

ANNUAL REPORT

beginning of financial year: 01.01.2024

end of the financial year: 31.12.2024

business name: Paged Eesti OÜ

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MANAGEMENT REPORT

The main activity of Paged Eesti OÜ continues to be the production of plywood and veneer. The company was established in 2000 and is currently part of the Thumos Capital Ltd group, which includes the largest plywood manufacturing companies in Europe. Paged Eesti OÜ has been FSC (Forest Stewardship Council) certified since 2009. A certificate that meets strict FSC standards gives the company a globally recognized quality mark, which demonstrates the company's sense of responsibility and care for the world's forests.

To gain an overview of the European veneer business, it is important to take into account various factors, including the financial position and assessment of economic results of companies operating in the business segment, important events of the financial year and the forecasted development trends for 2025. By 2025, the veneer industry in Europe has directed its development towards sustainability, technological innovations and adaptation to market needs, thereby securing its position in a competitive market.

The primary indicator of the impact of the economic environment is the fluctuations and trends in the international plywood and veneer sector, which also include the aspect of limited demand. In the third and fourth quarters of 2024, there was a decline in raw material prices, which unfortunately did not bring significant benefits. This led to a sharp decline in unit sales prices due to the increased availability of both raw materials and inventories.

Since the Company is predominantly an exporter to the Group, the management estimates that the credit risks associated with money and its approximations are minimal. Within the Group, customer insolvency risks are mitigated through credit insurance. To maintain liquidity, revolving credit facilities with free repayment have been secured from financial institutions. To mitigate currency risks, loans are held in euros for a significant part.

During the 2024 financial year, 1,226 thousand euros were invested in machinery and equipment (1,034 thousand euros in 2023). In 2025, it is planned to invest in the reconstruction of machinery and equipment from its own funds and in the development of ERP software with the support of the EAS Structural Fund. Total planned investments are approximately 1 million euros.

The market remained unstable throughout the financial year. The company's sales revenue in 2024 was 22,198 thousand euros (2023: 25,408 thousand euros). Exports accounted for 89% (2023: 82.4%). Sales to group companies in the Republic of Poland accounted for 81% of total sales revenue (2023: 70.5%). Paged Eesti OÜ's products are used as raw materials in Paged group companies.

In 2025, an increase in production volume is planned for the group company, while raw material prices are changing, which significantly affects financial results.

At the end of the financial year, there were 82 contract employees (2023: 99). The number of employees decreased by 19 people since February 2024, as the maintenance and repair of equipment and machinery is procured as a service from outside. In this regard, the employees of the mechanical department were transferred to another company. In addition to its own employees, the company also uses hired labor in production. Since 2025, the company has had 2 members of the management board (1 in 2024), one of whom is remunerated by the company. There are 3 members of the supervisory board (3 in 2023) and the company does not pay fees to the members of the supervisory board.

Financial key indicators:

Näitaja	Arvutamise metoodika	2024.a.	2023.a.
Operating profit	Net profit/sales revenue	0,52%	-0,23%
Return on assets	Net profit/total assets	0,76%	-0,40%
Return on fixed assets	Sales revenue/fixed assets	1,98	2,22
EBITDA (thousand EUR)	Operating profit + depreciation of fixed assets	2 494	2 301
EBITDA profit	EBITDA/sales revenue	11,2%	9,06%
Debt ratio	Total liabilities/total assets	77%	77%
Short-term debt ratio	Current assets/current liabilities	0,52	0,54

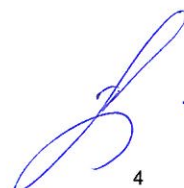
Roland Laprik
Board member

Tiina Lebedev
Procurator

The annual accounts

Statement of financial position (In Euros)

	31.12.2024	31.12.2023	Note
Assets			
Current assets			
Cash and cash equivalents	38 039	346 199	2
Receivables and prepayments	2 053 297	1 013 149	3
Inventories	1 690 896	1 739 843	4
Total current assets	3 782 232	3 099 191	
Non-current assets			
Property, plant and equipment	11 190 982	11 443 428	6
Total non-current assets	11 190 982	11 443 428	
Total assets	14 973 214	14 542 619	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	4 477 654	3 656 245	8
Payables and prepayments	2 760 989	1 715 111	9
Provisions	4 151	4 275	10
Total current liabilities	7 242 794	5 375 631	
Non-current liabilities			
Loan liabilities	4 199 376	5 749 146	8
Provisions	35 431	36 560	10
Total non-current liabilities	4 234 807	5 785 706	
Total liabilities	11 477 601	11 161 337	
Equity			
Issued capital	25 700	25 700	11
Share premium	5 240 627	5 240 627	
Statutory reserve capital	2 570	2 570	
Other reserves	7 664 240	7 664 240	
Retained earnings (loss)	-9 551 856	-9 494 089	
Annual period profit (loss)	114 332	-57 766	
Total equity	3 495 613	3 381 282	
Total liabilities and equity	14 973 214	14 542 619	

Income statement

(In Euros)

	2024	2023	Note
Revenue	22 192 241	25 408 267	12
Other income	33 620	261 059	13
Changes in inventories of finished goods and work in progress	-58 976	-75 950	
Raw materials and consumables used	-16 364 946	-19 847 350	14
Other operating expense	-833 122	-691 776	15
Employee expense	-2 426 270	-2 678 291	16
Depreciation and impairment loss (reversal)	-1 449 713	-1 398 764	
Other expense	-49 003	-75 056	6,17
Operating profit (loss)	1 043 831	902 139	
Interest income	2 867	1 602	
Interest expenses	-926 522	-819 805	18
Other financial income and expense	-5 844	-141 702	19
Profit (loss) before tax	114 332	-57 766	
Annual period profit (loss)	114 332	-57 766	



Statement of cash flows

(In Euros)

	2024	2023	Note
Cash flows from operating activities			
Operating profit (loss)	1 043 831	902 139	
Adjustments			
Depreciation and impairment loss (reversal)	1 449 713	1 398 764	6
Profit (loss) from sale of non-current assets	4 742	-254 999	6,13
Total adjustments	1 454 455	1 143 765	
Changes in receivables and prepayments related to operating activities	-1 040 149	1 271 334	3
Changes in inventories	48 947	-311 799	4
Changes in payables and prepayments related to operating activities	776 501	-1 022 381	
Total cash flows from operating activities	2 283 585	1 983 058	
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	-1 125 738	-688 389	6
Proceeds from sales of property, plant and equipment and intangible assets	33 790	258 500	6
Interest received	2 867	1 602	
Total cash flows from investing activities	-1 089 081	-428 287	
Cash flows from financing activities			
Repayments of loans received	-1 124 162	-1 396 603	
Proceeds from overdraft	320 917	625 603	8
Repayments of finance lease liabilities	-52 414	-62 790	
Interest paid	-608 100	-612 660	
Other cash inflows from financing activities	0	200 000	
Other cash outflows from financing activities	-38 905	-43 210	
Total cash flows from financing activities	-1 502 664	-1 289 660	
Total cash flows	-308 160	265 111	
Cash and cash equivalents at beginning of period	346 199	81 088	2
Change in cash and cash equivalents	-308 160	265 111	
Cash and cash equivalents at end of period	38 039	346 199	2

Statement of changes in equity

(In Euros)

	Issued capital	Share premium	Statutory reserve capital	Other reserves	Retained earnings (loss)	Total
31.12.2022	25 700	5 240 627	2 570	7 464 240	-9 494 089	3 239 048
Annual period profit (loss)	0	0	0	0	-57 766	-57 766
Changes in reserves	0	0	0	200 000		200 000
31.12.2023	25 700	5 240 627	2 570	7 664 240	-9 551 855	3 381 282
Restated balance 31.12.2023	25 700	5 240 627	2 570	7 664 240	-9 551 855	3 381 282
Annual period profit (loss)					114 332	114 332
Other changes in equity					-1	-1
31.12.2024	25 700	5 240 627	2 570	7 664 240	-9 437 524	3 495 613




Notes

Note 1 Accounting policies

General information

The annual financial statements of Paged Eesti OÜ (hereinafter also referred to as the "Company") for the year 2024 have been prepared in accordance with the Estonian Financial Reporting Standard. The Estonian Financial Reporting Standard is an internationally recognized standard based on accounting and reporting principles, the main requirements of which are established by the Accounting Act of the Republic of Estonia and supplemented by the guidelines of the Accounting Board. The annual financial statements have been prepared in euros. The annual financial statements have been prepared on the basis of acquisition cost, except for the revaluation of certain assets and financial instruments.

The company uses income statement scheme 1. The main accounting policies used in the preparation of the annual financial statements are set out below. The report has been prepared in accordance with the principles for preparing the annual financial statements of medium-sized enterprises.

The company does not present a consolidated annual financial statement in accordance with the exception provided for in Section 29(4) of the Accounting Act. Therefore, the annual report does not include the financial indicators of the subsidiary Volga Shpon OOO.

Financial assets

Financial assets are money, a contractual right to receive money from another party or other financial assets (for example, claims against buyers) and contractual rights to exchange financial assets with another party on potentially beneficial terms. All financial assets are taken initially to the account at their acquisition cost, which is the fair value of the consideration to be paid or received for this financial asset. The initial acquisition cost includes all transaction costs directly associated with the acquisition of a financial asset, including fees to intermediaries and advisors, non-refundable taxes and other similar costs associated with the transaction. Purchases of financial assets under normal market conditions and sales are recorded on their transaction date, i.e. on the day when the company assumes an obligation (for example, enters into an agreement) for the purchase or sale of a certain financial asset. Such purchases and sales, in which the transfer of the financial asset to be bought or sold from the seller directly to the buyer takes place during the period established in the given market or required by the relevant market regulations, are called taking place under normal market conditions.

Depending on their type, financial assets are further accounted for either at acquisition cost or adjusted acquisition cost method. When applying the adjusted cost method, the financial instrument's balance sheet is recorded at its original cost, discounted by the internal interest rate, minus repayments of the principal and due to impairment or improbability of collection.

possible discount. A financial asset is removed from the balance sheet when the Company loses the right to the cash flows arising from the given financial asset or it transfers the cash flows arising from the given financial asset and most of the risks and rewards related to the given financial asset to a third party.

Cash and cash equivalents

The balance sheet line "Cash" comprises cash on hand, bank accounts.

Cash flows from operating activities are reported under the indirect method. Cash flows from investing and financing activities are reported based on gross receipts and disbursements made during the financial year.

Foreign currency transactions and assets and liabilities denominated in a foreign currency

The reporting currency is euro. All other currencies would be considered foreign currencies.

Transactions denominated in foreign currencies are recorded on the basis of the official exchange rates of the European Central Bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into euros using the official exchange rates of the European Central Bank at the balance sheet date.

Foreign exchange gains and losses resulting from translation are presented in the income statement of the reporting period. Foreign exchange gains and losses relating to supplier and buyer settlements is presented in operating income and expenses. Other gains and losses on foreign currency transactions are presented in the income statement in Financial income and expenses.

Financial investments

Equity investments, that's fair value cannot be reliably measured and the related derivatives, are recorded on the balance sheet at cost less any write-down. Debt securities that the Company intends to hold until maturity, are recorded on the balance sheet at amortized cost value.

Receivables and prepayments

Short-term claims arising in the course of the Company's normal business activities are recorded as receivables from buyers. Claims against buyers

is reflected in adjusted acquisition cost, i.e. in their present value less the amounts that are unlikely to be received.

An allowance for receivables is recognized when there is objective evidence that all receivable amounts will not be collected in accordance with the original contractual terms of the receivables. Circumstances that indicate a possible decrease in the value of receivables are the debtor's bankruptcy or significant financial difficulties and non-compliance with payment deadlines. The decrease in the value of individually important receivables (i.e. the need for undervaluation) is assessed separately for each buyer based on the present value of the amounts expected to be received in the future. If the receipt of unpaid invoices from buyers is considered partially or completely improbable, a discount is recorded in the income statement line "Significant current asset discounts". Uncollected invoices from buyers, for which it is not possible or economically beneficial to implement measures, are assessed as hopeless and written off the balance sheet. Receipts of previously discounted bad debts are recorded as a reduction of bad debt expense.

Inventories

Inventory consists of purchased raw materials, fuels, materials, spare parts and goods, expenses of unfinished products and finished products. Prepayments to suppliers are also recorded as inventory based on terms of delivery. Raw materials and goods for resale are recorded at cost, which comprises purchase price, non-refundable taxes as well as transportation and other direct acquisition expenditures, less discounts.

Carried At Cost Inventories Accounting Policies

Finished goods and work in progress are recorded at costs which includes direct and indirect production costs incurred in bringing the inventories to their present location and condition. Production overheads are divided into work in progress and finished goods. Other inventories are accounted with acquisition cost, which comprises the purchase price of the inventories, customs costs associated with the purchase, non-refundable taxes and other acquisition-related costs.

Inventories are calculated using the waged average cost method. Stocks evaluated based according the lower cost what can be the production value or net realizable value. The measurement of inventories at net realizable value is recognized as an expense in the income statement in the line Goods, raw materials, materials and services. As the characteristics of the goods do not generally deteriorate with the age of the goods, then net realizable value is estimated and based on the forecast of the sales price of the goods and the turnover rate.

Plant, property and equipment and intangible assets

Assets held for use in the supply of services, or for administrative purposes, with useful life of over one year are considered to be tangible assets. Tangible assets are recorded at cost, which comprises purchase price and other directly attributable expenditures. Depreciation is calculated on the straight-line method. Depreciation rates are assigned separately to each tangible asset or its separately identifiable component depending on its estimated useful life. Land is not depreciated.

Improvements to tangible assets are capitalized if they comply with the definition of a tangible asset and the criteria for recognizing an asset on the balance sheet, including the participation of these costs in generating future economic benefits.

Unfinished construction comprises expenditures which will be involved in future as fixed assets or reconstruction of the existing fixed asset.

Impairment of assets.

At each balance sheet date, a review of whether there is any indication that financial assets recorded at cost or amortized cost and tangible and intangible assets are impaired, is performed. If the management of the Entity detects any indications that the value of an asset may have declined below its carrying amount, impairment test is carried out.

Recoverable amount is the higher of the asset's net selling price and asset's value in use. In assessing the value in use, the estimated future cash flows from continuous use and subsequent disposal are discounted to their present value using a discount rate that reflects expected return on similar investments.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognized in the income statement as "Depreciation, amortization and impairment losses" when incurred.

The Company assesses at each reporting date whether there are any indications that the recoverable amount of an asset has increased and an impairment test is performed. If it appears, as a result of the impairment test, that the recoverable amount has increased and the previously recognized impairment loss is no longer justified, the carrying amount is increased, except for goodwill, which impairment loss is not

reversible. The reversal should not result in a carrying amount that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed.

The amount of the reversal of impairment loss is recognized in the income statement as "Depreciation, amortization and impairment losses" for the financial year on the same expense account as a reverse entry.

Minimal acquisition cost 1500

Useful life by assets group (years)

Assets group name	Useful life
Buildings and associated facilities	8-50 years
Production equipments and inventory	4-18 years
Mobile machinery	4-7 years
Office inventory	1-8 years
Office electronics	5-8 years
Software	1-5 years

Leases

The company recognizes lease transactions as capital leases, in which all significant risks and rewards related to property ownership are transferred

to the lessee. Assets acquired under the terms of a capital lease are taken into account in the lessee's balance sheet at the acquisition cost of the asset.

Starting from 2019, operating leases are recorded in the company on the basis of capital leases in accordance with IFRS 16. The future payments of these leases are recognized as an asset (which is amortized using the straight-line method over the lease term) and as a liability (short-term and long-term interest-free liability, respectively). The interest calculated from the rental payment is a period expense.

The company considers the lease period as the uninterrupted period of the lease, which includes periods of possible extension of the lease if the lessee is sufficiently sure that he will use this option, and periods of possible termination of the lease if the lessee is sufficiently sure that he will not use this option.

The company does not apply the requirements of IFRS 16 to short-term leases. Payments related to short-term leases are recognized on a straight-line basis

as an expense in the income statement. Short-term leases are contracts with a lease period of up to 12 months or less.

Financial liabilities

Financial liabilities are initially taken into account at their acquisition cost, which is the fair value of the consideration received for the financial liabilities. Thereafter, they are recorded at adjusted acquisition cost using the effective interest rate. Transaction costs are taken into account when calculating the effective interest rate and is expensed during the lifetime of the financial liability. The interest expense associated with financial liabilities is recognized on an accrual basis as a period expense in the line Financial income and expenses of the income statement. A financial liability is derecognised when it is settled, canceled or expired.

Provisions and contingent liabilities

A provision is recorded in the balance sheet if the company has a legal or operational obligation due to a binding event that occurred before the balance sheet date, the realization of which is probable and the amount of the obligation can be reliably measured. In assessing allocations are based on the board's assessments, experiences and, if necessary, also the assessments of independent experts, and they are reflected in the balance sheet in the amount necessary to satisfy the obligations related to the provision as of the balance sheet date. The discount rate of the long-term provision has been consistently 10%, which management believes is reliable.

Promises, guarantees and other obligations, which under certain conditions may become obligations in the future, but whose realization probability is lower than the probability of non-realization in the management's opinion, are disclosed as contingent liabilities in the notes to the annual accounts.

Equity statutory reserve capital

According to the company's Articles of Association, the statutory reserve capital is transferred from the net profit of 1/20 year until the statutory reserve capital reaches a level equal to 1/10 of the share capital.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable i.e. represents amounts receivable for goods and services provided, net of discounts and goods returned. Sales of goods are recognized when all significant risks and rewards related to ownership of goods have been transferred to the buyer, collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably. Sales of services are recognized in the period when the service was provided, provided that collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably. If the payment is made after a certain longer period of time, then revenue is recognized in the present value of the consideration received. In revenue are recognized sales of goods and services related with Entity's core activity. Other revenues are recognized irregular and not directly related with Entity's core activity sales.

Taxation

According to the Income Tax Act, corporate profits are not taxed in Estonia. Income tax is paid on dividends, donations, reception expenses, non-business-related payments and transfer price adjustments. The current tax rate is 22%, the tax payable is 22/78 of the net payment. Due to the specifics of the taxation system, there are no temporary differences between the tax bases of assets and liabilities and their carrying amounts, and therefore no deferred tax assets and liabilities arise.

Corporate income tax paid on dividends is recognized as an income tax expense and a liability at the time the dividends are declared, regardless of the period for which the dividends are declared or when the dividends are actually paid. The maximum income tax liability that would arise if all free equity were paid out as dividends is disclosed in the notes to the annual report.

Since the Company's retained earnings were negative as of 31.12.2024, no potential income tax liability arises.

Related parties

Parties are considered related if one party is controlled by another, or one party has significant influence over another. The following parties are considered to be related to the Entity:

- 1) Paged Eesti OÜ parent entity and other entities, which belong to group of Thumos Capital Ltd;
- 2) Shareholders, the members of the Supervisory Council and the Management Board, their families, excluding persons, who do not have significant influence over the Entity.

Events after reporting date

The notes disclose important events that occurred after the reporting date and their possible impact on the financial indicators of the following periods.

Continuity of operations

In case of the continuity of the company's activities for at least 12 months from the reporting date if there is uncertainty, the report shall disclose:

- (a) key events and circumstances that may give rise to substantial doubt in the company's ability to continue as a going concern;
- (b) management's plans to deal with those events and circumstances.

Note 2 Cash and cash equivalents

(In Euros)

	31.12.2024	31.12.2023
cash	14 840	16 626
cash in bank accounts	23 199	329 573
Total cash and cash equivalents	38 039	346 199

Note 3 Receivables and prepayments

(In Euros)

	31.12.2024	Within 12 months	Note
Accounts receivable	175 428	175 428	
Accounts receivables	175 428	175 428	
Receivables from related parties	1 584 925	1 584 925	20
Tax prepayments and receivables	275 295	275 295	5
Other receivables	3 924	3 924	
Accrued income	3 924	3 924	
Prepayments	13 725	13 725	
Deferred expenses	13 725	13 725	
Total receivables and prepayments	2 053 297	2 053 297	

	31.12.2023	Within 12 months	Note
Accounts receivable	410 487	410 487	
Accounts receivables	410 824	410 824	
Allowance for doubtful receivables	-337	-337	
Receivables from related parties	581 015	581 015	20
Tax prepayments and receivables	4 231	4 231	5
Other receivables	7 675	7 675	
Accrued income	7 675	7 675	
Prepayments	9 741	9 741	
Deferred expenses	9 741	9 741	
Total receivables and prepayments	1 013 149	1 013 149	

Note 4 Inventories

(In Euros)

	31.12.2024	31.12.2023
Raw materials	1 238 175	1 224 569
Work in progress	0	23 167
Finished goods	448 648	484 457
Merchandise	3 610	1 262
Inventory prepayments	463	6 388
Total Inventories	1 690 896	1 739 843

No write-downs due to loss or destruction of assets have been made during the financial year.

Note 5 Tax prepayments and liabilities

(In Euros)

	31.12.2024		31.12.2023	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax			0	6 697
Personal income tax		53 908	0	62 930
Fringe benefit income tax		1 145	0	503
Social tax		101 322	0	118 569
Contributions to mandatory funded pension		3 294	0	3 449
Unemployment insurance tax		6 512	0	8 115
Other tax prepayments and liabilities		1 480		1 572
Prepayment account balance	275 295		4 231	
Total tax prepayments and liabilities	275 295	167 661	4 231	201 835

Note 3 and 9

Note 6 Property, plant and equipment

(In Euros)

						Total
	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Unfinished projects	
31.12.2023						
Carried at cost	22 416	10 885 355	16 601 653	402 678	322 139	28 234 241
Accumulated depreciation	0	-7 138 856	-9 354 747	-297 210	0	-16 790 813
Residual cost	22 416	3 746 499	7 246 906	105 468	322 139	11 443 428
Acquisitions and additions	0	11 409	65 681	143 651	1 005 574	1 226 315
Depreciation		-325 751	-1 061 402	-62 560		-1 449 713
Disposals (in residual costs)			-28 751	-297		-29 048
Reclassifications		58 555	1 092 817		-1 151 372	0
Reclassifications from unfinished projects		58 555	1 092 817		-1 151 372	0
31.12.2024						
Carried at cost	22 416	10 955 319	17 704 890	544 096	176 341	29 403 062
Accumulated depreciation		-7 464 607	-10 389 639	-357 834	0	-18 212 080
Residual cost	22 416	3 490 712	7 315 251	186 262	176 341	11 190 982

Disposed property, plant and equipment at selling price

	2024
Machinery and equipment	33 790
Other machinery and equipment	33 790
Total	33 790

The cost of machinery and equipment leased under finance lease terms is 174,189 euros, with a residual value of 96,757 euros. A mortgage has been placed on the property at Lagre tee 1 and 1a with a value of 39 million euros, and a commercial pledge has secured claims worth 39 million euros in favor of ING Bank Śląski Spółka Akcyjna. Larger investments were related to the reconstruction and modernization of production machinery.

Note 7 Finance lease

(In Euros)

Accounting entity as lessee

	31.12.2024	Allocation by remaining maturity		Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years			
	12 130	5 148	6 982	0 %	euro	2027
	67 918	15 037	52 881	5,85 %	euro	2029
	7 850	5 512	2 338	2,714	euro	2026
Finance lease obligations total	87 898	25 697	62 201			

	31.12.2023	Allocation by remaining maturity		Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years			
Machines and equipment	17 278	5 148	12 130	0 %	euro	2027
Vehicles	43 289	11 320	31 969	3 kuu euribor +3,909%	euro	2026-2027
Finance lease obligations total	60 567	16 468	44 099			

Residual cost of leased assets		
	31.12.2024	31.12.2023
Machinery and equipment	85 002	19 817
Other property, plant and equipment	11 756	52 706
Total	96 758	72 523

Note 8 Loan commitments

(In Euros)

	31.12.2024	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
	1 713 649	1 713 649			WIBOR+1,5%	PLN	pikendatav	
	1 250 732	1 250 732			EURIBOR+1,5%	EUR	pikendatav	
Current loans total	2 964 381	2 964 381						
Non-current loans								
Non-current loans total	5 624 751	1 487 576	4 137 175					
Finance lease obligations total	87 898	25 697	62 201					7
Loan commitments total	8 677 030	4 477 654	4 199 376					
	31.12.2023	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
Overdraft	1 710 485	1 710 485			WIBOR +1,5%	PLN	pikendatav	
Overdraft	932 980	932 980			EURIBOR+1,5%	EUR	pikendatav	
Current loans total	2 643 465	2 643 465						
Non-current loans								
Bank loans	6 701 359	996 312	5 705 047		EURIBOR+2,6%	EUR	14.12.2027	
Non-current loans total	6 701 359	996 312	5 705 047					
Finance lease obligations total	60 567	16 468	44 099					7
Loan commitments total	9 405 391	3 656 245	5 749 146					

Carrying amount of collateral assets		
	31.12.2024	31.12.2023
Land	22 415	22 415
Buildings	3 490 712	3 746 499
Machinery and equipment	7 278 207	7 174 384
Other property, plant and equipment	126 550	105 468
Total	10 917 884	11 048 766

Bank loans are secured by a mortgage and commercial pledge agreement. The mortgage is set on the property at Lagre tee 1 and 1a in the value of 39 million euros, and the claims in the value of 39 million euros are secured by a commercial pledge in favor of ING Bank Slaski Spolka Akcyjna.

As of 28.04.2023, according to the consortium, 100% of the shares of Paged Eesti OÜ have been pledged with the credit institution that finances the company.

The residual book value of assets pledged as collateral does not include assets recorded as capital leases.

In 2023, the loan was returned to the parent company with interest.

After the reporting date in 2024, the overdraft was increased in the amount of 300 thousand euros.

Note 9 Payables and prepayments

(In Euros)

	31.12.2024	Within 12 months	Note
Trade payables	2 232 234	2 232 234	
Employee payables	122 014	122 014	
Related parties payables	192 952	192 952	20
Tax payables	167 661	167 661	5
Other payables	46 128	46 128	
Other accrued expenses	46 128	46 128	
Total payables and prepayments	2 760 989	2 760 989	
	31.12.2023	Within 12 months	Note
Trade payables	1 143 932	1 143 932	
Employee payables	161 169	161 169	
Related parties payables	46 794	46 794	20
Tax payables	201 835	201 835	5
Other payables	161 381	161 381	
Interest payables	7 717	7 717	
Other accrued expenses	153 664	153 664	
Total payables and prepayments	1 715 111	1 715 111	

Note 10 Provisions

(In Euros)

	31.12.2022	Establishing/Adjustments	Provision used	31.12.2023
Health impairment compensation	49 370	-4 383	-4 152	40 835
Total provisions	49 370	-4 383	-4 152	40 835
Including:				
Current	4 151	4 276	-4 152	4 275
Other provisions	4 151	4 276	-4 152	4 275
Non-current	45 219	-8 659	0	36 560
Other provisions	45 219	-8 659	0	36 560
	31.12.2023	Establishing/Adjustments	Provision used	31.12.2024
Total provisions	40 835	2 899	-4 152	39 582
Including:				
Current	4 275	4 028	-4 152	4 151
Other provisions	4 275	4 028	-4 152	4 151
Non-current	36 560	-1 129		35 431
Other provisions	36 560	-1 129		35 431

Health impairment compensation for two former employees is recorded as other provisions. The compensation obligation is valid until the end of the recipient's expected life, the calculation of which is based on the average life expectancy based on statistical analysis. A 10% discount rate is used for discounting the long-term part of the provision. See appendix 15

Note 11 Share capital

(In Euros)

	31.12.2024	31.12.2023
Share capital	25 700	25 700
Number of shares (pcs)	1	1

As of 28.04.2023, according to the consortium, 100% of the shares of Paged Eesti OÜ have been pledged with the credit institutions that finance the company.

Note 12 Net sales

(In Euros)

	2024	2023
Net sales by geographical location		
Net sales in European Union		
Poland	18 365 077	18 236 728
Estonia	2 441 255	4 359 682
Sweden	950 860	1 010 519
Finland	63 838	181 483
Lithuania	51 264	36 662
Latvia	8 658	1 793
France	1 647	0
Czech Republic	915	0
Other European Union net sales	0	949 673
Total net sales in European Union	21 883 514	24 776 540
Net sales outside of European Union		
United Kingdom	308 727	478 301
United States of America	0	153 426
Total net sales outside of European Union	308 727	631 727
Total net sales	22 192 241	25 408 267
Net sales by operating activities		
Veneer	20 588 765	22 684 979
Round log	264 173	721 471
Other goods	1 244 244	1 758 683
Services	95 059	243 134
Total net sales	22 192 241	25 408 267

Note 13 Other operating income

(In Euros)

	2024	2023	Note
Profit from sale of plant, property and equipment	4 743	255 000	6
Revenue from grants	4 111	0	
Profit from exchange rate differences	0	1 515	
Insurance compensation	2 436	0	
Other	22 330	4 544	
Total other operating income	33 620	261 059	

Note 14 Goods, raw materials and services

(In Euros)

	2024	2023
Raw materials	-12 312 930	-16 633 022
Energy	-733 722	-923 935
Electricity	-598 422	-758 134
Fuel	-135 300	-165 801
Water supply services	0	-12 562
Subcontracting work	-1 705 000	0
Transportation expense	-779 110	-684 534
Labor supply expense	-157 857	-413 276
Maintenance, repair, improvement	-600 514	-1 105 114
Production equipment	-33 341	-21 340
Occupational safety resources	-42 472	-36 167
Other	0	-17 400
Total goods, raw materials and services	-16 364 946	-19 847 350

The decrease in material costs is related to outsourced subcontracting for equipment maintenance and repair and a decrease in raw material prices.

Note 15 Miscellaneous operating expenses

(In Euros)

	2024	2023	Note
Leases	-31 323	-64 951	
Energy	-32 127	-29 316	
Electricity	-3 699	-790	
Fuel	-28 428	-28 526	
Miscellaneous office expenses	-87 930	-65 075	
Travel expense	-21 653	-5 942	
Training expense	-11 083	-3 569	
Provisions related expense	2 899	4 383	10
Allowance for doubtful receivables	0	-337	
Insurance	-50 700	-45 748	
Legal and juridical services	-4 125	-8 182	
Maintenance and upkeep of buildings	-108 273	-112 184	
Security costs	-33 038	-13 333	
Environmental costs	-23 968	-26 468	
Benefits and representation expenses	-52 153	-26 204	
IT costs	-159 158	-104 059	
Accounting and audit costs	-105 425	-101 808	
Vehicle costs	-38 556	-23 902	
Agent fees	-17 672	-16 176	
Other	-58 837	-48 905	
Total miscellaneous operating expenses	-833 122	-691 776	

The increase in IT costs is related to group-wide IT development services.

Note 16 Labor expense

(In Euros)

	2024	2023
Wage and salary expense	-1 702 461	-1 834 458
Social security taxes	-562 994	-602 089
collection of holiday reserve	-160 815	-241 744
Total labor expense	-2 426 270	-2 678 291
Average number of employees in full time equivalent units	82	99
Average number of employees by types of employment:		
Person employed under employment contract	78	97
Person providing service under law of obligations, except for self-employed person	2	1
Member of management or controlling body of legal person	2	1

Note 17 Other operating expenses

(In Euros)

	2024	2023
Loss from exchange rate differences	-337	-2 231
Fines, penalties and compensations	-9 001	-37 808
Gifts, donations and non - business expenses	-681	-136
Other	-38 984	-34 881
Total other operating expenses	-49 003	-75 056

Note 18 Interest expenses

(In Euros)

	2024	2023
Interest expense from loans	-585 940	-585 322
Interest expense from finance lease	-6 227	-2 379
Costs related to financial contracts	-334 355	-232 104
Total interest expense	-926 522	-819 805

Note 19 Other financial income and expense

(In Euros)

	2024	2023
Profit (loss) from exchange rate differences	-32 379	-148 971
Financial guarantees	26 535	7 269
Total other financial income and expense	-5 844	-141 702

The exchange rate loss is due to the currency of the overdraft in Polish zlotys.

Note 20 Related parties

(In Euros)

Related party balances according to groups

SHORT TERM	31.12.2024	31.12.2023	Note
Receivables and prepayments			
Parent company	0	76 016	
Other entities belonging into same consolidation group	1 584 925	504 999	
Total receivables and prepayments	1 584 925	581 015	3
Payables and prepayments			
Parent company	100 661	17 118	

Other entities belonging into same consolidation group	92 291	29 676	
Total payables and prepayments	192 952	46 794	9

SOLD	2024			2023	
	Goods	Services	Non-current assets	Goods	Services
Parent company	0			8 561 436	0
Other entities belonging into same consolidation group	17 988 486			9 354 720	0
Total sold	17 988 486			17 916 156	0

BOUGHT	2024			2023	
	Goods	Services	Non-current assets	Goods	Services
Parent company	0	12 375		18 059	0
Other entities belonging into same consolidation group	12 199	175 478	143 674	14 552	67 304
Total bought	12 199	187 853	143 674	32 611	67 304

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	2024	2023
Remuneration	87 284	82 800
Reimbursement of housing costs	9 667	7 200

Note 21 Events after the reporting date

During the period from the end of the 2024 financial year until the approval of this report, no significant macroeconomic, socio-political, industry or company-specific events have occurred that, in the opinion of management, would have a material impact on the company's financial position or results.

Note 22 Company sustainability

As of 31.12.2024, the company's equity amounted to 3,496 thousand euros (31.12.2023: 3,381 thousand euros). The profit for the reporting year was 114 thousand euros (in 2023, the loss was 58 thousand euros). There is great pressure on liquidity, as it is necessary to improve the free cash flow of previous periods. As of 31.12.2024, the company's working capital is negative, i.e. short-term liabilities exceed current assets by 3,460 (31.12.2023: 2,276) thousand euros. Short-term liabilities include loan obligations to banks in the amount of 4,470 thousand euros (2023: 3,640 thousand euros). The strategy of the group, which also includes Paged Eesti OÜ, aims to develop innovative high-margin products and increase their sales, as well as focus on sales in the B2B channel. The parent company Paged Pisz continues to strengthen its position as the main and complete supplier of its products in Poland and worldwide by further optimizing production processes, controlling technical parameters and selecting products tailored to the specific needs of customers. The importance of Paged Eesti OÜ in the group's strategy is the supply of plywood as a raw material to the sister company.

Taking into account the financial results of Paged Eesti OÜ for the financial year ended in 2024, the parent company has issued a letter of confirmation, which includes financial support for the company, thereby enabling it to meet its obligations for the next 12 months from the date of approval of this annual report. Considering the above circumstances and in the context of the measures taken, the Management Board has prepared the financial report for the financial year 2024 on a going concern basis.

SÕLTUMATU VANDEAUDIITORI ARUANNE

Paged Eesti OÜ osanikule

Arvamus

Oleme auditeerinud Paged Eesti OÜ (ettevõtte) raamatupidamise aastaaruannet, mis sisaldab bilanssi seisuga 31.12.2024 ning kasumiaruannet, rahavoogude aruannet ja omakapitali muutuste aruannet eeltoodud kuupäeval lõppenud aasta kohta ja raamatupidamise aastaaruande lisasid, sealhulgas märkimisväärsete arvestuspõhimõtete kokkuvõtet.

Meie arvates kajastab kaasnev raamatupidamise aastaaruanne kõigis olulistes osades õiglaselt ettevõtte finantsseisundit seisuga 31.12.2024 ning sellel kuupäeval lõppenud aasta finantstulemust ja rahavoogusid kooskõlas Eesti finantsaruandluse standardiga.

Arvamuse alus

Viisime auditi läbi kooskõlas rahvusvaheliste auditeerimise standarditega (Eesti). Meie kohustusi vastavalt nendele standarditele kirjeldatakse täiendavalt meie aruande osas „Vandeauditori kohustused seoses raamatupidamise aastaaruande auditiga“. Me oleme ettevõttest sõltumatud kooskõlas kutseliste arvestuseksperdi eetikakoodeksiga (Eesti) (sh sõltumatuse standardid), ja oleme täitnud oma muud eetikaalased kohustused vastavalt nendele nõuetele. Me usume, et auditi tõendusmaterjal, mille oleme hankinud, on piisav ja asjakohane aluse andmiseks meie arvamusele.

Muu informatsioon

Juhtkond vastutab muu informatsiooni eest. Muu informatsioon hõlmab tegevusaruannet, kuid ei hõlma raamatupidamise aastaaruannet ega meie vandeauditori aruannet. Meie arvamus raamatupidamise aastaaruande kohta ei hõlma muud informatsiooni ja me ei tee selle kohta mingis vormis kindlustandvat järeldust.

Seoses meie raamatupidamise aastaaruande auditiga on meie kohustus lugeda muud informatsiooni ja kaaluda seda tehes, kas muu informatsioon lahknab oluliselt raamatupidamise aastaaruandest või meie poolt auditi käigus saadud teadmistest või tundub muul viisil olevat oluliselt väärkajastatud. Lisaks on meie kohustus avaldada, kas tegevusaruandes esitatud informatsioon on vastavuses kohalduvate seaduses sätestatud nõuetega.

Kui me teeme tehtud töö põhjal järelduse, et muu informatsioon on eespool toodu osas oluliselt väärkajastatud, oleme kohustatud sellest faktist aru andma. Meil ei ole sellega seoses millegi kohta aru anda ning avaldame, et tegevusaruandes esitatud informatsioon on olulises osas kooskõlas raamatupidamise aastaaruandega ning kohalduvate seaduses sätestatud nõuetega.

Juhtkonna ja nende, kelle ülesandeks on valitsemine, kohustused seoses raamatupidamise aastaaruandega

Juhtkond vastutab raamatupidamise aastaaruande koostamise ja õiglase esitamise eest kooskõlas Eesti finantsaruandluse standardiga ja sellise sisekontrolli eest, nagu juhtkond peab vajalikuks, et võimaldada kas pettusest või veast tulenevate oluliste väärkajastamisteta raamatupidamise aastaaruande koostamist.

Raamatupidamise aastaaruande koostamisel on juhtkond kohustatud hindama ettevõtte suutlikkust jätkata jätkuvalt tegutsevana, esitama infot, kui see on asjakohane, tegevuse jätkuvusega seotud asjaolude kohta ja kasutama tegevuse jätkuvuse arvestuse alusprintsipi, välja arvatud juhul, kui juhtkond kavatseb kas ettevõtte likvideerida või tegevuse lõpetada või tal puudub sellele realistlik alternatiiv.

Need, kelle ülesandeks on valitsemine, vastutavad ettevõtte raamatupidamise aruandlusprotsessi üle järelevalve teostamise eest.

Vandeauditori kohustused seoses raamatupidamise aastaaruande auditiga

Meie eesmärk on saada põhjendatud kindlus selle kohta, kas raamatupidamise aastaaruanne tervikuna on kas pettusest või veast tulenevate oluliste väärkajastamisteta, ja anda välja vandeauditori aruanne, mis sisaldab meie arvamust. Põhjendatud kindlus on kõrgetasemeline kindlus, kuid see ei taga, et olulise väärkajastamise eksisteerimisel see kooskõlas rahvusvaheliste auditeerimise standarditega (Eesti) läbiviidud auditi käigus alati avastatakse. Väärkajastamised võivad tuleneda pettusest või veast ja neid peetakse oluliseks siis, kui võib põhjendatult eeldada, et need võivad üksikult või koos mõjutada majanduslikke otsuseid, mida kasutajad raamatupidamise aastaaruande alusel teevad.

Kasutame auditeerides vastavalt rahvusvaheliste auditeerimise standarditele (Eesti) kutsealast otsustust ja säilitame kutsealase skeptitsismi kogu auditi käigus. Me teeme ka järgmist:

- teeme kindlaks ja hindame raamatupidamise aastaaruande kas pettusest või veast tuleneva olulise väärkajastamise riskid, kavandame ja teostame auditiprotseduuri vastuseks nendele riskidele ning hangime piisava ja asjakohase auditi tõendusmaterjali, mis on aluseks meie arvamusele. Pettusest tuleneva olulise väärkajastamise mitteavastamise risk on suurem kui veast tuleneva väärkajastamise puhul, sest pettus võib tähendada salakokkulepet, võltsimist, info esitamata jätmist, vääresitiste tegemist või sisekontrolli eiramist;
- omandame arusaamise auditi puhul asjassepuutuvast sisekontrollist, et kavandada nendes tingimustes asjakohaseid auditiprotseduure, kuid

mitte arvamuse avaldamiseks ettevõtte sisekontrolli tulemuslikkuse kohta;

- hindame kasutatud arvestuspõhimõtete asjakohasust ning juhtkonna arvestushinnangute ja nendega seoses avalikustatud info põhjendatust;
- teeme järelduse juhtkonna poolt tegevuse jätkuvuse arvestuse alusprintsipi kasutamise asjakohasuse kohta ja saadud auditi tõendusmaterjali põhjal selle kohta, kas esineb olulist ebakindlust sündmuste või tingimuste suhtes, mis võivad tekitada märkimisväärset kahtlust ettevõtte suutlikkuses jätkata jätkuvalt tegutsevana. Kui me teeme järelduse, et eksisteerib oluline ebakindlus, oleme kohustatud juhtima vandeaudiitori aruandes tähelepanu raamatupidamise aastaaruandes selle kohta avalikustatud infole või kui avalikustatud info on ebapiisav, siis modifitseerima oma arvamust. Meie järeldused põhinevad vandeaudiitori aruande kuupäevani saadud auditi tõendusmaterjalil. Tulevased sündmused või tingimused võivad siiski kahjustada ettevõtte suutlikkust jätkata jätkuvalt tegutsevana;
- hindame raamatupidamise aastaaruande üldist esitusviisi, struktuuri ja sisu, sealhulgas avalikustatud informatsiooni, ning seda, kas raamatupidamise aastaaruanne esitab aluseks olevaid tehinguid ja sündmusi viisil, millega saavutatakse õiglane esitusviis.

Me vahetame nendega, kelle ülesandeks on valitsemine, infot muu hulgas auditi planeeritud ulatuse ja ajastuse ning märkimisväärsete auditi tähelepanekute kohta, sealhulgas mis tahes sisekontrolli märkimisväärsete puuduste kohta, mille oleme tuvastanud auditi käigus.

/digitaalselt allkirjastatud/

Andris Jegers
Vandeaudiitori number 171

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15.04.2025