-	37 183	-	-	-
Yato Tools (Jiaxing) Co. Ltd.	-	44 200	48	353 023	-	-	-
Entities related through key management personnel	2	-	87	24	-	-	-
Key management	-	-	142	15	-	-	-
Total	7 322	44 280	16 772	390 245	-	-	

Related party transactions are entered into on arm's length terms in the course of the Company's day-to-day operations.

On 22 April 2025, TOYA S.A. entered into a loan agreement with TOYA Romania S.A. The loan was granted to finance the subsidiary's ongoing operating activities under the following terms:

Borrower name	Currency	Nominal amount in contract currency (USD thousand)	Interest rate	Maturity date
Toya Romania S.A.	USD	4 500	90-day average SOFR + margin	31.03.2026

Loans are classified as financial assets measured at amortised cost in accordance with IFRS 9.

As at 31 December 2025, the loan granted was fully repaid together with accrued interest.

In September 2025, the Company received a dividend from Yato Jiaying Co. Ltd. in the amount of PLN 512 thousand (equivalent to CNY 1,000 thousand), which was recognised as finance income.

34. Material events subsequent to the end of reporting period

34.1 Impact of the Middle East conflict

The conflict in the Middle East, which began on 28 February 2026, is not expected to have a significant impact on the Company, provided that it remains a regional event. The Company does not conduct any business activity in that region. However, it should be noted that the Red Sea is part of the maritime shipping route between Asia and Europe, which is used by carriers providing services to the Company. Based on available information, the armed conflict has led carriers to use alternative shipping routes, which is expected to extend delivery times by approximately two weeks.

The aforementioned conflict may, however, have an indirect impact on the Company, particularly if it proves to be long-lasting. An increase in energy prices may result in slower economic growth or even recession in many countries where the Company's customers operate. The Management Board assesses that the magnitude of this impact is currently not possible to estimate.

34.2 Annex to the overdraft agreement

On 20 March 2026, TOYA S.A. entered into Amendment No. 8 to the Overdraft Facility Agreement No. 09/030/19/Z/ with mBank S.A., with its registered office in Warsaw. The Company disclosed the conclusion of the Agreement in Current Report No. 3/2019 dated 4 March 2019.

Under the amendment, the final repayment date of the credit was set for 26 March 2027.

Pursuant to the amendment, the security for the credit is a blank promissory note issued by the Company together with a promissory note declaration.

Other terms and conditions of the Agreement do not differ from those commonly applied for this type of agreements.

Management Board of Toya S.A.:

Date	Name and surname	Position	Signature
26.03.2026	Grzegorz Pinkosz	President of the Management Board	
26.03.2026	Maciej Lubnauer	Vice-President of the Management Board	
26.03.2026	Robert Borys	Vice-President of the Management Board	
26.03.2026	Jan Jakub Szmidt	Vice-President of the Management Board	

Person responsible for bookkeeping

Date	Name and surname	Position	Signature
26.03.2026	Iwona Banik	Chief Accountant	