RAPORT OKRESOWY

Jednostkowe sprawozdanie finansowe Rainbow Tours Spółki Akcyjnej za rok obrotowy zakończony 31.12.2024 r.

[sporządzone zgodnie z MSSF]

Łódź, dnia 17 kwietnia 2025 r.

This document is a foreign-language version of the original Standalone Financial Statement of Rainbow Tours a joint-stock company issued in the Polish version (published via the dedicated ESPI system provided by the Polish Financial Supervision Authority for public companies and companies listed on the Warsaw Stock Exchange) and only the original version is binding. This document is an unofficial version and has been prepared for informational purposes and may only be used for internal purposes. In case of any discrepancies between the Polish and English versions, the Polish version will prevail.

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1. SELECTED FINANCIAL DATA

FINANCIAL STATEMENT	PLN'000	PLN'000	EUR'000	EUR'000
	As of 31/12/20 24	As of 31/12/20 23	As of 31/12/20 24	As of 31/12/20 23
Fixed assets	273 262	244 341	63 951	56 196
Current assets	893 593	655 541	209 125	150 768
Total assets	1 166 855	899 882	273 076	206 965
Equity capital	414 523	213 049	97 010	48,999
Issued share capital	1 455	1 455	341	335
Long-term liabilities	36 866	42 344	8 628	9 739
Short-term liabilities	715 466	644 489	167 439	148 227
Book value per share	28.49	14.64	6.67	3.00

STATEMENT OF COMPREHENSIVE INCOME	**PLN'000**	**PLN'000**	**EUR'000**	**EUR'000**
	from 01/01/2024 until 31/12/2024	**from 01/01/2023 until 31/12/2023**	**from 01/01/2024 until 31/12/2024**	**from 01/01/2023 until 31/12/2023**
Continued operations sales revenues	4 021 761	3 251 788	934 381	718 088
Profit (loss) from operating activities	341 545	204 641	79 352	45 191
Profit (loss) before tax	347 075	207 746	80 636	45 876
Net profit (loss)	**279 007**	**167 016**	**64 822**	**36 882**
Net profit (loss) per ordinary share (expressed in PLN / EUR per share)				
- basic	19.17	11.48	4.45	2.53
- diluted	19.17	11.48	4.45	2.53
Total revenue (total)	**301 236**	**152 581**	**69 987**	**33 694**

CASH FLOW STATEMENT	**PLN'000**	**PLN'000**	**EUR'000**	**EUR'000**
	from 01/01/2024 until 31/12/2024	**from 01/01/2023 until 31/12/2023**	**from 01/01/2024 until 31/12/2024**	**from 01/01/2023 until 31/12/2023**
Net cash flow from operating activities	155 098	218 550	36 034	48 262
Net cash from investing activities	16 117	5 432	3 744	1 200
Net cash from financing activities	(154 659)	(92 580)	(35,932)	(20,444)
Net increase (decrease) in cash and cash equivalents	**16 556**	**131 402**	**3 846**	**29 017**

The following exchange rates were used to convert individual items within the selected financial data:

- for the valuation of items in the statement of financial position:
  - the average euro exchange rate applicable on the last day of the period, set by the National Bank of Poland as at 31 December 2024 (exchange rate 4.2730) and as at 29 December 2023 (exchange rate 4.3480);
  - the average Czech koruna exchange rate applicable on the last day of the period, set by the National Bank of Poland as at 31 December 2024 (exchange rate 0.1699) and as at 29 December 2023 (exchange rate 0.1759);
  - the average Turkish lira exchange rate applicable on the last day of the period, set by the National Bank of Poland on 31 December 2024 (exchange rate 0.1161) and on 29 December 2023 (exchange rate 0.1337);
- for the valuation of items in the statement of comprehensive income and the statement of cash flows:
  - the euro exchange rate being the arithmetic mean of the average exchange rates set by the National Bank of Poland, applicable on the last day of each completed month of the financial period: for the period from 01.01.2024 to 31.12.2024 (exchange rate 4.3042) and for the period from 01.01.2023 to 31.12.2023 (exchange rate 4.5284).
  - the Czech koruna exchange rate being the arithmetic mean of the average exchange rates set by the National Bank of Poland, applicable on the last day of each completed month of the financial period: for the period from 01.01.2024 to 31.12.2024 (exchange rate 0.1712) and for the period from 1 January 2023 to 31 December 2023 (exchange rate 0.1889).
  - Turkish lira exchange rate being the arithmetic average of the average exchange rates set by the National Bank of Poland, applicable on the last day of each completed month of the financial period: for the period from 01/01/2024 to 31/12/2024 (exchange rate 0.1207) and for the period from 01/01/2023 to 31/12/2023 (exchange rate 0.1791).

2. ANNUAL SEPARATE FINANCIAL STATEMENTS

2.1. Statement of financial position - assets

	Note	As of 31/12/20 24	As of 31/12/20 23
		PLN'000	PLN'000
ASSETS			
Fixed assets			
Material fixed assets	6.2.	53 387	49 078
Investment Properties		-	196
Other intangible assets	6.1.	4 252	4 145
Investments in subordinate units	6.3.	95 371	95 371
Deferred tax assets	6.4.	7 890	22 972
Other receivables	6.6.	112 362	72 579
Total fixed assets		**273 262**	**244 341**
Current assets			
Stocks	6.5.	-	-
Trade and other receivables	6.6.	183 042	76 859
Prepayments	6.6.	261 397	241 143
Other financial assets	6.7.	6 586	300
Current tax assets	6.8.	5 555	4 511
Other assets	6.9.	152 961	65 615
Cash and cash equivalents	6.10.	284 052	267 113
Total current assets		**893 593**	**655 541**
Total assets		**1 166 855**	**899 882**

The notes constitute an integral part of these separate financial statements.

2.2. Statement of financial position - liabilities

	Note	As of 31/12/20 24	As of 31/12/20 23
		PLN'000	PLN'000
EQUITY AND LIABILITIES			
Equity capital			
share capital	6.11., 6.12.	1 455	1 455
share premium	6.11.	36 558	36 558
Reserves	6.14.	5 092	(17,492)
Capital from business combination		-	-
Retained earnings		420 468	233 365
Appropriations of net profit during the financial year		(48,458)	(40,600)
currency translation adjustments		(592)	(237)
Total equity capital		**414 523**	**213 049**
Long-term liabilities			
Long-term loans, bank loans and leasing liabilities	6.15.	21 725	19 649
Pension benefit liabilities	6.16.	685	697
Deferred tax liabilities	6.17.	-	-
Other liabilities	6.22.	14 456	21 998
Total long-term liabilities		**36 866**	**42 344**
Short-term liabilities			
Trade and other liabilities	6.18.	135 433	127 082
Short-term loans, bank loans and leasing liabilities	6.15.	10 664	10 241
Other financial liabilities		-	21 595
Current tax liabilities	6.19.	66 479	56 998
including income tax		*58 308*	*49 974*
Short-term reserves	6.16.	44 309	72 170
Deferred income	6.23.	451 038	348 848
Other liabilities	6.22.	7 543	7 555
Total current liabilities		**715 466**	**644 489**
Total liabilities		**752 332**	**686 833**
Total equity and liabilities		**1 166 855**	**899 882**

The notes constitute an integral part of these separate financial statements.

2.3. Statement of profit or loss and other comprehensive income

	Note	12 month period ended 31/12/2024	12 month period ended 31/12/2023
		PLN'000	PLN'000
Continued activity			
Sales revenue	7.1.	4 021 761	3 251 788
Cost of sales	7.2.	(3 304 049)	(2 725 074)
Gross profit (loss) on sales		**717 712**	**526 714**
Selling costs	7.2.	(278 332)	(250 128)
Administrative expense	7.2.	(88 839)	(69 429)
Other operating income	7.3.	2 260	1 507
Other operating costs	7.4.	(11,256)	(4,023)
operating profit (loss)		**341 545**	**204 641**
Financial income	7.5.	18 345	15 681
Financial costs	7.6.	(12 815)	(12,576)
Profit (loss) before tax		**347 075**	**207 746**
Income tax	7.8.	(68 068)	(40 730)
Net profit (loss) from continuing operations		279 007	167 016
Discontinued activity			
Net profit (loss) from discontinued operations		-	-
NET PROFIT (LOSS)		**279 007**	**167 016**
Other comprehensive income, net			
Components that will not be transferred in later periods to statements of comprehensive income :			
Revaluation of employee benefit liabilities		-	-
Items that may be transferred to the statement of comprehensive income in later periods:			
Foreign Currency Translation Differences		(355)	(237)
Cash flow hedging instruments		22 584	(14 198)
Total other comprehensive income, net		**22 229**	**(14 435)**
TOTAL INCOME		**301 236**	**152 581**
Earnings (loss) per share (in PLN/gr per share)			
From continuing and discontinued operations:			
Basic	7.11.	19.17	11.48
Diluted	7.11.	19.17	11.48
From continuing operations:			
Basic	7.11.	19.17	11.48
Diluted	7.11.	19.17	11.48

The notes constitute an integral part of these separate financial statements.

2.4. Cash flow statement

	Note	12 month period ended 31/12/2024	12 month period ended 31/12/2023
		PLN'000	PLN'000
Cash flow from operating activities			
Profit for the financial year		**279 007**	**167 016**
Adjustments:			
Income tax expense included in profit or loss		68 068	40 730
Investment income included in profit or loss		(5 530)	(3 138)
Gain from the sale of tangible fixed assets		(80)	(56)
Depreciation and amortization of fixed assets		15 305	14 256
Net (positive)/negative exchange rate differences		(372)	(88)
Amortization of financial contracts		-	-
Other		(13 875)	6 724
		342 523	**225 444**
Changes in working capital:			
(Increase) / decrease in the balance of trade and other receivables		(166 220)	(137 329)
(Increase) / decrease in inventory		-	-
(Increase) / decrease in other assets		(77 561)	(13,993)
(Increase) / decrease in current tax assets		(1,044)	1 640
(Increase) / decrease in accounts payable and other paybles		(17,679)	3 150
Increase / (decrease) in provisions		(27,873)	26 541
Increase/(decrease) in deferred income		102 190	115 979
Increase / (decrease) in current tax liabilities		9 481	3 769
Cash generated from operating activities		**163 817**	**225 201**
Interest Paid		-	-
Income tax paid	8.1.	(8,719)	(6 651)
Net cash from operating activities		**155 098**	**218 550**
Cash flow from investing activities			
Payments for acquisition of financial assets			-
Interest received		18 351	14 067
Dividends received		3 111	944
Expenditures for acquiring shares in a Czech company		-	(2)
Proceeds from loan repayments by unrelated entities		-	-
Capital expenditures		(4 879)	(8,568)
Proceeds from the sale of tangible fixed assets		276	56
Payments for intangible assets		(742)	(1,065)
Net cash (spent)/generated from investing activities		**16 117**	**5 432**
Cash flow from financing activities			
Proceeds from the sale of own shares		-	-
Other influences		-	-
Proceeds from loans and bank credits	8.2.	1 139	12 231
Repayment of loans and bank credits	8.2.	(14,535)	(73 463)
Interest Paid		(12,769)	(12,576)
Dividends paid		(128 494)	(18,772)

	Note	12 month period ended 31/12/2024	12 month period ended 31/12/2023
		PLN'000	PLN'000
Net cash from financing activities		**(154 659)**	**(92 580)**
Net increase/decrease in cash and cash equivalents		16 556	131 402
Cash and cash equivalents at the beginning of the reporting period		267 113	135 711
The impact of exchange rate gains and losses on the cash balance in foreign currencies		383	-
Cash and cash equivalents at the end of the reporting period	**6.10.**	**284 052**	**267 113**

The notes constitute an integral part of these separate financial statements.

2.5. Statement of changes in equity

	Share capital	Share premium	Reserve capital - hedge accounting	Retained earnings	Currency translation reserve	Capital from business combination	Total
	PLN'000	PLN'000	PLN'000	PLN'000			PLN'000
For the period from 01/01/2023 to 31/12/2023							
As of 01/01/2023	**1 455**	**36 558**	**(3 294)**	**80 373**	**-**	**(7 565)**	**107 527**
Net profit for the financial year	-	-	-	167 016	-	-	167 016
Valuation of hedging instruments	-	-	(14 198)	-	-	-	(14 198)
Other comprehensive income for the financial year (net)	-	-	-	-	(237)	-	(237)
Total comprehensive income	**-**	**-**	**(14 198)**	**167 016**	**(237)**	**-**	**152 581**
Payment of dividends and dividend advances	-	-	-	(47 875)	-	-	(47 875)
Retained earnings/adjustments to prior year costs	-	-	-	(6,749)	-	7 565	816
As of 31/12/2023	**1 455**	**36 558**	**(17,492)**	**192 765**	**(237)**	**-**	**213 049**
For the period from 01/01/2024 to 31/12/2024							
As of 01/01/2024	**1 455**	**36 558**	**(17,492)**	**192 765**	**(237)**	**-**	**213 049**
Net profit for the financial year	-	-	-	279 007	-	-	279 007
Valuation of hedging instruments	-	-	22 584	-	-	-	22 584
Other comprehensive income for the financial year (net)	-	-	-	-	(355)	-	(355)
Total comprehensive income	**-**	**-**	**22 584**	**279 007**	**(355)**	**-**	**301 236**
Payment of dividends and dividend advances	-	-	-	(99 390)	-	-	(99,390)
Retained earnings/adjustments to prior year costs	-	-	-	(372)	-	-	(372)
As of 31/12/2024	**1 455**	**36 558**	**5 092**	**372 010**	**(592)**	**-**	**414 523**

3. BASIS FOR PREPARING SEPARATE FINANCIAL STATEMENTS

3.1. Declaration of Conformity

These separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. These standards, which include International Accounting Standards (IAS) and interpretations from the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC), were those published and effective as of December 31, 2024, and were in force at the date of these financial statements. The Group has applied all applicable IASs and IFRSs based on their effective dates. The entity's management approved and signed these separate financial statements for issue on April 17, 2025."

3.2. General information about the financial statements

These separate financial statements are presented in Polish zloty ("PLN", "zł") and all values, unless otherwise indicated, are given in thousands of zloty. Polish zloty is the functional and reporting currency of the Company.

These separate financial statements are presented in Polish zloty ("PLN" or "zł"), with all values given in thousands of zloty unless stated otherwise. Polish zloty is the functional and reporting currency of the Company

The scope of these separate financial statements has been determined and aligns with the requirements of the Regulation of the Minister of Finance dated March 29, 2018, concerning current and periodic information provided by securities issuers and the conditions for recognizing equivalent information required by non-Member State laws (Journal of Laws of 2018, item 757). These separate financial statements include data for the financial year 2024 (the 12-month period ending December 31, 2024) and, for the balance sheet (statement of financial position), data as at the end of the financial year (December 31, 2024). They also present comparable data for the financial year 2023 (the 12-month period ending December 31, 2023) and, for the balance sheet (statement of financial position), as at the end of the financial year 2023 (December 31, 2023).

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

Please note that some financial data in these financial statements has been rounded. Consequently, in some tables, the sum of amounts in a column or row may not precisely match the stated total.

Throughout these financial statements, the term "(separate) income statement" should be interpreted as the "separate statement of comprehensive income." Similarly, the term "balance sheet" should be understood as the "separate statement of financial position." The terms "(separate) cash flow statement" and "(separate) statement of cash flows" are used interchangeably.

These separate financial statements for the 2024 financial year include the financial data of **Rainbow Tours Spółka Akcyjna** and the financial data of the Company's foreign branches:

These separate financial statements for the 2024 financial year incorporate the financial data of Rainbow Tours Spółka Akcyjna and its foreign branches:"

- **"Rainbow Tours Spółka akcyjna – Branch in Torremolinos"** – this is the Company's branch in Spain and constitutes a "permanent establishment" as defined in the "Agreement between the Government of the Polish People's Republic and the Government of Spain on the Avoidance of Double Taxation with respect to Taxes on Income and Capital", signed on November 15, 1979 (Journal of Laws of June 18, 1982, No. 17, item 127), along with the "Government Statement of May 10, 1982, on the exchange of ratification documents of the Agreement between the Government of the Polish People's Republic and the Government of Spain on the Avoidance of Double Taxation with respect to Taxes on Income and Capital, signed in Madrid on November 15, 1979" (Journal of Laws of June 18, 1982, No. 17, item 128). This permanent establishment is a fixed place of business through which the Company conducts all or part of its business activities within the Kingdom of Spain.
- "**Rainbow Tours Spółka akcyjna – Branch in Athens"** – this is the Company's branch in Greece and constitutes a "permanent establishment" as defined in the "Agreement between the Government of the Polish People's Republic and the Government of the Hellenic Republic on the Avoidance of Double Taxation with respect to Taxes on Income and Capital", signed on November 20, 1987 (Journal of Laws of December 23, 1991, No. 120, item 524), along with the "Government Statement of October 23, 1991, on the exchange of ratification documents of the Agreement between the Government of the Polish People's Republic and the Government of the Hellenic Republic on the Avoidance of Double Taxation with respect to Taxes on Income and Capital, signed in Athens on November 20, 1987" (Journal of Laws of December 23, 1991, No. 120, item 525). This permanent establishment is a fixed place of business through which the Company conducts all or part of its business within the Hellenic Republic (Greece).

The Branches conduct business activities within the scope corresponding to the scope of the Company's activities as the "parent" entity, and in particular within the scope specified by the following codes of the Polish Classification of Activities (according to "PKD 2007"):

- 79.11.A – activities of travel agents,
- 79.11.B – activities of tourist intermediaries,
- 79.12.Z – Activities of tour operators
- 79.90.A – activities of tour guides and tourist guides,
- 79.90.B – tourist information activities,
- 79.90.C – other reservation service activities, not elsewhere classified,

taking into account the scope of the Company's business activities as defined in its Articles of Association and registration in the Polish Register of Entrepreneurs [maintained by the District Court for Łódź-Śródmieście in Łódź, XX Commercial Division of the National Court Register, KRS number: 0000178650].

3.3. Data comparability

These financial statements have been prepared using consistent accounting policies for both the current and comparative periods.
The presentation of the components within these financial statements remains unchanged from the prior year."

3.4. Continuation of Operations

These separate financial statements for the 2024 financial year have been prepared on the going concern basis, assuming that the Company and the Rainbow Tours Capital Group companies will continue operating in the foreseeable future. Therefore, no adjustments have been made to the valuation or classification of assets and liabilities that would be necessary if the going concern assumption were not valid. As of the date these financial statements were approved for publication (April 17, 2025), there are no known circumstances that would cast doubt on the ability of the Rainbow Tours Capital Group companies, including the Parent Company, to continue as a going concern.

3.5. Impact of the Political and Economic Situation Arising from the Conflicts in Ukraine and Gaza on the Company's Operations

Considering the potential risk factors associated with the global political and economic situation, particularly the Russian Federation's military aggression in Ukraine starting on February 24, 2022, and the subsequent armed conflict, as well as the Israeli-Palestinian conflict in the Gaza Strip that began in October 2023, the Company's Management Board wishes to highlight the potential, although currently deemed probably insignificant or minor, impact of these risks (both individually and combined) on the Company's and Group companies' liquidity, asset position, and profitability. This includes potential effects on: (-) Potentially prolonged or medium-term unfavorable fuel prices: (However, in the short to medium term, the Company incorporates clauses in charter agreements using average fuel prices from previous periods and applies calculation buffers based on a higher-than-market fuel exchange rate.), (-) Potential, even short-term, destabilization and increased volatility in currency exchange rates: This particularly includes the weakening of the Polish zloty (PLN) against key settlement currencies like the US dollar (USD) and the euro (EUR). This could potentially lead to lower profitability on sold trips and business activities, consequently reducing net cash flows and increasing the need for external financing, as well as potentially causing negative changes in financing terms or limitations in bank financing."

The travel products offered by the Company in Russia and Ukraine before the armed conflict were minimal (primarily sightseeing tours) and represented a small portion of the Company's core sales. Following the start of Russia's military aggression in Ukraine on February 24, 2022, the Company cancelled or suspended all tourist programs in Russia planned for 2022 and subsequent years. Additionally, the Company stopped offering air travel involving Russian airlines Aeroflot and Rossiya, and ceased offering stays in hotels located in Russia or in hotels of chains with capital ties to Russia in other countries.

The situation in Ukraine has not affected the Rainbow flight program. All planned flights operated as scheduled in 2024 and are continuing without changes. Charter planes do not have fixed routes and do not fly over Ukraine or Russia. 1 Similarly, events planned using scheduled airlines such as Emirates, Lufthansa, KLM, Air France, Fly Dubai, or Turkish Airlines are also operating on routes that avoid Ukrainian and Russian airspace."

Furthermore, on October 7, 2023, prior to the current reporting period, the Hamas terrorist group, controlling the Gaza Strip in the Middle East, launched an armed invasion of Israel, including rocket attacks targeting central Israel. This led to widespread unrest and armed clashes across many regions of Israel. In the following days, the situation escalated into a broader Israeli-Palestinian armed conflict.

Immediately upon receiving reports of the Hamas attack, the Company's Management Board prioritized customer safety and initiated the evacuation of Rainbow tourists from Israel to Poland. With most airlines suspending flights to and from Israel shortly after the conflict began, the evacuation was urgently organized by land through Egypt and Jordan, followed by charter and scheduled flights from alternative destinations where Rainbow customers were transported. Notably, separate transfers, including Polish tourists, were also facilitated by direct flights from Israel using Polish military C-130 Hercules aircraft and a government Boeing 737 "Piłsudski" provided by the Polish Government.

All Rainbow customers were informed of the Polish Ministry of Foreign Affairs' recommendations to follow the instructions of local authorities for their safety. The first group of tourists returned to Poland on October 9, 2023.

During 2023, the Company incurred additional costs due to this situation, including expenses for providing assistance, transfers, and the evacuation of clients (temporarily to other hotels), the cost of empty seats on planes and unused bookings in paid hotels and for sightseeing tours, and the need to refund advance payments for cancelled trips to Israel. Due to the necessary cancellation of planned tourist activities in Israel, the Company refunded these advance payments to clients using its own funds. The Company did not seek reimbursement from the Insurance Guarantee Fund (Tourist Aid Fund) for the expenses related to these refunds for trips to Israel cancelled due to the military operations in Israel and the Gaza Strip.

The Company offered affected clients alternative trips to safer Middle Eastern locations (Jordan, Egypt) and other destinations, including culturally similar ones (e.g., Morocco).

In the opinion of the Company's Management Board, the magnitude of the incurred costs and lost revenues in relation to the total seasonal revenue and the scale of the Rainbow Capital Group's operations did not have, and does not have, a significant impact on the financial results or ongoing operations of the Company and the Rainbow Tours Capital Group in 2023. The Management Board believes that the scale of the Company's operations allows for the absorption of these recorded losses without a material impact on the results of the Company and the Capital Group."

On January 15, 2025, following the conclusion of mediation efforts between Israel and Hamas (involving the United States, Egypt, and Qatar), an agreement for a ceasefire in the Gaza Strip conflict was announced. This agreement took effect on January 19, 2025, and was structured in stages, including a cessation of fighting, a phased withdrawal of Israeli troops from the Gaza Strip, reciprocal hostage releases, a complete withdrawal of Israeli forces from the Gaza Strip at a later stage, and the planned commencement of the Gaza Strip's reconstruction under the supervision of Egypt, Qatar, and the UN.

However, after a two-month truce, on the night of March 17 to March 18, 2025, Israel resumed airstrikes on Hamas positions in the Gaza Strip. Israel stated that these airstrikes were a series of attacks on terrorist targets, a consequence of Hamas's "repeated refusal to release the hostages," and that Israel's objective remained the release of all hostages.

Immediately following the renewed outbreak of the Israeli-Palestinian conflict, the Company decided to cancel all tourist activities to Israel, including sightseeing tours. The Company is continuously monitoring the political situation in Israel and intends to resume offering group tourist trips to Israel once the political and social situation stabilizes and it becomes safe to implement the program on the ground. As of the date of approval of this report for publication, the Company has suspended its offerings of tourist activities in Israel until the end of August 2025.

Due to the ongoing political and economic situations related to the armed conflict in Ukraine (resulting from the Russian Federation's military aggression) and the Israeli-Palestinian armed conflict in the Gaza Strip and the wider Middle East, no corrections or adjustments have been made to the data presented in this report for 2024 or the comparable period of 2023."

4. COMPANY'S ACCOUNTING POLICIES

The principal accounting policies used in the preparation of these separate financial statements are outlined below. These policies have been consistently applied across all periods presented.

This report has been prepared in accordance with the following principles for the valuation of assets and liabilities and the measurement of the financial result:

Recognition of economic transactions:

Economic transactions are recognized in the accounting records when they occur and are reported in the financial period to which they relate (accrual basis).

Materiality Principle:

Information, whether financial or non-financial, is considered material if its omission or misstatement (in the accounting records or the notes to the financial statements) could reasonably be expected to influence the economic decisions of users relying on these financial statements

4.1. Valuation principles for assets and liabilities

4.1.1. Intangible assets

Intangible Assets - Recognition:

An entity recognizes an intangible asset in its accounting records if it is probable that future economic benefits attributable to the asset will flow to the entity, and the cost of the asset can be reliably measured. For purchased intangible assets, recognition occurs at the time of acquisition. The entity only acquires intangible assets it expects to provide future economic benefits. Any subsequent loss of the asset's ability to generate economic benefits is reflected through impairment testing.

accounting policy:

The Company's Management Board assesses whether an intangible asset has a finite or indefinite useful life. Specifically, intangible assets for which the period over which they are expected to generate economic benefits cannot be reliably determined at the time they are available for use are considered to have an indefinite useful life. Intangible assets with indefinite useful lives are not amortized. At each reporting date, the Company performs:

- reviewing these assets for any indication of impairment;
- reassessing whether the indefinite useful life assumption remains appropriate.

The useful life of an intangible asset held under a contractual agreement is the term of the contract. However, if the Company intends to use the asset beyond the contract term, the useful life is the shorter of the contract term and the period the Company expects to use the asset. If the contract includes renewal options, the useful life only incorporates these renewal periods if it is probable that the Company will exercise the option. Intangible assets are amortized on a straight-line basis, commencing in the month following the month the asset is available for its intended use. Amortization ceases in the month the intangible asset is classified as a non-current asset held for sale in accordance with IFRS 5, or when the asset is derecognized (disposed of or retired from use).

The useful life of an intangible asset held under a contractual agreement is the term of the contract. However, if the Company intends to use the asset beyond the contract term, the useful life is the shorter of the contract term and the period the Company expects to use the asset. If the contract includes renewal options, the useful life only incorporates these renewal periods if it is probable that the Company will exercise the option.

Amortization periods for individual categories of intangible assets: The amortization period for software is 5 years.

The Company does not engage in research and development activities. Costs associated with the creation of websites are expensed as incurred within the cost of services sold.

Costs associated with the creation of websites are expensed as incurred within the cost of services sold.

4.1.2. Property, Plant, and Equipment.

Range:

An entity recognizes property, plant, and equipment in its financial statements when it is probable that future economic benefits associated with these assets will flow to the entity, and their cost can be reliably measured.

Adopted accounting policy:

Purchased or internally generated property, plant, and equipment are initially recorded in the financial statements at their cost at the time of acquisition or production. The Company only acquires items of property, plant, and equipment from which it expects to generate future economic benefits. Any subsequent loss of an asset's ability to generate economic benefits is reflected through impairment testing.

Subsequent costs are capitalized (added to the carrying amount of the asset or recognized as a separate item of property, plant, and equipment) only when it is probable that the expenditure will generate future economic benefits for the Company and the cost can be reliably measured. All other repair and maintenance costs are expensed in the statement of comprehensive income in the period they are incurred.

Property, plant, and equipment are depreciated over their estimated useful lives. The depreciable amount is the difference between the asset's cost and its residual value (the estimated amount the Company would receive from selling the asset at the end of its useful life). The Management Board or the purchasing department determines both the useful life and the residual value upon receipt of the purchase invoice for a given asset, before it is recorded in the accounting records. If the determined residual value is immaterial in relation to the asset's cost (no more than 10% of the acquisition cost), it is assumed to be zero. For assets with a useful life exceeding one year and an immaterial individual acquisition cost relative to the total value of property, plant, and equipment within a specific category, a one-time depreciation expense is recognized in the month the asset is recorded.

At the time of acquisition, the purchasing department assesses whether an item of property, plant, and equipment comprises components with different useful lives and whether the value of these components is significant relative to the total asset value. If such significant components with different useful lives are identified, they are recorded separately in the fixed asset register and depreciated over their individual useful lives. The cost allocated to these separate components is determined by the purchasing department as a percentage of the total asset cost.

The Company applies the cost model for the subsequent measurement of property, plant, and equipment. Under the cost model, assets are initially recognized at cost and subsequently depreciated over their useful lives to their residual values.

Depreciation Periods for Individual Categories of Property, Plant, and Equipment:

- Buildings – 40 years
- Devices - computer hardware - 3 - 4 years
- Means of transport – 3 - 5 years
- Other Property, Plant, and Equipment – 5 - 8 years

The depreciable amount of an item of property, plant, and equipment is systematically allocated over its useful life. The asset's useful life and residual value are reviewed at least annually.

Depreciation commences in the month following the month the asset is available for its intended use and ceases when the asset is derecognized (e.g., upon disposal or retirement) or when its carrying amount equals its residual value. The cost of self-constructed assets includes the direct costs of construction, as well as any indirect costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, 1 including the depreciation of assets used in the construction process

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset, net of any income earned on the temporary investment of those borrowings. This capitalization is done in accordance with IAS 23 "Borrowing Costs." Property, plant, and equipment are subject to impairment testing whenever there is an indication that their carrying amount may not be recoverable." 1

4.1.3. Non-current assets held for sale

An entity classifies a non-current asset (including property, plant, and equipment) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This change in classification is decided by the Management Board through a binding resolution. For an asset to be classified as held for sale, it must be available for immediate sale in its present condition. The sale is expected to be completed within one year from the date of classification.

Non-current assets held for sale are measured at the lower of:

1. their carrying amount
2. their fair value less costs to sell.

These assets are not depreciated. The fair value of assets held for sale is determined by reference to transaction prices for similar or identical assets. Information for this assessment is gathered by the managers responsible for the assets and is based on:

1. Their professional judgment regarding price trends for comparable assets.

2. Information obtained from brokers or agents the Company intends to engage for the sale.
3. Purchase offers received.

The fair value determined as described above is reduced by the estimated costs necessary to complete the sale, specifically including:

1. Estimated commissions payable to intermediaries.
2. , Estimated costs of any necessary repairs to prepare the asset for sale. Estimated taxes and other statutory or legal fees directly attributable to the sale transaction that the Company is legally obligated to pay or has agreed to pay under the sale agreement.
3. Any costs the Company will avoid incurring if the asset is sold (e.g., dismantling or transporting costs to a buyer).

For property, plant, and equipment used under a lease, tenancy, or other similar agreement, the classification of these assets within the financial statements of either the lessor or the lessee is determined in accordance with the principles outlined in the section "Accounting for Leases

4.1.4. Investments in subsidiaries

Acquired or internally generated long-term investments and financial assets are recorded in the financial statements at their acquisition cost on the date of acquisition or creation. Equity investments in subsidiaries and other investments classified as non-current financial assets are subsequently measured at least at each reporting date at their acquisition cost less any accumulated impairment losses. Impairment tests are performed at each reporting date

4.1.5. Financial assets measured at amortized cost – loans and receivables

Financial assets measured at amortized cost include those held within a business model whose objective is to hold these assets to collect contractual cash flows, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI test).

Loans granted are recognized in the financial statements on the date the transfer of funds to the borrower becomes due according to the loan agreement. They are derecognized (removed from the statement of financial position) when the contractual rights to the cash flows from the loan expire, or when the loan is transferred in a transaction that transfers substantially all the risks and rewards of ownership.

Upon initial recognition, these assets are measured at the fair value of the cash disbursed, plus any transaction costs directly attributable to the origination of the loan. Subsequently, at each reporting date, these assets are measured at amortized cost using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Impairment losses are recognized based on expected credit losses, as follows:

- Lifetime expected credit losses: These are recognized if the credit risk on the financial instrument has increased significantly since initial recognition.
- over the next 12 months, if the credit risk associated with the instrument has not increased significantly since the initial recognition of the instrument.
- 12-month expected credit losses: These are recognized if the credit risk on the financial instrument has not increased significantly since initial recognition.

4.1.6. Financial Instruments – Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss include financial instruments acquired or incurred primarily for the purpose of selling or repurchasing them in the near term (typically within 12 months of acquisition) to profit from short-term fluctuations in their market prices. These assets are recognized in the statement of financial position on the trade date and are derecognized when the contractual rights to their cash flows expire or when the asset is transferred in a transaction that transfers substantially all the risks and rewards of ownership.

Both at initial recognition and at each reporting date, financial assets classified as FVTPL are measured at fair value, and any transaction costs directly attributable to the acquisition are expensed in profit or loss. Changes in the fair value of these instruments are also recognized in profit or loss.

This category also includes instruments that do not meet the criteria for measurement at amortized cost

4.1.7. Derivatives

Derivative instruments are classified as financial assets at fair value through profit or loss, except when they constitute cash flow hedges.

Adopted accounting policy regarding determining the fair value of financial instruments :

Derivative instruments are classified as financial assets or financial liabilities at fair value through profit or loss, unless they qualify and are designated as hedging instruments in cash flow hedges, fair value hedges, or hedges of a net investment in a foreign operation.

Accounting Policy for Determining the Fair Value of Financial Instruments:

The Company considers a quoted price in an active market to be the best evidence of fair value. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. For a market to be considered active, the quoted prices must:

a) Not be the result of off-market agreements or collusion between parties.
b) Allow the Company to sell financial instruments held without significantly affecting the market price.

If a market is not active, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available. These techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. These may include using prices from recent transactions in orderly transactions, discounted cash flow analysis, and valuation models commonly used by market participants. When applying these techniques, the Company reflects factors such as credit risk of the counterparty and the Company's own credit risk.

For financial instruments not quoted in an active market, the following hierarchy is applied:

a) For equity instruments, if fair value cannot be reliably measured, they are measured at cost less any accumulated impairment losses. An impairment loss is recognized in profit or loss if there is objective evidence of impairment.
b) Prices from recent transactions in similar financial instruments outside an active market are considered, adjusted for any changes in economic conditions or specific factors relevant to the instrument since the transaction date, if such information is available
c) If quoted prices in an active market are not available and recent transactions are not indicative of fair value, the Company uses generally accepted valuation techniques that market participants would use in pricing the instrument in an arm's length transaction. For debt instruments, this typically involves discounting expected future cash flows using a market-related rate of return for instruments with similar terms and risk characteristics. Any value determined using a valuation technique is assessed for impairment if there are indicators of impairment.

Valuation of Available-for-Sale Instruments using the effective rate of return.

For available-for-sale instruments, their fair value is determined using methods consistent with the above principles. For short-term debt instruments with an original maturity of 12 months or less, a linear accrual of discount or premium is considered a reasonable approximation of the effective interest method unless the difference is material.

Recognition and valuation of derivative instruments

Derivative instruments are recorded in the accounts when the Companies become a party to a binding agreement. The Company uses derivative instruments to reduce the risk related to changes in exchange rates. At the balance sheet date, derivative instruments are measured at fair value. Derivative instruments with a fair value greater than zero are financial assets, while instruments with a negative fair value are financial liabilities.

The gain or loss on hedging derivative instruments is recognised in reserves, as appropriate, and in the cash flow statement as operating cash flows.

Derivative instruments are recognized in the financial statements when the Company becomes a party to a binding contract. The Company utilizes derivative instruments primarily to mitigate the risk associated with fluctuations in foreign currency exchange rates. At each reporting date, derivative instruments are measured at fair value. Derivatives with a positive fair value are recognized as financial assets, while those with a negative fair value are recognized as financial liabilities.

"Derivative instruments are recognized in the financial statements when the Company becomes a party to a binding contract. The Company utilizes derivative instruments primarily to mitigate the risk associated with fluctuations in foreign currency exchange rates. At each reporting date, derivative instruments are measured at fair value. Derivatives with a positive fair value are recognized as financial assets, while those with a negative fair value are recognized as financial liabilities.

The gain or loss on derivative instruments designated is recognized within reserves and in the cash flow statement as operating cash flows.

Recognition and valuation of embedded derivatives

At each reporting date, the Company assesses whether any of its contracts contain embedded derivatives.

Embedded derivatives are terms within a host contract that cause some or all of the contract's cash flows to behave in a manner similar to a standalone derivative, and their economic characteristics and risks are not closely related to those of the host contract.

Especially when the Company assesses derivative financial instruments embedded in concluded contracts in which:

a) The purchase or sale price stipulated in the contract fluctuates based on changes in currency exchange rates, interest rates, or the prices of other financial instruments, and this method of price determination is not typical for this type of transaction within the prevailing economic environment.
b) The buyer or seller has embedded options within the contract that affect the settlement currency or the final price.

Any embedded derivatives identified are treated as financial instruments at fair value through profit or loss and are subsequently measured at their fair value. Changes in the fair value of these embedded derivatives are recognized in the Company's profit or loss. The fair value is determined by reference to the fair value of similar financial instruments for which market prices are available, or by using a valuation technique commonly employed for the specific type of embedded derivative. The appropriate valuation technique is selected based on the identification and classification of the embedded derivative

4.1.8. Inventories

Range:

The Company holds inventories that are solely for resale in its ordinary course of business. Other materials purchased by the Company include office supplies, administrative materials, and utilities, which are intended for direct consumption in its current operations.

Adopted accounting policy

Goods are initially recorded in inventory at their purchase cost. When goods are sold, their cost is recognized as cost of goods sold. Materials, intended solely for direct and immediate consumption in operations, are expensed at their purchase cost in the period they are consumed. This treatment does not materially misstate the Company's assets or financial results. The cost of goods sold is determined using the First-In, First-Out (FIFO) method

4.1.9. Accounts Receivable

Trade receivables arising from the sale of goods and services are recognized in the statement of financial position on the date the sale occurs, consistent with the Company's revenue recognition policy. Trade receivables are initially recorded at their nominal value. The Company continuously monitors the recoverability of its receivables. These receivables are part of the Company's normal operating cycle and are therefore classified as short-term receivables. Advances paid to contractors for hotel reservations, under signed cooperation agreements, are also included within receivables.

The Company applies the simplified approach under IFRS 9 for impairment of trade receivables, which involves estimating lifetime expected credit losses based on historical credit loss experience. These estimates are periodically reviewed and adjusted."

Receivables with a significant financing component

For trade receivables arising from the sale of goods or services where the payment terms extend beyond one year, indicating the presence of a significant financing component, the receivable is initially recognized at its nominal amount, discounted to present value using a discount rate that reflects the prevailing market interest rates for similar credit risk at the time of the sale.

1) The discount rate is the implicit rate of interest within the contract if the agreed-upon price for the goods or services differs from the cash selling price (i.e., the price if the customer paid immediately)."
2) resulting from the estimated creditworthiness of the recipient and corresponding to the interest rate on a loan that the entity would be willing to extend to that recipient if the rate of return built into the contract does not exist or is not in line with market conditions. If the contract does not have a readily determinable implicit interest rate or if that rate is not consistent with prevailing market conditions, the discount rate is based on the customer's estimated creditworthiness and reflects the interest rate the Company would charge for a separate loan to that customer with similar terms and risk

The difference between the nominal amounts received from customers and the cash selling price of the goods or services is recognized as interest revenue over the period of the financing.

Adopted accounting policy:

At each reporting date, receivables are valued at their outstanding amount, which is the nominal value plus any default interest accrued up to that date. In accordance with the prudence principle, this value is presented net of any impairment allowances that reduce the carrying amount to the estimated recoverable amount. Receivables denominated in foreign currencies are translated into Polish złoty (PLN) at the average exchange rate quoted by the National Bank of Poland (NBP) on the reporting date. However, advances are an exception and are translated at the historical exchange rate prevailing at the date of the advance payment; the reporting date exchange rate is not applied to these.

4.1.10. Cash and cash equivalents

The Company considers cash on hand and demand deposits to be cash. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Specifically, in addition to cash on hand and in bank accounts, the Company includes the following as cash equivalents:

- Bills of exchange and checks received.
- Treasury bills and other monetary instruments with an original maturity of not more than 3 months, if there is an active market for them. Treasury bills (Bony Skarbowe) and other money market instruments with an original maturity of three months or less, provided there is an active market for them.

Adopted accounting policy
Monetary assets are valued during the financial year at their nominal value, with cash in foreign currencies on the day of the transaction being converted at the following exchange rates: purchase or sale of currencies used by the bank whose services the Company uses – in the case of sale or purchase of currencies and payment of receivables and liabilities, average rate set by the National Bank of Poland for a given currency on that day – in the case of other transactions. Monetary assets are valued at the due date on the balance sheet date, while those expressed in foreign currencies are valued at the average rate set for a given currency by the National Bank of Poland on that day.

During the financial year, monetary assets are recorded at their nominal value. Cash in foreign currencies is translated at the following exchange rates on the transaction date: for currency purchases or sales and the settlement of receivables and payables, the exchange rate used by the Company's bank for such transactions, for other transactions, the average exchange rate for the specific currency published by the National Bank of Poland (NBP) on that day.At the reporting date, monetary assets are stated at their nominal value. Foreign currency monetary assets are translated into Polish złoty (PLN) using the average exchange rate for the respective currency published by the National Bank of Poland (NBP) on that date

4.1.11. Accrued expenses

The Company recognizes prepaid expenses for expenditures related to future reporting periods. These primarily include the costs of organizing future events, commission expenses incurred for sales in the subsequent financial year, insurance premiums, and subscriptions covering future periods.

Prepaid expenses are systematically recognized as expenses in the profit or loss based on the passage of time or the consumption of the related economic benefits. The method and timing of recognition are determined by the nature of the underlying cost, while adhering to the prudence principle.

4.1.12. Other/ remaining assets

Range:

Other / remaining assets include expense items relating to future reporting periods.

Adopted accounting policy

Assets classified as Other/ Remaining Assets must meet the following criteria:

- They arise from past events, represent expenses incurred for the Company's operating activities, and their amount can be reliably measured.
- they are expected to generate future economic benefits for the Company

The recognition of these Other/ Remaining Assets as expenses occurs based on the passage of time or the consumption of the related economic benefits. The method and timing of expense recognition are determined by the nature of the underlying cost, while adhering to the prudence principle.

4.1.13. Equity

Range

Equity (net assets) is the difference between an entity's assets and liabilities.

Accounting principle adopted

Equity capital is presented at its nominal value, categorized by type and in accordance with the requirements of Polish legal regulations and the Company's Articles of Association.

Share capital in the financial statements is shown at the amount stated in the Articles of Association and registered with the National Court Register (KRS). It represents the nominal value of shares issued in exchange for payments received or contributions made. Any excess of the proceeds from share issuance over the nominal value, or the excess of the fair value of contributed assets over the nominal value of shares issued, is recognized within reserve capital. Any unpaid amounts on issued shares are presented as a deduction from equity on the liabilities side of the statement of financial position

Reserve capital is primarily created from the share premium arising from the issuance of the Company's shares above their nominal value.

Reserve capital in the financial statements also includes items such as gains or losses on hedging derivative instruments accounted for under hedge accounting.

The Company's own shares repurchased are presented as a deduction from equity at their acquisition cost.

In the case of a business combination under common control, the capital arising from the merger is the sum of: 1) the difference between the share capital of the acquired subsidiaries and the carrying amount of the Company's investment in those subsidiaries immediately before the merger, and 2) the aggregate of the other equity components (supplementary capital, other reserves, and retained earnings) of the acquired subsidiaries as reported immediately before the merger date.

Retained earnings primarily comprise the Company's accumulated undistributed profits."

Policies and procedures for capital management

The Company's approach to capital management encompasses all funds available to the entity that are utilized to support its operational goals. This includes both equity, representing funds invested by shareholders, and external capital, which the Company employs to maintain financial liquidity and operational continuity.

The Company's primary objective in managing capital is to ensure its ability to continue as a going concern while maximizing returns to shareholders. Financing for current and future operations, including investments and acquisitions, is primarily sourced from the financial market through credit agreements. The Company also retains the option to repurchase its own shares as a means of financing potential investment projects. The Company's capital structure comprises debt (including loans and net of cash and cash equivalents) and equity (including issued share capital, reserves, and retained earnings).

No external legal requirements are imposed on the Issuer, except that in accordance with Article 396 §1 of the Commercial Companies Code, to which the entity is subject, a reserve capital must be created to cover losses, to which at least 8% of the profit for a given financial year is transferred, until this capital reaches at least one third of the share capital. This part of the reserve capital (retained earnings) is not allocated for distribution to shareholders.

To address temporary funding needs, the Company may also access funds from other entities within its Capital Group that have surplus cash.

The Company is subject to external legal requirements, notably Article 396 §1 of the Polish Code of Commercial Companies and Partnerships This article mandates the creation of a reserve capital to cover potential losses. At least 8% of the annual profit must be transferred to this reserve capital until it reaches at least one-third of the Company's share capital. This portion of the reserve capital, which effectively forms part of retained earnings, is not available for distribution to shareholders

4.1.14. Provisions for liabilities

Range

The Company recognizes provisions when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are recognized and classified based on the nature of the underlying obligation into the following categories:

- Provisions for liabilities, including those related to onerous contracts, warranties and guarantees granted, and the expected costs of legal proceedings
- Restructuring provisions

The Company does not recognize provisions for future operating losses.

Provisions for Onerous Contracts

In the event that a contract is identified where the unavoidable costs of fulfilling the contractual obligations exceed the expected economic benefits from that contract, the entity recognizes a loss that will be incurred on the contract in the period in which the excess costs are identified.

For the loss identified above, the entity establishes a provision in the amount of:

- The full expected loss if revenue recognized to date exceeds costs incurred to date.
- . The difference between the total expected loss and the excess of costs incurred to date over revenue recognized to date if costs incurred to date exceed revenue recognized to date.

Other provisions

Other reserves are included in statements of financial position, if there is an obligation to make a future payment at the balance sheet date, the date or amount of which is not currently known. In particular, the entity estimates provisions for:

Other provisions are recognized in the statement of financial position when the Company has a present obligation (legal or constructive) at the reporting date, the timing or amount of which is uncertain. Specifically, the Company estimates provisions for:

- Unfavorable outcomes of legal proceedings where the entity is the defendant (if the related liabilities are not included in other categories) and an unfavorable outcome is probable. The amount of the provision is estimated by the entity's Management Board based on the opinion of legal counsel involved in the case.
- Costs of unbilled commissions related to services sold within the financial year, which are expected to be invoiced to the entity by the tour operator at the beginning of the following year.

4.1.15. Employee benefits

Short-term employee benefits

At each reporting date, the Company estimates the cost of employee benefits arising from unused paid leave that has accumulated at that date. This additional cost is recognized as a short-term provision, measured at the amount of remuneration expected to be paid for the leave days accumulated in the current and prior periods, including any associated payroll taxes. The value of these obligations is updated on an ongoing basis. Liabilities for unused paid leave outstanding at the reporting date are not discounted.

Post-employment benefits

Provisions for retirement benefits, the obligation to pay which results from applicable legal regulations, are created in the amount estimated by the actuary using the individual method (taking into account the materiality criterion).

Under the defined contribution plan, the Company is required to make contributions to publicly managed retirement insurance plans. Once these contributions are paid, the Company has no further obligation for the employees' retirement benefits. The contributions are recognized as employee benefit expense in the period when they are due.

Provisions for retirement benefits, where the obligation to pay arises from applicable Polish legal regulations, are recognized at the present value of the future benefit obligations. This value is estimated by a qualified actuary using the individual projected unit credit method, taking into account the materiality of the amounts involved.

Employment termination benefits

An entity recognizes a provision if it has a clear obligation to terminate the employment of current employees without the possibility of withdrawal or payment of termination benefits. The entity discounts benefits if they mature more than one year after the balance sheet date.

The Company recognizes a provision if it has a demonstrable commitment to terminate the employment of current employees without a realistic possibility of withdrawing from the termination plan. The Company discounts these termination benefits if the payment is due more than one year after the reporting date.

4.1.16. Deferred tax

The Company recognizes deferred tax liabilities and deferred tax assets for temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases, as well as for unused tax losses that are available to offset future taxable profit.

The Company creates a Deferred Tax Asset or Provision. Deferred tax assets are established in relation to deductible temporary differences and unused tax losses to the extent that it is probable that taxable income will allow the use of the above assets.

A Deferred Tax Liability is recognized for all taxable temporary differences, representing the amount of income tax payable in future periods. The carrying amount of assets and liabilities is their value as determined in accordance with International Financial Reporting Standards. The tax base of assets and liabilities is their value that forms the basis for calculating income tax liabilities.

Deductible temporary differences arise when:

carrying amount.< tax value	For assets
carrying amount.> tax value	For liabilities

Positive temporary differences arise when:

carrying amount.> tax value	For assets
carrying amount.< tax value	For liabilities

If the difference between the carrying amount (book value) and the tax base does not result in a future decrease in taxable profit (a permanent difference), then the tax base of that asset or liability is considered equal to its carrying amount.

The Company calculates the amount of deferred tax liabilities and deferred tax assets by applying the income tax rates that are expected to apply to the periods when the asset is realized or the liability is settled. This calculation is the product of the aggregate taxable temporary differences (for deferred tax liabilities) or deductible temporary differences (for deferred tax assets) and the applicable income tax rate expected for those future periods.

Deferred tax arising from income and expenses recognized directly in other comprehensive income (OCI) is also recognized in OCI

4.1.17. Liabilities

Range

Liabilities include obligations, arising from past events, to perform services of a reliably determined value that will involve the use of existing or future assets of the entity.

Adopted accounting policy

A liability is classified as current if it meets one of the following criteria:

a) it is expected to be settled in the entity's normal operating cycle;
b) is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period;
d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as long-term liabilities.

Trade payables are classified as financial liabilities measured at amortized cost.

Contingent liabilities and assets

Contingent liabilities are:

1) s a probable obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the entity's control.
2) A provision is a present obligation resulting from a past event that is not recognized because::
   a) it is not probable that an outflow of economic benefits will be required to settle the obligation; or
   b) the amount of the obligation cannot be estimated reliably

Contingent assets are probable assets arising from past events, the existence of which will be confirmed by the occurrence or non-occurrence of one or more future events beyond the Company's control.

Contingent assets are probable assets arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the entity's control.

4.1.18. Other liabilities

Range:

Other liabilities encompass various obligations, including probable liabilities arising in the current reporting period, specifically related to:

- Services received from the entity's contractors, where the amount of the obligation can be reliably estimated.
- The obligation to provide future benefits related to current operations to unidentified beneficiaries, provided the amount can be estimated reliably, even if the exact date the obligation arose is unknown. This includes items such as warranty repairs and guarantees for long-term use products sold

Other liabilities also include items related to revenue, such as:

- The equivalent of funds received or receivable from customers for services to be rendered in future reporting periods.
- Cash received to finance the acquisition or production of property, plant, and equipment
- including assets under construction and development work, where such amounts do not increase equity capital according to other regulations.

Adopted accounting policy:

Other liabilities are recognized for costs when

- The amount or settlement date is uncertain
- Their occurrence is probable or highly probable, they arise from past events, and there is a present obligation requiring the use of the entity's existing or future economic resources.
- A reliable estimate can be made of the obligation's amount.

In the financial statements, Other liabilities are presented separately as current and non-current. Current liabilities include all obligations expected to be settled within the entity's normal operating cycle and other provisions due within twelve months from the reporting period. All remaining liabilities are classified as non-current.

4.1.19. Assets and liabilities denominated in foreign currency

The entity's functional and presentation currency is the Polish złoty (PLN). The principle for determining the appropriate exchange rate for different categories of assets and liabilities at the reporting date. Monetary assets and liabilities are translated into Polish złoty using the closing exchange rate prevailing at the reporting date. This principle specifically applies to items such as receivables, payables, loans granted, loans and borrowings received, and cash. Non-monetary items measured at fair value are translated into Polish złoty using the average exchange rate in effect at the date the fair value was determined. If the fair value is determined at the reporting date, the exchange rate applicable to that currency at the reporting date is used for translation

Non-monetary items measured at fair value are translated into Polish złoty (PLN) using the average exchange rate prevailing at the date when the fair value was determined. If the fair value is determined at the reporting date, the exchange rate applicable to that currency at the reporting date is used for translation. If the fair value of a non-monetary item is not determined at the reporting date, its PLN value is determined using the exchange rate in effect on the date its fair value was last established, provided the difference is material to the financial statements. This approach is particularly relevant for assets held for sale.

Other non-monetary items (those measured at historical cost or modified historical cost) are translated at the exchange rate in effect on the date of the initial transaction.

Practical simplification for the closing rate: For practical purposes, the entity uses the average exchange rate announced by the National Bank of Poland as the closing exchange rate. The principle for determining the appropriate exchange rate for various asset and liability balances during the year, and the accounting for resulting exchange rate differences, is as follows:

Translation of transactions and balances during the year: Transactions and balances denominated in foreign currencies are translated into the functional currency (PLN) at the exchange rate applicable at the date of the transaction. Exchange rate gains and losses arising from the settlement of these transactions and from the translation of monetary assets and liabilities at the reporting date are recognized in the statement of comprehensive income, unless specific criteria for deferral are met under other accounting standards.

1) They are not deferred in equity when they qualify as cash flow hedges and hedges of net investment in foreign operations..
2) They do not apply to exchange differences on financing costs directly attributable to the construction of qualifying assets during the construction period, up to the amount of the interest cost adjustmen

Exchange rate gains and losses arising from transactions related to obtaining external financing (borrowings, loans, lease liabilities, and cash and cash equivalents) are included in finance costs. Exchange rate differences related to non-monetary items classified as financial assets available for sale are recognized in other comprehensive income and accumulated in the fair value reserve within equity. Exchange rate differences related to the financing of self-constructed property, plant, and equipment, up to the amount of the interest cost adjustment less any related revenue, are capitalized as part of the asset's cost. Exchange rate differences related to other operating transactions (realization and year-end valuation of trade receivables and payables) are included in the respective revenue or expense items to which the transactions relate.

4.1.20. Permanent impairment of assets

The entity assesses its asset impairment by analyzing the ability of the entire company, as its single cash-generating unit, to generate cash flows. Smaller cash-generating units are not identified separately,

The entity identifies potential indicators of permanent impairment of assets through:

1) Sales point managers are responsible for providing the accounting department and the financial director with information about external factors indicating possible asset impairment, including:
    a) A significant decline in the market appeal of the travel agency brand.
    b) Changes in the market, economic, and legal environment directly impacting the ability to sell travel services.

2) The accounting department is responsible for informing the financial director of significant variances (over 20% compared to the prior year) in current operating costs..
3) The Management Board is responsible for analyzing impairment indicators resulting from changes in interest rates and significant fluctuations in exchange rates. .

If the value in use, calculated as described below, is lower than the carrying amount of the assets, a permanent impairment loss is recognized.

The Management Board prepares comprehensive income statements based on available information and uses these to forecast future cash flows. These cash flow forecasts include expenses (including necessary capital expenditures) related to the asset's use over the forecast period, as well as expected proceeds from the disposal of the asset and any associated disposal costs. The Financial Director, in consultation with the Management Board, determines the discount rate, which corresponds to the weighted average cost of capital. This discount rate is pre-tax and reflects the current market assessment of the time value of money and the specific risks associated with the asset. The value of cash flows is derived from the entity's financial plans for the subsequent years, and for periods beyond the plan, it is extrapolated based on the values projected over the economic useful life of the unit's main components. This extrapolation adheres to the principle of prudence, assuming that variable revenues and costs in later years will follow a trend observed by the entity in the prior 3 years, or another trend as determined by the Management Board.

Principles for recognizing and reversing permanent impairment in accounting records

If the recoverable amount of an asset (or cash-generating unit) is lower than its carrying amount, the entity recognizes an impairment loss, reducing the carrying amount to the recoverable amount. This impairment loss is recognized as an expense in the period it is incurred and is presented in the statement of comprehensive income for that period.

To allocate an impairment loss for a cash-generating unit (which, in this case, is the entire Company), the loss is assigned to the individual assets within that unit on a pro rata basis, based on the carrying amount of each asset, unless goodwill is recognized in the statement of financial position. If goodwill exists, the impairment loss is first applied to reduce the carrying amount of goodwill to zero, and any remaining impairment loss is then allocated proportionally to the other assets in the cash-generating unit. The carrying amount of an individual asset, after the allocation of an impairment loss, cannot be reduced below the highest of:

1) Its fair value less costs to sell (if determinable),
2) Its value in use (if determinable), and
3) zero.

Based on the information obtained, the Company's Management Board may determine that the indicators of permanent asset impairment no longer exist. In such cases, a previously recognized impairment loss is reversed following a recalculation of the asset's value in use. The reversal of an impairment loss is recognized as income in the statement of comprehensive income. The amount of the reversal is allocated proportionally to each asset within the cash-generating unit (excluding goodwill), ensuring that the carrying amount of no individual asset is increased above the lower of its recoverable amount and the carrying amount (net of accumulated depreciation) that would have been determined had the impairment loss not been recognized initially.

4.1.21. Discontinued activity

An entity classifies a component of an economic entity as a discontinued operation when that component has been sold or is classified as held for sale and:

a) Represents a separate major line of business or geographical area of operations;;
b) Is part of a single, coordinated plan to dispose of a separate major line of business or geographical area of operations; or
c) Is a subsidiary acquired exclusively with a view to resale..

The decision to present such an identified component as discontinued operations is made by the entity's Management Board.

4.1.22. Lease

The Company is a lessee in agreements for retail and office premises, vehicles, and other equipment.

In accordance with IFRS 16, the Company applies a single lessee accounting model for all leases, with the exception of short-term leases and leases of low-value assets.

The lease liability is initially measured at the present value of the lease payments payable to the lessor over the lease term, discounted using the interest rate implicit in the lease. If this rate is not readily determinable (which is often the case), the Company's (or the Group's) incremental borrowing rate at the lease commencement date is used. Variable lease payments are included in the measurement of the lease liability only if they depend on an index or a rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain constant throughout the lease term. Other variable lease payments are recognized as an expense in the period to which they relate.

At initial recognition, the carrying amount of the lease liability also includes:

- amounts expected to be paid under the guaranteed residual value;
- The exercise price of a purchase option granted to the Company (or the Group) if it is reasonably certain that the option will be exercised;
- Any penalties for early termination of the lease if the lease term reflects the exercise of a termination option.

Right-of-use (ROU) assets are initially measured at the amount of the lease liability, net of any lease incentives received, plus:

- Lease payments made at or before the lease commencement date;;
- Any initial direct costs incurred; and
- The amount of any provision recognized for the obligation to dismantle, remove, or restore the underlying asset as required by the lease contract (decommissioning of the leased asset).

After initial measurement, the lease liability increases as a result of the accrual of fixed interest on the unpaid balance and decreases as a result of lease payments. Right-of-use assets are depreciated on a straight-line basis over the remaining lease

After initial measurement, the lease liability increases to reflect interest accrued on the outstanding balance and decreases as lease payments are made. ROU assets are depreciated on a straight-line basis over the shorter of the remaining lease term.

When the Company revises its estimate of the lease term for any lease (for example, due to a reassessment of the likelihood of exercising an extension or termination option), the carrying amount of the lease liability is adjusted to reflect the revised lease payments discounted at the same rate used at lease commencement. A corresponding adjustment is made to the carrying amount of the ROU asset, and this adjusted amount is amortized over the remaining (revised) lease term.

Similarly, the carrying amount of the lease liability is remeasured when the index- or rate-dependent variable component of future lease payments changes. A corresponding adjustment is made to the carrying amount of the ROU asset, and the adjusted amount is amortized over the remaining lease term.

When the Company renegotiates the terms of a lease agreement with a lessor, the subsequent accounting depends on the nature of the modification:

- If the renegotiation results in a separate lease of one or more additional underlying assets for consideration that is commensurate with the stand-alone price of the additional right of use, the modification is accounted for as a separate lease in accordance with the policy outlined above.
- In all other cases where the renegotiation expands the scope of the lease (whether by extending the lease term or by adding one or more underlying assets), the lease liability is remeasured using the discount rate effective at the date of the modification, and a corresponding adjustment is made to the right-of-use asset.
- If the renegotiation results in a reduction in the scope of the lease, both the carrying amount of the lease liability and the carrying amount of the right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease, and the difference is recognized in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the renegotiated payments over the renegotiated lease term, discounted using the discount rate effective at the date of the modification. A corresponding adjustment is made to the right-of-use asset.

For agreements that both grant the Company the right to use a specific asset and require the lessor to provide services, the Company has elected to recognize only the rental payments under the agreement as a lease component. The remaining fees under the agreement are treated as service expenses.

The Company has the right to terminate its premises lease agreements, with the most common contract periods being 5 or 10 years. Additionally, the Company has entered into long-term transportation vehicle lease contracts, which typically contain only provisions for monthly installments.

Generally, the lessee has the right to terminate the transportation vehicle lease agreements with 30 days' notice. The lease agreements do not contain any restrictive covenants, such as those relating to dividends, additional debt, or additional leasing arrangements.

The Company implemented IFRS 16 using the modified retrospective approach.

Rainbow Tours SA applied the following permissible practical expedients regarding leases previously classified as operating leases under IAS 17:

- The Company elected to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

- The Company applied the short-term lease exemption to leases with a remaining lease term of 12 months or less from the date of initial application, recognizing the associated lease payments as an expense.

Upon the initial application of IFRS 16, the Company recognized right-of-use assets at an amount equal to the lease liabilities. Subsequently, the value of the right-of-use assets was adjusted by the value of any outstanding lease incentives the Company had on its balance sheet as at January 1, 2018, and the value of any initial direct costs recognized as at January 1, 2018. The weighted average discount rate applied for the measurement of lease liabilities as at December 31, 2023, was 6.00%. The weighted average discount rate applied for the measurement of lease liabilities as at December 31, 2024, was 6.85%.

In applying IFRS 16, the Company's Management Board exercised the following significant judgments and made the following key estimates:

- Lease term for contracts with extension options: The Company's Management Board determines the lease term as the non-cancellable period of the lease, including periods covered by an extension option if it is reasonably certain that the option will be exercised, and periods covered by a termination option if it is reasonably certain that the option will not be exercised..
- The Company's Management Boardt has the option to extend the lease term of certain assets under some lease agreements. The Company applies judgment in assessing whether there is reasonable certainty that an extension option will be exercised. This assessment considers all relevant facts and circumstances that create an economic incentive to exercise the extension option or an economic disincentive not to exercise it. Subsequent to the commencement date, the Company's management reassesses the lease term if a significant event or a change in circumstances within the Company's control occurs that affects its ability to exercise (or not exercise) the extension option (e.g., a change in business strategy).
- The Company's Management Board has included extension periods for certain agreements, such as retail space leases, due to the reasonable certainty that these options will be exercised. Extension options for vehicle leases have not been included in the lease term because the Company's policy for leasing these assets anticipates a maximum useful life of no more than five years, and therefore the Company does not expect to exercise the extension options.
- Lease term for open-ended leases. The Company has entered into lease agreements for an indefinite period. In determining the lease term for these agreements, the Company considers the period for which the lease is enforceable. A lease is no longer enforceable when both the lessee and the lessor have the right to terminate the agreement without requiring the consent of the other party and without incurring significant penalties.

4.1.23. Hedge accounting

Adopted accounting policy

In the course of its operations, the Company hedges against financial risk arising from fluctuations in currency exchange rates by entering into currency forward contracts and zero-cost option strategies (option structures).

For accounting purposes, hedge accounting involves offsetting changes in the fair value of the hedged items with changes in the fair value of the derivative instruments designated as hedging instruments.

The types of hedging instruments include: fair value hedges and cash flow hedges.

A non-derivative financial asset or a non-derivative financial liability may be designated as a hedging instrument only for hedging currency risk. Hedging instruments are designated as hedging future cash flows. Derivative instruments hedging cash flows (Cash Flow Hedges).

A cash flow hedge derivative is an instrument that: Is used to hedge the variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction, and

Will affect reported profit or loss.

- Is used to hedge the variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction,
- Will affect reported profit or loss.

Gains and losses resulting from changes in the fair value of a cash flow hedge are recognized in other comprehensive income (OCI) to the extent that the hedging instrument is effective in offsetting changes in the hedged item's cash flows. Any ineffective portion is recognized in profit or loss. Gains or losses accumulated in OCI are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Hedge effectiveness is the extent to which changes in the cash flows of the hedged item that are attributable to the hedged risk are offset by changes in the cash flows of the hedging instrument.

If a hedged forecast transaction or future liability results in the recognition of a non-financial asset or liability, the gains or losses previously recognized in OCI are reclassified from equity and included in the initial cost or other carrying amount of the asset or liability when it is recognized.

In accordance with the Company's hedging policy, the designated hedging instruments may not cover more than 80% of the currency flows arising from the portfolio of contracts denominated in a given currency.

At the inception of a hedging relationship, the Company formally documents the relationship between the hedging instruments and the hedged items, as well as the objective and strategy for undertaking the hedge. The Company also documents its assessment, both at the hedge's inception and on an ongoing basis, of whether the hedging instruments are effective and are expected to remain highly effective in offsetting changes in the cash flows of the hedging instruments and the hedged items in the future.

Discontinuation of hedge accounting.

A derivative ceases to be designated as a hedging instrument when the derivative expires, is sold, terminated, or exercised, or when the Company revokes the designation of the hedging relationship. For cash flow hedges, any gains or losses recognized in other comprehensive income (OCI) during the period the hedge was effective remain in equity until the hedged item affects profit or loss.

If a hedge of a forecast transaction or a future liability ceases to meet the criteria for hedge accounting because the hedged item no longer meets the definition of a forecast transaction or a future liability, or because it is no longer probable that the forecast transaction will occur, the net gain or loss previously recognized in OCI is immediately reclassified to profit or loss.

4.2. Principles for determining the financial result

4.2.1. Revenues from sales of products, goods and materials

The principles for revenue recognition are consistent with IFRS 15, "Revenue from Contracts with Customers," which employs a five-step revenue recognition model:

Identification of the Contract with the Customer:

A contract with a customer is deemed to exist when all of the following criteria are met: the parties to the contract have reached an agreement and are committed to perform their respective obligations; the Company can identify each party's rights regarding the goods or services to be transferred; the Company can identify the payment terms for the goods or services to be transferred; the contract has commercial substance; and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services to be transferred to the customer.

Identification of the Performance Obligations in the Contract:

At the inception of a contract, the Company assesses the goods or services promised in the contract with a customer and identifies as a performance obligation each promise to transfer to the customer either: a distinct good or service (or a bundle of distinct goods or services); or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Determination of the Transaction Price:

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, certain sales taxes). The consideration specified in the contract with the customer may be a fixed amount.

4. Allocation of the Transaction Price to the Performance Obligations in the Contract:

The Company allocates the transaction price to each performance obligation (or to each distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

Range

Revenue is recognized when the service is received by the customer at the commencement of the travel event, or when goods are transferred to the customer. For the Company, revenue from the sale of services primarily includes revenue from:

1) Travel services,
2) Intermediation services, and
3) Other services.

Adopted accounting policy

For the organization of travel events, revenue from service sales is recognized in the month the event commences. Due to the short duration of these events, the entity applies a practical expedient, considering the revenue date to be the commencement date of the service, even for events that begin at the end of one financial year and conclude at the beginning of the next.

The amount of prepayments received for services is presented as liabilities in the statement of financial position – specifically as liabilities arising from advance payments received for services to be rendered in future periods.

Regarding revenue from services provided as an intermediary in the sale of events, airline and coach tickets, and insurance, the actual commission earned from the sale of these services is determined at the time of settlement with the carrier or tour operator for the services sold.

The Company recognizes revenue at the reporting date for services provided at the reporting date cut-off. For contractual services fulfilled over time, the Company recognizes revenue gradually as the contract is performed. In cases where the Company will perform contractual services spanning reporting periods, it performs materiality assessments regarding the recognition of revenue in proportion to the fulfilled portion of the contractual obligation (service performance) and the impact of any distortion on the financial statements. If the distortion's impact is deemed material, the allocation of revenue will be based on the degree of service performance, proportional to the number of days representing the duration of the travel event assigned to the respective reporting period, determined by the following algorithm:

Revenue eligible for a given reporting period concerning a given tourist event in PLN = (total price of the tourist event in PLN / length of the tourist event in days) * number of days of the tourist event for a given reporting period.

4.2.2. Costs of core business

Range

Costs of core business are recognized in profit or loss in accordance with the accrual principle, matching revenues and expenses (revenues and the expenses related to the same transaction are recognized concurrently). Core business costs include probable decreases in economic benefits during the reporting period, arising from the Company's ordinary activities, that can be reliably measured. These decreases are in the form of a reduction in the value of assets or an increase in the value of liabilities and provisions, leading to a decrease in equity or an increase in its deficit, other than through the withdrawal of funds by shareholders.

Adopted accounting policy

Production costs that are directly attributable to the revenue generated by the entity affect the entity's profit or loss for the reporting period in which the related revenue is recognized.

Production costs that can only be indirectly attributed to revenue or other economic benefits achieved by the entity affect the entity's profit or loss in the period to which they relate, ensuring their matching with the corresponding revenue or other economic benefits.

4.2.3. Other operating income and expenses

Range

Other operating income and expenses encompass costs and income that are indirectly related to the entity's core operating activities

Adopted accounting policy

Other operating income and expenses include, in particular, items related to:

- The disposal of property, plant, and equipment (PP&E), assets under construction, and intangible assets.
- The derecognition of receivables and payables that are statute-barred, written off, or deemed uncollectible, with the exception of public law receivables and payables that are not recognized as expenses.
- The creation and reversal of provisions, except for those related to financial activities.
- Asset write-downs and reversals of write-downs, except for those charged to the cost of goods sold, selling expenses, or finance costs.
- Compensations, penalties, and fines.
- The transfer or receipt of assets free of charge, including donations, and including funds received for purposes other than the acquisition or production of PP&E, assets under construction, or intangible assets.

4.2.4. Financial income and costs

Range

Financial income and expenses include costs and income related to the financial activities of the entity.

Adopted accounting policy

Financial income and costs specifically include income and expenses related to:

- Interest income on funds held.
- Interest income on loans and receivables granted.
- Interest expense on borrowings, loans, and leases received.
- Exchange differences on loans and borrowings.
- Gains or losses on the disposal of financial assets and investments.
- Gains or losses on the remeasurement of financial assets and investments.
- Income from profit sharing in other entities.
- Interest accrued, paid, and received.

Realized and unrealized foreign exchange gains and losses not related to the entity's operating activities. Financial income and expenses are recognized in the financial statements in accordance with the principles of prudence and accrual accounting.

4.2.5. Income tax and deferred tax

Adopted accounting policy

The tax base of an asset is the amount that will be deductible for tax purposes against any taxable economic benefits that will flow to the entity when it recovers the carrying amount of the asset. If those economic benefits will not be taxable, the tax base of the asset is equal to its carrying amount.

The tax base of a liability is its carrying amount, less any amount that will be deductible for tax purposes in respect of that liability in future periods.

Deferred tax assets are recognized for deductible temporary differences, the carryforward of unused tax losses, and the carryforward of unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of tax losses and tax credits can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. The net deferred tax asset or liability is presented in the statement of financial position.

4.3. Reporting by business segment

The Company operates in a single business segment, which is the organization of travel services. Supplementary segment information is presented based on the geographical location of assets.

Segment revenue includes revenue generated from sales to external customers or from inter-segment transactions, as reported in the statement of comprehensive income, that is directly attributable to the segment, and the portion of revenue that can be reasonably allocated to the segment.

Segment expenses include the costs of the segment's operating activities that are directly attributable to the segment, together with a portion of other costs that can be reasonably allocated to that segment.

Segment expenses specifically include:

- Cost of sales,

(data in PLN thousand, unless otherwise stated)

- Selling costs.

Segment result is the difference between segment revenue and segment expenses. It represents operating profit before considering head office expenses, interest income or expense, income taxes, and investment gains or losses.

The Company's assets and liabilities are managed on a collective basis and are not allocated to specific operating segments (business segments or geographical segments).

4.4. Important estimates and assumptions

4.4.1. Professional judgment

If a particular transaction is not addressed by any specific accounting standard or interpretation, the Company's Management Board uses its judgment to develop and apply accounting policies that ensure the financial statements provide relevant and reliable information, and that they:

- Present the Company's assets, financial position, business results, and cash flows fairly, clearly, and reliably.
- Reflect the economic substance of the transaction.
- Are objective.
- Are prepared in accordance with the principle of prudence.
- Are complete in all material respects.

The significant judgments made as at December 31, 2024, relate to contingent liabilities (Note 6.20, Note 6.21, Note 9.2, and Note 9.3), the assessment of the recoverability of advances paid to hotels for future services (Note 6.6), and the estimated impact on financial liquidity (Note 3.5)

4.4.2. Uncertainty of estimates

The preparation of the financial statements requires the Management Board to make estimates, as many of the amounts included in the financial statements cannot be determined with precision. The Management Board reviews the estimates adopted based on changes in the factors considered when making them, new information, or past experience. Consequently, the estimates made as at December 31, 2024, may be subject to revision in future periods. The key estimates are described in the following notes:

Note		Type of information disclosed
Accounting Policies of the Company – Section 4.1, "Impairment of Assets" (4.1.20), "Property, Plant and Equipment" (4.1.2). **Note 6.3,** "Detailed Information on investments in subsidiaries	Impairment of financial instruments and property, plant and equipment and intangible assets	Main assumptions used to determine the recoverable amount: impairment indications, models, discount rates, growth rate.
Accounting Policies of the Company – Section 4.2. "Income tax and deferred tax" (4.2.5.) **6.4.** "Deferred tax assets" **6.17.** "Deferred tax provisions"	Income tax	Assumptions used to recognize deferred tax assets.
Accounting Policies of the Company) – Section 4.1. "Receivables" (4.1.9.) **5.7.** "Revenues generated seasonally, cyclically or sporadically" **6.6.** "Accounts Receivable"	Trade and other receivables	Write-down for credit risk and related impairment of receivables
6.16. "Reserves"	Reserves	Evaluation of the probability of outflow of economic benefits

(data in PLN thousand, unless otherwise stated)

Note		Type of information disclosed
6.16. "Reserves"	Employee benefits	Discount rates, inflation, wage growth, expected average tenure, turnover
Accounting Policies of the Company – Section 4.1 . "Intangible assets" (4.1.1.), Tangible fixed assets" (4.1.2.)	The useful economic life of fixed assets and intangible assets	The economic useful life and the depreciation method of assets are verified at least at the end of each financial year.
Accounting Policies of the Company – Section 4.1 "Lease" (4.1.22.)	Discount rate applied	The rate used for calculation is 6.85%

Estimates and judgments are subject to are subject to ongoing assessment. These are based on historical experience and other relevant factors, including expectations about future events that are considered reasonable under the prevailing circumstances..

4.5. New Accounting Standards and IFRIC Interpretations

4.5.1. The effect of adoption of new accounting standards and changes in accounting policy

The accounting policies applied in the preparation of these separate financial statements for the year ended December 31, 2024, are consistent with those used in the preparation of the annual separate financial statements for the year ended December 31, 2023, except for the changes disclosed below. The same accounting policies have been applied consistently to both the current and comparative periods presented.

4.5.2. Changes resulting from amendments to ifrs effective at the reporting date

Effective from the beginning of the 2024 financial year, the Company has applied the following new or amended standards and interpretations issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee:

- Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules (Global Minimum Tax), issued on May 23, 2023.

These amendments provide companies with a temporary optional exemption from recognizing and disclosing deferred tax assets and liabilities arising from the OECD's international tax reform (Pillar Two). While the exemption can be applied immediately, disclosure requirements were already effective for annual periods beginning on or after January 1, 2023.

The Company has applied the exemption from January 1, 2024, and had already adopted the required disclosures in its 2023 financial statements. At the date of these financial statements, it is not yet possible to reliably estimate the potential impact of applying the new standard.

- Amendment to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current.

The amendment to IAS 1 was initially issued on January 23, 2020, subsequently revised in July 2020, and ultimately endorsed on October 31, 2022. This amendment is effective for annual periods beginning on or after January 1, 2024.

The amendment clarifies the criteria for classifying a liability as current. This may lead to changes in the presentation of liabilities and their reclassification between current and non-current.

The Company has applied the amended standard from January 1, 2024. In the opinion of the Company's Management Board, as of the date of these financial statements, the application of the new standard has had no material impact on the Company's financial statements.

- Amendment to IFRS 16 Leases: Lease Liability in a Sale and Leaseback Transaction, issued on September 22, 2022

These amendments require a seller-lessee to determine the "lease payments" or "market terms lease payments" in a sale and leaseback transaction such that the seller-lessee does not recognize any portion of a gain or loss that pertains to the right of use retained.

The Company has applied these amended requirements from January 1, 2024. In the opinion of the Company's Management Board, as of the date of these financial statements, the application of this new standard has had no impact on the Company's financial statements.

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Financing Arrangements, issued on May 25, 2023.

These amendments aim to enhance transparency concerning supplier financing arrangements and their effects on a company's liabilities, cash flows, and liquidity risk exposure. They supplement existing IFRS requirements by mandating the disclosure of additional information about these arrangements, including their impact on liquidity risk. The amendments are effective for annual periods beginning on or after January 1, 2024.

The Company has applied these amended requirements from January 1, 2024, following the effective date of the European Commission Regulation (EU) approving the amendments for application within the EU. The Regulation was published on May 16, 2024, and came into force, with effect for reporting periods commencing on January 1, 2024, on the twentieth day after its publication. The Company anticipates no material impact from the amended standard on the disclosures presented or to be presented in these interim financial statements or future financial statements.

The aforementioned amendments to existing standards did not have a material impact on the Company's financial statements for the 2024 financial year. These amendments did not affect the amounts reported in previous periods and are not expected to have a material impact on the current or future periods.

4.5.3. Changes in Accounting Policies Implemented at the Company's Discretion

The Company did not make any restatements of comparative information as at December 31, 2023, and for the year ended December 31, 2024.

4.5.4. Non-binding standards (new standards and interpretations)

The following standards and interpretations have been issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee but were not yet effective as of the balance sheet date:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued on August 15, 2023.

These amendments will require entities to apply a consistent methodology when assessing whether one currency is exchangeable into another. In situations where exchangeability is lacking, the amendments provide guidance on determining the applicable exchange rate and the necessary disclosures. These amendments are effective for annual periods beginning on or after January 1, 2025.

The Company will apply these amended requirements no earlier than January 1, 2025. In the opinion of the Company's Management Board, as of the date of these financial statements, the application of this new standard is not expected to have a material impact on the Company's financial statements.

- IFRS 18 Presentation and Disclosures in Financial Statements, issued on April 9, 2024.

The new standard will replace IAS 1 and will apply for the first time to annual periods beginning on or after January 1, 2027. The new standard is a result of the so-called Basic Financial Statements Project and aims to improve the way entities report information in their financial statements.

The main changes in the new standard compared to the previous requirements of IAS 1 include:

1) Introduction of categories and defined subtotals/line items in the statement of profit or loss (and other comprehensive income) intended to provide more relevant information and a more comparable structure across entities. Specifically, income and expense items will be required to be classified into one of the following statement of profit or loss categories: Operating activities, Investing activities, Financing activities, Income taxes, and Discontinued operations. Entities will also be required to present the following subtotals: operating profit or loss, profit or loss before interest and income taxes (EBIT), and profit or loss.
2) Introduction of requirements to improve aggregation and disaggregation, designed to provide additional material information and prevent the obscuring of material information. In particular, IFRS 18 provides guidance on whether information should be presented in the primary financial statements (intended to provide a useful structured summary) or in the notes. Entities will be required to identify assets, liabilities, equity, income, and expenses arising from individual transactions or other events and classify them into groups based on shared characteristics, resulting in the inclusion of grouped items with at least one common characteristic in the primary financial statements. These groups will then be disaggregated based on further dissimilar characteristics, resulting in the separate disclosure of material items in the notes. Immaterial items with dissimilar characteristics may need to be aggregated to avoid obscuring material information. Entities should use appropriate descriptive headings or, where this is not feasible, provide information in the notes about the composition of such aggregated items.

3) The new standard introduces enhanced guidance on the analysis of operating expenses, requiring entities to determine whether to present an analysis based on their nature or their function/location in a manner that provides the most useful structured summary of operating expenses, considering several factors.

4) Introduction of Management Performance Measures (MPMs) disclosures in the notes to the financial statements, aimed at providing transparency and discipline in the use of such measures and consolidating related disclosures in one place. Specifically: MPMs are defined as subtotals of revenues and expenses Are used in information publicly provided to users of financial statements outside the financial statements., supplement IFRS totals or subtotals, and Communicate management's view of a specific aspect of the entity's financial performance. Required disclosures for MPMs include:: a description of why the MPM represents management's view of performance; a description of how the MPM was calculated; A reconciliation of the MPM to the most directly comparable subtotal or total presented under IFRSA statement that the MPM represents management's view of a particular aspect of the entity's financial performance, The separate impact of tax and non-controlling interests for each difference between the MPM and the most directly comparable IFRS subtotal or total. If the calculation method for an MPM changes, an explanation of the reasons for and the effects of the change.

In addition to the aforementioned changes, IFRS 18 introduces amendments to IAS 7: requiring the use of operating profit as the single starting point for the indirect method of presenting cash flows from operating activities; and eliminating the presentation choices for interest and dividends paid and received. The objective of these changes is to enhance the comparability of cash flow statements across entities.

The Company will apply this new standard no earlier than January 1, 2027. As of the date of these financial statements, it is not possible to reliably estimate the full impact of applying the new standard.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 "Subsidiaries without Public Accountability: Disclosures" is a new standard that permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements in their financial statements. Application of IFRS 19 is optional for qualifying subsidiaries, and the standard specifies the disclosures required for those that elect to apply it. This new standard is effective for reporting periods beginning on or after January 1, 2027, with early application permitted. The standard was issued on May 9, 2024; however, the European Union has not yet commenced the formal endorsement process for its application within the EU.

The Company is not eligible to apply IFRS 19 because it is an entity subject to public oversight requirements.

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Classification and Measurement of Financial Instruments,1 issued on May 30, 202

These amendments clarify the principles for classifying financial assets by considering environmental, social, and governance (ESG) factors and similar characteristics related to an asset. The amendments also address the settlement of liabilities through electronic payment systems, clarifying the date on which a financial asset or financial liability is derecognized from the statement of financial position. These amendments are effective for annual periods beginning on or after January 1, 2026.

The Company will apply these amended requirements no earlier than January 1, 2026. As of the date of these financial statements (May 9, 2025), it is not possible to reliably estimate the impact of applying this new standard.

- Annual Improvements to IFRS Accounting Standards 2023-2025 Cycle, issued on July 18, 2024, resulting in amendments to various standards.

On 18/07/2024, as a result of a review of IFRS, minor amendments were made to the following standards:

On July 18, 2024, as a result of the Annual Improvements to IFRS Accounting Standards 2023-2025 Cycle, minor amendments were made to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards: Clarification regarding the application of hedge accounting.
- IFRS 7 Financial Instruments: Disclosures: Amendments concerning the gain or loss on derecognition of financial instruments, the disclosure of the deferred difference between fair value and the transaction price, and the introduction and disclosure of information on credit risk.
- IFRS 9 Financial Instruments: Amendments relating to the derecognition of lease liabilities and clarification of the definition of "transaction price" with reference to IFRS 15 Revenue from Contracts with Customers.
- IFRS 10 Consolidated Financial Statements: Clarification of the definition of a "de facto agent."
- IAS 7 Statement of Cash Flows: Clarification regarding the "acquisition cost or production cost method."

These amendments are primarily applicable to annual periods beginning on or after January 1, 2026, with early application permitted.

The Company will apply these amended standards no earlier than January 1, 2026. As of the date of these financial statements (May 9, 2025), it is not possible to reliably estimate the full impact of applying these new requirements.

The IFRS Accounting Standards endorsed by the European Union do not differ significantly from those issued by the International Accounting Standards Board (IASB), with the exception of the following standards, interpretations, and amendments, which, as of the date of approval of these financial statements for publication, had not yet been endorsed for use in EU countries:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: *Lack of Currency Convertibility* published on 15/08/2023,
- IFRS 18 Presentation and Disclosures in Financial Statements published on 09/04/2024,
- IFRS 19 Subsidiaries not subject to public oversight requirements (" without Public Accountability "): Disclosures published on 09.05.2024, however, in this case the EU has not yet started the formal endorsement process of this standard,
- Amendments to IFRS 9 and IFRS 7 Changes to the classification and measurement of financial instruments published on 30/05/2024,
- Annual Improvements to IFRS Accounting Standards 2023-2025 Cycle, issued on July 18, 2024, resulting in amendments to various standards.
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Contracts for Naturetr Dependent Electricity, issued on December 18, 2024. These amendments aim to facilitate the reporting of the financial effects of nature dependent electricity contracts, often structured as power purchase agreements (PPAs). The amendments clarify the application of the "own-use" requirements, permit hedge accounting if these contracts are used as hedging instruments, and introduce new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial results and cash flows. These amendments are effective for annual periods beginning on or after January 1, 2026.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued on August 15, 2023.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued on August 15, 2023.
- IFRS 18 Presentation and Disclosures in Financial Statements, issued on April 9, 2024.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, issued on May 9, 2024. The European Union has not yet commenced the formal endorsement process for this standard.
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Classification and Measurement of Financial Instruments, issued on May 30, 2024.

In the opinion of the Company's Management Board, these planned changes are not expected to have a material impact on the Company's future financial statements.

5. NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Nota 5.1. Company Information

Company name: Rainbow Tours Spółka akcyjna

Company's registerred office : 90-361 Łódź, ul. Piotrkowska 270, Poland

Tax Identification Number: 7251868136

REGON number: 473190014

KRS number: 0000178650

Rainbow Tours Spółka Akcyjna is registered in Poland with the National Court Register (KRS) maintained by the District Court for Łódź-Śródmieście in Łódź, XX Commercial Division of the National Court Register, under KRS number 0000178650 (registration date: November 4, 2003).

Principal Business Activity and Warsaw Stock Exchange (WSE) Classification:

According to the National Court Register, the Company's principal business activity is that of tour operators (Polish Classification of Activities "PKD 2007": 7912.Z).

According to the Warsaw Stock Exchange classification, the Company belongs to the sector: 600 [Trade and Services] / 630 [Recreation and Leisure] / 632 [Travel Agencies]; industry sector: "Hotels and Restaurants”

Duration:

The duration of the Company is indefinite.

Stock Exchange Listing:

Rainbow Tours Spółka Akcyjna is listed in the continuous trading system on the parallel market of the Warsaw Stock Exchange (WSE) under the abbreviated name "Rainbow Tours" and the ticker symbol "RBW".

The International Securities Identification Number (ISIN) code for the Company's 10,727,000 shares traded on the Warsaw Stock Exchange is PLRNBWT00031. The ISIN code for the remaining 3,825,000 dematerialized shares of the Company not traded on the Warsaw Stock Exchange (registered preference shares of series A and series C1) is PLRNBWT00049.

The Legal Entity Identifier (LEI) code of the Company is 25940062QUG3WEUEGE88.

As of the date of approval of this report for publication (April 17, 2025), the Company belongs to the WSE industry sector: "Hotels and Restaurants." The Company's shares are included in the following indices:

WIG140 , mWIG40 , mWIG40TR , mWIG40dvp , WIGdivplus , WIG30 , WIG30TR , WIG , WIG-Poland , GPWB-CENTR , CEEplus .

Nota 5.2. Management Board and Supervisory Board Composition

Information regarding the composition of the Management Board and Supervisory Board of the Company as at 31 December 2024 and as at the date of approval of these financial statements for publication, i.e. 17 April 2025:

Company Management Board:

During the first half of the 2024 reporting period, specifically from January 1, 2024, to June 30, 2024, inclusive, the composition of the Company's Management Board was as follows:

- Maciej Szczechura - President of the Management Board,
- Piotr Burwicz - Vice President of the Management Board,
- Jakub Puchałka - Member of the Management Board.

As of the balance sheet date (December 31, 2024) and the date of approval of this report for publication (April 17, 2025), the composition of the Company's Management Board was as follows:

- Maciej Szczechura - President of the Management Board,
- Piotr Burwicz - Vice President of the Management Board,
- Jakub Puchałka - Vice President of the Management Board,
- Aleksandra Piwko-Susik - Member of the Management Board.

The following changes occurred in the composition of the Company's Management Board during the reporting period covered by these financial statements (the financial year ended December 31, 2024):

By virtue of the resolutions of the Company's Supervisory Board dated June 7, 2024, the following decisions were made, among others:

1) Pursuant to the provisions of Resolution No. 1/06/2024 dated June 7, 2024 – the Supervisory Board of the Company, acting on the basis and within the scope of the provisions of § 16 section 5 of the Company's Articles of Association, in connection with the intention to appoint a new member to the Management Board of the Company, effective July 1, 2024, resolved, effective July 1, 2024, to increase the number of individuals comprising the Management Board of the Company from the current three persons to a new number of four persons, and thereby resolved to determine that, effective July 1, 2024, the number of individuals comprising the Management Board of Rainbow Tours Spółka Akcyjna of the current, fourth, joint, five-year term of office shall be four persons;

2) Pursuant to the provisions of Resolution No. 2/06/2024 dated June 7, 2024 – the Supervisory Board of the Company, acting on the basis and within the scope of the provisions of § 16 section 1 and section 2 of the Company's Articles of Association, in accordance with the provisions of Article 368 § 4 sentence one of the Commercial Companies Code and in connection with the determination, by virtue of the provisions of a separate resolution of the Supervisory Board of the Company dated June 7, 2024, of the number of individuals comprising the Management Board of the current, fourth, joint, five-year term of office of the Management Board to be four persons, resolved, effective July 1, 2024, to appoint Ms. Aleksandra Piwko-Susik to the composition of the Management Board of the Company of the current, fourth, joint, five-year term of office of the Management Board and to entrust her with the performance of the function of Member of the Management Board of the Company; Ms. Aleksandra Piwko-Susik, appointed to the composition of the Management Board of the Company and to perform the function of Member of the Management Board of the Company, has consented to this appointment;

3) Pursuant to the provisions of Resolution No. 3/06/2024 dated June 7, 2024 – the Supervisory Board of the Company, acting on the basis and within the scope of the provisions of § 16 section 5 of the Company's Articles of Association, resolved, effective July 1, 2024, to entrust Mr. Jakub Puchałka, who has hitherto held the function of Member of the Management Board of the Company, with the function of Vice-President of the Management Board of the Company, and in connection therewith, the functions of the individuals comprising the four-person Management Board of Rainbow Tours Spółka Akcyjna of the current, fourth, joint, five-year term of office of the Management Board are as follows:Mr. Maciej Szczechura continued to hold the position of President of the Management Board throughout the year (since July 1, 2023, as per Supervisory Board Resolution No. 6/07/2023 dated July 5, 2023).

   - Mr. Piotr Burwicz continued to hold the position of Vice-President of the Management Board throughout the year (since July 1, 2023, as per Supervisory Board Resolution No. 6/07/2023 dated July 5, 2023).
   - Mr. Jakub Puchałka's role changed to Vice-President of the Management Board, effective July 1, 2024 (as per Supervisory Board Resolution No. 3/06/2024 dated June 7, 2024).
   - Ms. Aleksandra Piwko-Susik was appointed as a Member of the Management Board, effective July 1, 2024 (as per Supervisory Board Resolution No. 2/06/2024 dated June 7, 2024)

Apart from the changes detailed above, no other changes occurred in the composition of the Company's Management Board during the reporting period (the financial year ended December 31, 2024) and up to the date of approval of these financial statements for publication (April 17, 2025).

The current, fourth, joint, five-year term of office of the Company's Management Board expires on August 25, 2025. The mandates of the Management Board members expire no later than the date of the Annual General Meeting approving the financial statements for the last full financial year of their service. Mandates also cease upon death, resignation, or dismissal of a Management Board member.

In accordance with the amendment to Article 369 § 1 of the Commercial Companies Code (based on the Act of February 9, 2022, effective from October 13, 2022, and applicable to mandates and terms of office existing on that date), the duration of the current, fourth term of office of the Management Board is calculated in full financial years (five full financial years for Rainbow Tours S.A.). Therefore, the current five-year, joint term of office of the Management Board is valid from August 25, 2020, to August 25, 2025, and the mandate of a Management Board member serving this term will expire on the date of the Company's Annual General Meeting approving the financial statements for the financial year 2025, which is expected to be in 2026.

Supervisory Board of the Company:

As of the balance sheet date (December 31, 2024) and the date of approval of this report for publication (April 17, 2025), the composition of the Company's Supervisory Board was as follows:

- Paweł Walczak - Chairman of the Supervisory Board,
- Grzegorz Baszczyński - Member of the Supervisory Board,
- Tomasz Czapla - Member of the Supervisory Board,

(data in PLN thousand, unless otherwise stated)

- Monika Kulesza - Member of the Supervisory Board,
- Monika Ostruszka - Member of the Supervisory Board,
- Joanna Stępień-Andrzejewska - Member of the Supervisory Board,
- Remigiusz Talarek - Member of the Supervisory Board.

No changes occurred in the composition of the Company's Supervisory Board during the reporting period (the financial year ended December 31, 2024) and up to the date of approval of this report for publication (April 17, 2025).

The current, seventh, joint, three-year term of office of the Company's Supervisory Board expires on June 30, 2025. The mandates of the Supervisory Board members expire no later than the date of the Annual General Meeting approving the Company's financial statements for the last full financial year of their service. Mandates also cease upon death, resignation, or dismissal of a Supervisory Board member.

In accordance with the amendment to Article 369 § 1 of the Commercial Companies Code (applied accordingly to the Supervisory Board under Article 386 § 2 of the Code, based on the Act of February 9, 2022, effective from October 13, 2022, and applicable to mandates and terms of office existing on that date), the duration of the current, seventh term of office of the Supervisory Board is calculated in full financial years (three full financial years for Rainbow Tours S.A.). Therefore, the current three-year, joint term of office of the Supervisory Board is valid from June 30, 2022, to June 30, 2025, and the mandate of a Supervisory Board member serving this term will expire on the date of the Company's Annual General Meeting approving the financial statements for the financial year 2025, which is expected to be in 2026.

Nota 5.3. Indication whether the financial statements and comparable financial data contain aggregate data - if the issuer's enterprise includes internal organizational units preparing independent financial statements

The Company's enterprise includes internal organizational units that prepare independent financial statements. A detailed description of these internal organizational units and the nature of the aggregated data is provided in Note 3.2.

Nota 5.4. Consolidated financial statements

As of the balance sheet date (December 31, 2024), the Issuer was the parent entity of the following companies (subsidiaries), which have been included in the consolidated financial statements:

- "My Way by Rainbow Tours" Sp. z o. o.;
- White Olive AE [Anonymi Etaireia - a joint-stock company incorporated under Greek law];
  - White Olive Kos Monoprosopi AE [Anonymi Etaireia - a joint-stock company incorporated under Greek law] (formerly Ellas Star Resorts Symmetoches Monoprosopi AE) – an indirect subsidiary of the Issuer; a direct subsidiary of White Olive AE;
- Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS [Anonim Sirketi - a joint-stock company incorporated under Turkish law];
- Rainbow distribuce sro [Společnost s ručením omezeným – a limited liability company incorporated under Czech law .

RAINBOW TOURS CAPITAL GROUP AS OF 31.12.2024					
Name/company	Registerred office	Core business activity	Competent Court / registry authority	Share in capital/votes	Comments
"My Way by Rainbow Tours" Sp. z o. o	Poland, Lodz	Organizing and conducting training for tour leaders, leisure activities organisers and holiday representatives as part of the "Rainbow Academy" project	District Court for Łódź-Śródmieście in Łódź, 20th Division of the National Court Register – KRS number 0000261006	100% / 100%	Directly dependent
White Olive AE	Greece, Athens	Hotel business	GEMI (Commercial Register) – No. 137576424000	71.54% / 71.54%	Directly dependent
White Olive Kos Monoprosopi AE	Greece, Athens	Hotel business	GEMI (Commercial Register) – No. 007970101000	100% / 100%	Indirectly dependent
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	Turkey, Alanya	Activities of tour operators	Trade Register (Ticaret Sicilinin): 25046; Central Registration System (MERSIS): 0734199873400001	100% / 100%	Directly dependent
Rainbow distribution sro	Czech	Activities of tour operators	Commercial Register	100% / 100%	Directly dependent

(data in PLN thousand, unless otherwise stated)

RAINBOW TOURS CAPITAL GROUP AS OF 31.12.2024					
Name/company	**Registerred office**	**Core business activity**	**Competent Court / registry authority**	**Share in capital/votes**	**Comments**
	Republic, Prague		(Prague Municipal Court): 19868839		

As of the balance sheet date (December 31, 2023), the Issuer was the parent entity of the following companies (subsidiaries), presented below:

- "My Way by Rainbow Tours" Sp. z o. o.;
- White Olive AE [Anonymi Etaireia - Spółka akcyjna incorporated under Greek law]
- Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS [Anonymous Sirketi - Spółka akcyjna incorporated under Turkish law],
- Rainbow Distribuce sro [Společnost s ručením omezeným – a limited liability company incorporated under Czech law .

RAINBOW TOURS CAPITAL GROUP AS OF 31.12.2023					
Name/company	**Headquarters**	**Core business activity**	**Competent Court / registry authority**	**Share in capital/votes**	**Comments**
"My Way by Rainbow Tours" Sp. z o. o	Poland, Lodz	Organizing and conducting training for tour leaders, leisure activities organisers and holiday representatives as part of the "Rainbow Academy" project	District Court for Łódź-Śródmieście in Łódź, 20th Division of the National Court Register – KRS number 0000261006	100% / 100%	Directly dependent
White Olive AE	Greece, Athens	Hotel business	GEMI (Commercial Register) – No. 137576424000	71.54% / 71.54%	Directly dependent

(data in PLN thousand, unless otherwise stated)

RAINBOW TOURS CAPITAL GROUP AS OF 31.12.2023					
Name/company	**Headquarters**	**Core business activity**	**Competent Court / registry authority**	**Share in capital/votes**	**Comments**
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	Turkey, Alanya	Activities of tour operators	Trade Register (Ticaret Sicilinin): 25046; Central Registration System (MERSIS): 0734199873400001	100% / 100%	Directly dependent
Rainbow Distribution sro	Czech Republic, Prague	Activities of tour operators	Commercial Register (Prague Municipal Court): 19868839	100% / 100%	Directly dependent

In addition to these separate financial statements of the Company for the financial year ended December 31, 2024, separate consolidated financial statements for the Rainbow Tours Capital Group for the same period have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). [1] The consolidated financial statements of the Capital Group for the financial year ended December 31, 2024, were approved for publication on April 17, 2025, the same date as these separate financial statements of the Company.

Nota 5.5. Changes in the capital group structure

During the reporting period covered by this report, specifically the financial year 2024, the organization of the Rainbow Tours Capital Group underwent a change. This change involved the acquisition by White Olive Anonymos Etaireia, a subsidiary of the Issuer, of a block of shares in the company "Ellas Star Resorts Symmetoches " Monoprosopi Anonymi Etaireia, with its registered office in Athens, Republic of Greece (hereinafter referred to as "Hellas Star Resorts Anonymos Etaireia"), which was previously part of the FTI Group tourism holding.

On November 13, 2024, White Olive Anonymos Etaireia, a subsidiary of the Issuer, executed a sales agreement, as part of an initiated investment process, to acquire a 100% equity interest and 100% of the voting rights at the General Meeting of "Ellas Star Resorts Symmetoches " Monoprosopi Anonymi Etaireia, a company incorporated under Greek law. This company held the legal title, through a lease agreement with an embedded option to purchase the leased asset upon the agreement's expiry, to the hotel property previously known as "Labranda Marine Aquapark," situated near Tigaki on the island of Kos, Republic of Greece. Subsequently, on December 19, 2024, the commercial register of the Republic of Greece (GEMI) recorded the change of the company's name from "Ellas Star Resorts Symmetoches " Monoprosopi Anonymi Etaireia to "White Olive Kos" Monoprosopi Anonymi Etaireia. This acquisition formed part of the Capital Group's ongoing investment strategy.

Financing the acquisition of a block of shares in Hellas Star Resorts Monoprosopi Anonymi Etaireia (currently known as White Olive Kos Monoprosopi Anonymi Etaireia), which holds the legal title to the aforementioned hotel property, as well as covering other expenses related to the execution of the aforementioned investment (additional expenses related to the execution of the investment pertain to, among other things, the obligation to settle the disclosed liabilities of Hellas Star Resorts Monoprosopi Anonymi Etaireia, public and legal fees related to the conclusion of the transaction for the purchase of shares in Hellas Star Resorts Monoprosopi Anonymi Etaireia, a financial commitment related to the adaptation of the hotel property for the purpose of resuming the hotel's operations following a period of temporary suspension of operations, and financing the current operations of Hellas Star Resorts Monoprosopi Anonymi Etaireia) was planned to be sourced from White Olive Anonymos Etaireia's own funds. For this purpose, a decision was made to increase the equity of White Olive Anonymos Etaireia by increasing the share capital of White Olive Anonymos Etaireia.

In connection with this, the Management Board of the Issuer, by virtue of the provisions of the resolution of the Management Board of the Company dated November 13, 2024, declared and decided – acting as the governing body of the parent entity and shareholder of the subsidiary White Olive Anonymos Etaireia – to commence and implement the process of increasing the capital of the equity of White Olive Anonymos Etaireia by eighteen million five hundred thousand euros (EUR 18,500,000), through an increase in the share capital of White Olive Anonymos Etaireia. Consequently, the Management Board of the Issuer resolved that Rainbow Tours Spółka Akcyjna would acquire shares in the subsidiary White Olive Anonymos Etaireia, with its registered office in Athens, and expressed its consent to and declared an increase in the equity of White Olive Anonymos Etaireia by the indicated amount of eighteen million five hundred thousand euros (EUR 18,500,000).

By the date of approval of this report for publication (April 17, 2025), the process of increasing the share capital of White Olive Anonymos Etaireia has not been completed. The parameters and detailed terms of the implementation of the process of increasing the share capital of White Olive Anonymos Etaireia will be agreed upon and specified in detail in cooperation with the Foreign Expansion Fund, a Closed-End Investment Fund for Non-Public Assets, managed by PFR Investment Fund Company Spółka Akcyjna, a joint-stock company with its registered office in Warsaw, which is part of the Polish Development Fund Group (hereinafter referred to as the "Fund"). The Issuer holds a 71.54% stake in the share capital and voting rights at the General Meeting of White Olive Anonymos Etaireia in the subsidiary White Olive Anonymos Etaireia, while the remaining

28.46% stake in the share capital and voting rights at the General Meeting of White Olive Anonymos Etaireia is held by the Fund.

As of the agreement date for the aforementioned acquisition by the subsidiary White Olive Anonymos Etaireia, the hotel property, previously operating under the name "Labranda Marine Aquapark," comprised a low-rise complex situated directly on an extensive beachfront near the tourist town of Tigaki (approximately 5 kilometers from the center) on the northern coast of the island of Kos, Republic of Greece. This four-star hotel offered 338 guest rooms and featured an on-site water park. Due to the insolvency proceedings of the FTI Group, the tourism holding that previously managed the property, the "Labranda Marine Aquapark" hotel had only operated for a portion of the "Summer 2024" tourist seas

Subsequent to the acquisition of the aforementioned equity interest in Hellas Star Resorts Anonymos Etaireia (currently White Olive Kos Monoprosopi Anonymi Etaireia), which holds the legal title to the subject hotel property previously operating under the name "Labranda Marine Aquapark," renovation and adaptation works commenced at the hotel to facilitate the resumption of operations following a period of temporary closure. Furthermore, rebranding activities were initiated, with the hotel commencing operations under the "White Olive" brand as "White Olive Marine Aquapark." These adaptation works at the "White Olive Marine Aquapark" hotel (formerly "Labranda Marine Aquapark") began in November 2024, with the hotel scheduled to recommence operations for the "Summer 2025" tourist season. During the "Summer 2025" tourist season, the hotel will operate under an All-Inclusive model with a four-star (Premium) standard, targeting both Polish and international clientele.

To date, the "White Olive" hotel chain, directly managed by White Olive Anonymos Etaireia, comprised the following properties: (i) "White Olive Premium Laganas," a four-star hotel situated on the Greek island of Zakynthos in the town of Laganas; (ii) "White Olive Elite Laganas," a five-star hotel complex (operational since July 2019) located on the Greek island of Zakynthos in the town of Laganas; (iii) "White Olive Elite Rethymno," a five-star hotel located in the town of Sfakaki on the island of Crete, near the city of Rethymno; and (iv) "White Olive Premium Lindos," a four-star hotel located in the town of Pefkos on the Greek island of Rhodes.

During the financial year 2024 reporting period, and subsequently up to the date of approval of this report for publication (April 17, 2025), no other changes occurred in the organization of the Rainbow Tours Capital Group.

Nota 5.6. Revenues and results by business segment

The Company's operations are homogeneous, with its core business activity being the organization of tourist services. According to the National Court Register (KRS), the principal business activity of the Company is classified as the activity of tour operators (Polish Classification of Activities "PKD 2007": 79.12.Z).

Nota 5.7. Revenues generated seasonally, cyclically or sporadically

Due to the nature of its operations, the Company's activities are subject to seasonality, with peak revenue generation occurring during the summer months, specifically in the third quarter of the calendar year, and the lowest revenue typically recorded in the fourth quarter.

The following table presents the value of revenue from the sale of tourist services generated by the parent company (Rainbow Tours Spółka Akcyjna) within the Rainbow Tours Capital Group for the period from January 2015 to January 2025: The values presented in the table above pertain solely to the parent company and do not include revenue generated by other entities within the Rainbow Tours Capital Group.

Table. – Monthly sales revenues from 2015.01 to 2025.01

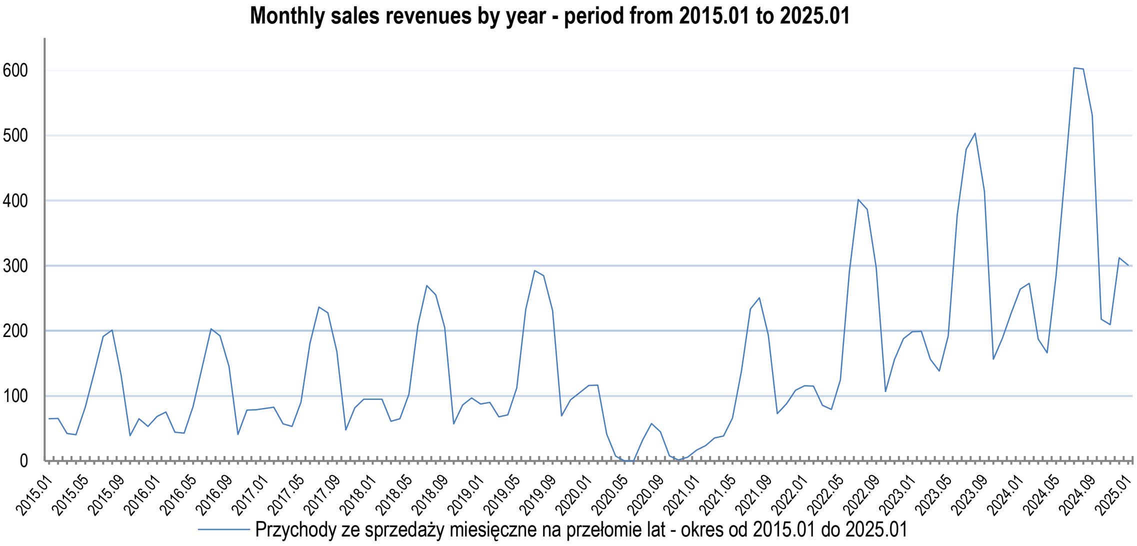


Table. – Comparison of sales revenues on a monthly basis at the turn of 2015 – 2024

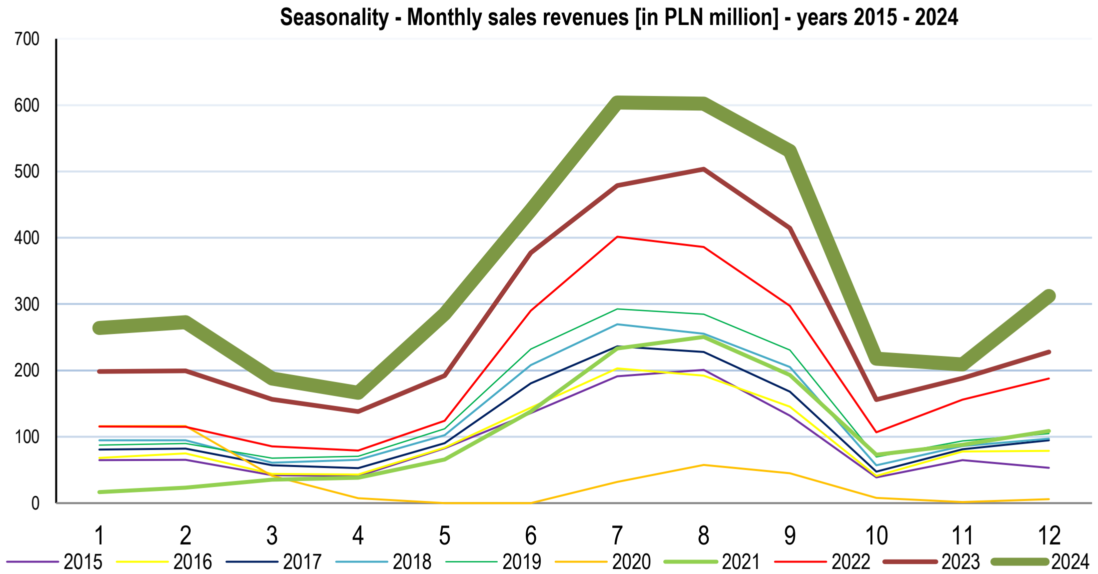
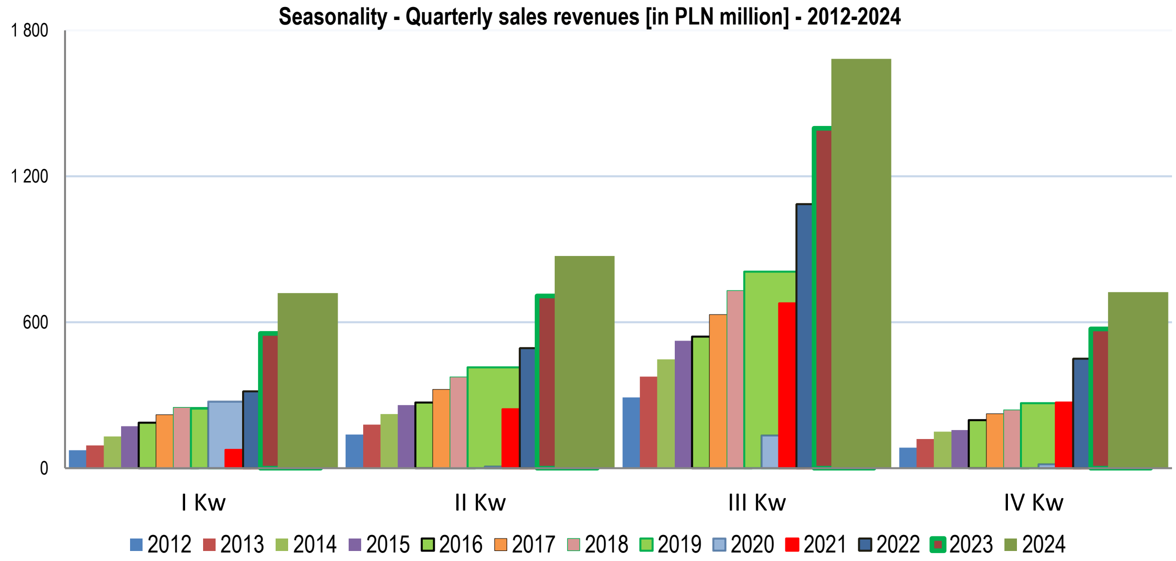


Table. – Comparison of sales revenues on a quarterly basis at the turn of 2012 – 2024



6. NOTES TO THE STATEMENT OF FINANCIAL POSITION

Nota 6.1. Other intangible assets

Balance sheet values	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Licenses	4 252	4 145
	4 252	**4 145**

	Capitalized development work	Patents	Trademarks	Licenses	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Gross value					
As of 01/01/2023	**-**	**-**	**-**	**11 475**	**11 475**
Increases	-	-	-	1 065	**1 065**
As of 31/12/2023 and 01/01/2024	**-**	**-**	**-**	**12 540**	**12 540**
Increases	-	-	-	1 328	**1 328**
As of 31/12/2024	**-**	**-**	**-**	**13 868**	**13 868**

	Capitalized development work	Patents	Trademarks	Licenses	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Accumulated depreciation and impairment					
As of 01/01/2023	**-**	**-**	**-**	**(7 022)**	**(7 022)**
Depreciation costs	-	-	-	(1 373)	**(1 373)**
As of 31/12/2023 and 01/01/2024	**-**	**-**	**-**	**(8,395)**	**(8,395)**
Depreciation costs	-	-	-	(1 221)	**(1 221)**
As of 31/12/2024	**-**	**-**	**-**	**(9 616)**	**(9 616)**

Nota 6.2. Material fixed assets

	As of 31/12/2024			As of 31/12/2023		
	TOTAL	My own	Used under leasing agreements	TOTAL	My own	Used under leasing agreements
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Own land	647	647	-	647	647	-
Assets from the right of use	30 193	-	30 193	33 528	-	33 528
Buildings	16 976	16 976	-	8 587	8 587	-
Machines and equipment	2 390	2 390	-	2 538	2 538	-
Cars	1 073	411	662	1 031	39	992
Equipment	1 896	1 896	-	1 620	1 620	-
Fixed assets under construction / Advances on fixed assets	212	212	-	1 127	1 127	-
Total	**53 387**	**22532**	**30855**	**49 078**	**14 558**	**34 520**

Security for the claims of Towarzystwo Ubezpieczeń Europa Spółka Akcyjna, with its registered office in Wrocław, for the reimbursement of amounts paid to the Marshal of the Łódź Voivodeship for the Company's benefit, in connection with the activities performed by tour operators or entrepreneurs facilitating the purchase of related tourist services, under insurance guarantee No. GT 574/2024 dated September 2, 2024 (which simultaneously also secures claims under insurance guarantee No. GT 543/2023 dated August 30, 2023, including an annex), pursuant to the agreement dated September 2, 2024, regarding the granting of an insurance guarantee for tour operators or entrepreneurs facilitating the purchase of related tourist services, comprises, among other things, a notarially established joint mortgage on the first available ranking on the fixed assets of Rainbow Tours Spółka Akcyjna, specifically the real estate located at ul. Piotrkowska 270 in Łódź, entered into the Land and Mortgage Register under number: LD1M/00264242/0, LD1M/00264245/1, LD1M/00264246/8, LD1M/00264247/5, LD1M/00264248/2, LD1M/00264253/0, LD1M/00264254/7, LD1M/00264255/4, LD1M/00264257/8, LD1M/00264259/2, LD1M/00264263/3, LD1M/00264264/0, LD1M/00264266/4, LD1M/00187747/6, LD1M/00172644/6, LD1M/00273816/1, LD1M/00273817/8, LD1M/00273818/5, LD1M/00273819/2, LD1M/00273820/2, LD1M/00273822/6, LD1M/00273823/3, LD1M/00273824/0, LD1M/00273825/7, LD1M/00273826/4, LD1M/00273827/1, LD1M/00273843/9, LD1M/00273844/6, LD1M/00273847/7, LD1M/00273846/0, LD1M/00273845/3, LD1M/00272177/2, LD1M/00272179/6, LD1M/00272180/6, LD1M/00272181/3, LD1M/00272182/0, LD1M/00272183/7, LD1M/00272184/4, LD1M/00272185/1, LD1M/00272186/8, LD1M/00272187/5, LD1M/00272188/2, LD1M/00134200/4, conducted by the District Court for Łódź-Śródmieście in Łódź, XVI Land and Mortgage Register Division, with a valuation of seventeen million eight hundred forty-eight thousand Polish złoty (PLN 17,848,000).

The Company did not hold any fixed assets for sale.

	Own land at fair value	Buildings	Machinery and equipment by cost	Cars by cost	Equipment	Right to use assets	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Gross value							
As of 01/01/2023	**491**	**21 636**	**3 815**	**3 236**	**4 910**	**62 083**	**96 171**
Increases	159	5 044	1 839	319	1 229	19 023	27 793
Disposals	-	-	-	(125)	-	-	(125)
Fixed assets under construction	-	1 127	-	-	-	-	1 127
Increase (decrease) from revaluation	-	-	-	-	-	(25,099)	(25,099)
Other - liquidations	-	(12)	-	-	-	-	(12)
As of 31/12/2023 and 01/01/2024	**650**	**27 795**	**5 654**	**3 430**	**6 139**	**56 187**	**99 855**
Increases	-	4 031	841	484	822	13 396	19 574
Disposals	-	-	-	(159)	-	-	(159)
Fixed assets under construction	-	213	-	-	-	-	213
Increase (decrease) from revaluation	-	(1 127)	-	-	-	(267)	(1 394)
Other - liquidations	-	-	-	-	-	-	-
As of 31/12/2024	**650**	**30 912**	**6 495**	**3 755**	**6 961**	**69 316**	**118 089**

	Own land at fair value	Buildings	Machinery and equipment by cost	Cars by cost	Equipment by cost	Right to use assets	Total
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Accumulated depreciation and impairment							
As of 01/01/2023	**(2)**	**(10,529)**	**(2 457)**	**(2008)**	**(4,066)**	**(30,474)**	**(49,536)**
Depreciation costs	(1)	(1 520)	(659)	(515)	(453)	(9,735)	(12,883)
Other - liquidation	-	-	-	124	-	11 518	11 642
As of 31/12/2023 and 01/01/2024	**(3)**	**(12,049)**	**(3 116)**	**(2,399)**	**(4 519)**	**(28,691)**	**(50 777)**
Depreciation costs	-	(1 674)	(995)	(441)	(541)	(10 432)	(14,083)
Other - liquidation	-	-	-	158	-	-	158
As of 31/12/2024	**(3)**	**(13,723)**	**(4 111)**	**(2,682)**	**(5,060)**	**(39 123)**	**(64,702)**

Right-of-use assets

	Land and buildings	Machines, devices, vehicles	Sum
	PLN'000	PLN'000	PLN'000
As of 01/01/2024	**27 496**	**992**	**28 488**
Increases	13 129	484	**13 613**
Depreciation	(10 432)	(443)	**(10,875)**
Modification of leasing terms	-	-	**-**
Adjustment for variable lease payments	-	-	**-**
Other	-	(371)	**(371)**
As of 31/12/2024	**30 193**	**662**	**30 855**

	Land and buildings	Machines, devices, vehicles	Sum
	PLN'000	PLN'000	PLN'000
As of 01/01/2023	**31 609**	**907**	**32 516**
Increases	5 622	319	**5 941**
Depreciation	(9,735)	(234)	**(9,969)**
Modification of leasing terms	-	-	**-**
Adjustment for variable lease payments	-	-	**-**
Other	-	-	**-**
As of 31/12/2023	**27 496**	**992**	**28 488**

Nota 6.3. Detailed information on shares in subsidiaries

The Issuer's shares in subsidiaries as at the balance sheet date of 31 December 2024 and as at 31 December 2023 are as follows:

Name of subsidiary	Core business	Place of registration and business activity	Percentage of shares and voting rights held by the Company (or a subsidiary in an indirect subsidiary)	
			State on 31/12/2024	State on 31/12/2023
"My Way by Rainbow Tours" Sp. z o. o	Training	Poland	100.00%	100.00%
White Olive AE	Hotel business	Greece	71.54%	71.54%
"White Olive Kos" Monoprosopi AE – *indirect subsidiary (direct subsidiary of White Olive AE)*	Hotel business	Greece	100.00%	-
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	Activities of tourism organizers	Türkiye	100.00%	100.00%
Rainbow distribution sro	Activities of tourism organizers	The Czech Republic	100.00%	100.00%

During the reporting period, specifically in the fourth quarter of 2024, on November 13, 2024, the subsidiary White Olive Anonymos Etaireia, as part of an initiated investment process, executed a sales agreement. This agreement resulted in the acquisition of 100% of the share capital and 100% of the voting rights at the General Meeting of "Ellas Star Resorts Symmetoches " Monoprosopi Anonymi Etaireia, a company incorporated under Greek law. This acquired company held the legal title, through a lease agreement with an embedded option to purchase the leased asset upon the agreement's expiry, to the hotel property previously known as "Labranda Marine Aquapark" (currently "White Olive Marine Aquapark"), located near the town of Tigaki on the island of Kos, Republic of Greece. Subsequently, on December 19, 2024, the Commercial Register of the Republic of Greece (GEMI) recorded, among other items, the change of the acquired company's name from "Ellas Star Resorts Symmetoches " Monoprosopi Anonymi Etaireia to "White Olive Kos" Monoprosopi Anonymi Etaireia.

A detailed description of the changes in the organization of the Rainbow Tours Capital Group is presented in Note 5.5 to these financial statements.

Name of subsidiary *	As of 31/12/2024			As of 31/12/2023		
	Cost	Write-down	Net worth	Cost	Write-down	Net worth
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
"My Way by Rainbow Tours" Sp. z o. o	200	-	200	200	-	200
White Olive AE	95 144	-	95 144	95 144	-	95 144
'White Olive Kos' Monoprosopi AE	17 637	-	17 637	-	-	-
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	25	-	25	25	-	25
Rainbow distribution sro	2	-	2	2	-	2
Total investments in subsidiaries	**113 008**	**-**	**113 008**	**95 371**	**-**	**95 371**

* The above Note includes the acquisition values of all companies belonging to the Rainbow Tours Capital Group; shares in "White Olive Kos" Monoprosopi AE, as a direct subsidiary of White Olive AE, are shown in the separate financial statements of White Olive AE

Shares in other entities are carried at purchase price, net of any impairment losses.

The Management Board of the Company performed an impairment test on the shares held in White Olive Anonymos Etaireia. This test utilized the income approach, based on detailed financial forecasts spanning the next ten years, followed by a residual period with no assumed growth. The discount rate applied was the Weighted Average Cost of Capital (WACC), which was determined to be 10.6% (compared to 9.6% in 2023). The WACC rate was established through the consideration of various components based on market indicators and the professional judgment of an expert engaged by the Management Board. It is noted that this rate is subject to change depending on the volatility of financial markets, inflation, and numerous other parameters, which directly impacts the valuation. Based on this WACC rate of 10.6%, the impairment test indicated no requirement for the recognition of impairment losses.

In the opinion of the Company's Management Board, there are no reasonable parameters within the adopted valuation models, pertaining to both the financial forecasts and the discount factor, that would necessitate the recognition of impairment write-downs on the carrying value of shares held in other entities.

Nota 6.4. Deferred tax assets

Deferred tax	Period ended 31/12/2024	Period ended 31/12/2023
	PLN'000	PLN'000
Deferred tax assets	22 972	12 210
Deferred tax asset - settled by capital	(4 103)	3 331
Deferred tax asset - settled through profit or loss	(9 121)	13 372
Deferred tax provision - settled through profit or loss	(664)	(5 941)
Deferred tax provision - settled by capital	(1 194)	-
Deferred tax balance	**7 890**	**22 972**

Deferred tax assets	As of 01/01/2024	Change of state (+ /-) included in capital	Change of state (+ /-) included in the current period's result	As of 31/12/2024
	PLN'000	PLN'000	PLN'000	PLN'000
Provisions for employee benefits	638	-	(145)	493
Creation of remaining reserves	16 020	-	(10 217)	5 803
Asset valuation/write-downs	2 492	-	1 032	3 524
Derivatives valuation	4 103	(4 103)	-	-
Unrealized negative exchange rate differences	189	-	86	275
Right-of-use asset IFRS 16	5 613	-	123	5 736
The remaining	-	-	-	-
Total	**29 055**	**(4 103)**	**(9 121)**	**15 831**

Deferred tax assets	As of 01/01/2023	Change of state (+ /-) included in capital	Change of state (+ /-) included in the current period's result	As of 31/12/2023
	PLN'000	PLN'000	PLN'000	PLN'000
Provisions for employee benefits	286	-	352	638
Creation of remaining reserves	8 516	-	7 504	16 020
Asset valuation/write-downs	2 492	-	-	2 492
Derivatives valuation	772	3 331	-	4 103
Unrealized negative exchange rate differences	-	-	189	189
Right-of-use asset IFRS 16	-	-	5 613	5 613
The remaining	286	-	(286)	-
Total	**12 352**	**3 331**	**13 372**	**29 055**

Nota 6.5. Stocks

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Promotional materials	-	-
Production in progress	-	-
Finished products	-	-
	-	-

Nota 6.6. Accounts Receivable

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Gross trade receivables	51 817	43 038
Write-off for receivables	(4 603)	(4 903)
Net trade receivables	**47 214**	**38 135**
Other receivables :		
Other receivables – settlements on account of advances on capital increases in subsidiaries	116 744	24 061
Other receivables	14 688	7 767
Other receivables - deposits and security deposits	112 362	72 571
Cash and cash equivalents - settlements	4 396	6 904
	248 190	**111 303**
Current assets	183 042	76 859
Fixed assets	112 362	72 579
Total	**295 404**	**149 438**

The item "Other receivables - security deposits" includes a cash security deposit in the amount of PLN 112,362 thousand as at 31.12.2024 and PLN 72,297 thousand as at 31.12.2023, established on the contractor's bank account.

Prepayments

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Prepayments - advances transferred - hotels	253 280	226 019
Allowance for receivables at risk	(13,947)	(5 839)
Prepayments - Advances transferred - Air freight	22 064	20 963
	261 397	**241 143**

The structure of the Company's sales revenue is predominantly driven by tour operator activities. The sale of services is conducted through two primary channels: direct sales (via the Company's offices and call center) and agency sales (through a network of external agents). In the direct sales channel, customers are required to make immediate payment for travel arrangements. Receivables primarily arise within the agency channel, where agents are granted a specified period to remit funds for sold travel arrangements. Additionally, the Company generates revenue through brokerage activities, including the sale of airline tickets and flight seat blocks, as well as other services that complement its core tourist offerings.

Prior to establishing a business relationship with a new agent, the Company utilizes an external credit assessment system to evaluate the agent's creditworthiness. Based on this assessment, credit limits are established for the respective agent. These credit limits and the agent's credit score are subject to review on a semi-annual basis. The Company's receivables are further secured through various mechanisms, including blank promissory notes accompanied by a promissory note declaration, bank guarantees, and a deposit system.

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Gross trade receivables *	**51 817**	**43 038**
Not required	4 404	17 995
Out of date:		
up to 30 days	32 405	8 357
31-90 days	1 374	4 894
91-120 days	3 651	3 916
over 120 days	9 983	7 876
Total	**51 817**	**43 038**

*. Advances have been excluded from the aging analysis as they do not have a defined due date. In the opinion of the Issuer's Management Board, these balances are fully recoverable, and consequently, no impairment allowances are deemed necessary.

table presents the movement in the allowance for doubtful accounts (receivables write-downs) during the reporting period:

write-offs of trade receivables	12 month period ending 31/12/2024	12 month period ending 31/12/2023
	PLN'000	PLN'000
Status at the beginning of the reporting period	**4 903**	**4 331**
Write-offs for impairment of receivables	-	572
Amounts written off as uncollectible	(300)	-
Amounts recovered during the year	-	-
Reversal of impairment losses	-	-
Discount Reversal	-	-
Status at the end of the reporting period	**4 603**	**4 903**

Write-offs for prepayments – hotel advances and air transport	12 month period ending 31/12/2024	12 month period ending 31/12/2023
	PLN'000	PLN'000
Status at the beginning of the reporting period	**5 838**	**5 838**
Write-offs for impairment of receivables	8 109	-
Amounts written off as uncollectible	-	-
Amounts recovered during the year	-	-
Reversal of impairment losses	-	-
Discount Reversal	-	-
Status at the end of the reporting period	**13 947**	**5 838**

In assessing the recoverability of trade receivables, the Company considers any deterioration in their credit quality from the initial recognition date to the financial statement preparation date. The concentration of credit risk is considered limited due to the Company's extensive and diverse customer base, with no significant interdependencies among customers.

The allowance for doubtful accounts includes individually impaired trade receivables amounting to four million six hundred three thousand Polish złoty (PLN 4,603 thousand) as of December 31, 2024 (December 31, 2023: four million nine hundred three thousand Polish złoty (PLN 4,903 thousand)). These relate to counterparties for whom bankruptcy has been declared. The impairment allowances recognized represent the difference between the carrying amount of these trade receivables and the present value of the expected proceeds from their liquidation. The Company does not hold any collateral for these amounts.

For other overdue receivables, no indication of impairment requiring the recognition of write-offs was identified.

In accordance with the Company's accounting policy regarding the classification of receivables, the Management Board periodically analyzes the estimation of allowances for doubtful accounts:

1) Receivables from individual customers (amounts due from individual clients acquired through both the Company's direct sales channels (offices and call center) and its network of agents.)
2) receivables from institutional clients
3) advance payments transferred to providers of tourism related services

Ad. 1)

In accordance with the general terms and conditions for participating in tourist events, individual clients are required to make a 30% prepayment, with the remaining 70% due 30 days prior to the commencement of the event. Consequently, receivables arising from individual clients are not considered to be subject to significant credit risk. In the event of a client's cancellation, the funds paid are subject to a proportional refund based on the cancellation date. The Company then reinstates the cancelled tourist event into its sales offerings Receivables generated through the agency sales channel are secured through various measures, including deposits, bank guarantees, promissory note declarations, and declarations of voluntary submission to enforcement.

In the opinion of the Company's Management Board, the risk of impairment for both categories of receivables (individual and agency clients) is marginal. Historically, the Company has not recognized any allowances for doubtful accounts related to these types of receivables.

Ad. 2)

Receivables in this category primarily arise from the sale of blocks of seats on charter flights. These agreements are established with institutional clients, whose financial standing is thoroughly analyzed prior to the execution of contracts. The payment due date for these receivables is set seven days before the scheduled departure. These receivables are secured by deposits and bank guarantees, covering an amount equivalent to the value of one week of flights.

The management of these receivables is subject to stringent controls. Failure to remit payment for sold flight seat blocks by the due date triggers the Company's right to activate the security held in the form of deposits and bank guarantees. These receivables typically arise during the peak tourist season, specifically in the second and third quarters of the calendar year. In the financial year 2024, the Company did not recognize any allowance for doubtful accounts related to this type of receivable.

The Company anticipates a decreasing trend in the possibility of selling blocks of seats on flights in the coming years. This limitation is attributed to the evolving dynamics of the tourism market in Poland, where flight seats are increasingly allocated to support the expansion of the Company's own organized tourist events.

Ad. 3)

The Company makes advance payments and deposits to secure favorable hotel accommodations. These amounts have increased consistently in subsequent periods, aligning with the growth of the Company's operational scale. These transferred amounts represent receivables that are expected to be settled within a period not exceeding three years as part of the contracted hotel services.

	12.2024	12.2023
	PLN'000	PLN'000
Hotel deposit status	239 333	220 180
Total assets	1 166 855	899 882
Sales revenue	4 021 761	3 251 788
Deposits to total assets	20.51%	24.47%
Deposits to revenues ratio in the period	5.95%	6.77%

When transferring these advance payments, the Company secures the related receivables through promissory note declarations. In specific instances, the Company also establishes mortgage liens on the hotel properties.

The allowance for impairment on advance payments for future hotel services had a balance of five million eight hundred thirty-eight thousand Polish złoty (PLN 5,838 thousand) at the beginning of 2023. No additional impairment allowances were recognized during 2023. In 2024, impairment allowances amounting to eight million one hundred nine thousand Polish złoty (PLN 8,109 thousand) were recognized. Consequently, the balance of the impairment allowance at the end of 2024 was thirteen million nine hundred forty-seven thousand Polish złoty (PLN 13,947 thousand).

Ageing analysis of impaired trade receivables:

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Trade receivables that have lost value		
60-90 days	-	-
91-120 days	-	-
over 120 days	4 603	4 903
Total	**4 603**	**4 903**

Nota 6.7. Other financial assets

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Derivatives designated and used as hedges, recorded at fair value		
Forward contracts in foreign currencies	6 286	-
	6 286	**-**
Loans stated at amortized cost		
Loans to related parties *	300	300
Loans granted to other entities	-	-
	300	300
Total	**6 586**	**300**
Current assets	6 586	300
Fixed assets	-	-
	6 586	**300**

* The entity granted a short-term loan to a subsidiary on terms comparable to commercial loans.

Nota 6.8. Current tax assets

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Current tax assets		
Goods and Services Tax Refund Due	5 372	4 015
CIT income tax to be refunded	-	-
Social Insurance Institution	-	-
Other	183	496
	5 555	**4 511**

Nota 6.9. Other assets

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Prepaid expenses		
Costs of events outside the period *	142 808	59 366
catalog costs outside the period	-	-
commissions outside the period **	7 781	4 468
insurance outside the period	970	471
Other out of period	427	-

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
other outside the period - TFP commission	975	1 310
	152 961	**65 615**
Current assets	152 961	65 615
Fixed assets	-	-
	152 961	**65 615**

* Event costs in the subsequent period represent accrued expenses for events that have not yet taken place but will be incurred in line with the delivery of tourist services.

** Commission costs are recognized in the period to which they pertain, reflecting the fact that the related service has not yet been rendered, consistent with the provision of tourist services.

Nota 6.10. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and cash held in bank accounts, including any outstanding bank overdrafts. The ending balance of cash and cash equivalents presented in the statement of cash flows can be reconciled to the corresponding items in the statement of financial position as follows:

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Cash in hand and in bank accounts	284 052	267 113
Other cash	-	-
	284 052	**267 113**
Cash and cash equivalents classified within the group held for sale	-	-
	284 052	**267 113**

Nota 6.11. Issued share capital

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Base capital	1 455	1 455
Surplus from sale of shares	36 558	36 558
	38 013	38 013
The share capital consists of:		
Registered shares with voting rights (thousands) *	3 825	3 825
ordinary bearer shares (thousands) *	10 727	10 727
	14 552	**14 552**

*As of December 31, 2023, and December 31, 2024, the Company's share capital comprised 3,825,000 preference shares, fully paid and carrying voting rights at the General Meeting, and 10,727,000 ordinary share

Preference shares fully covered by the capital

	Number of shares	Base capital	Surplus from sale of shares
	pcs	PLN'000	PLN'000
As of 01/01/2023	3,825,000	382	-
Increases / decreases - transfer to regular	-	-	-
As of 31/12/2023 and 01/01/2024.	3,825,000	382	-
Increases / decreases - transfer to regular	-	-	-
As of 31/12/2024	3,825,000	382	-

The fully paid-up preference shares, with a nominal value of PLN 0.10 each, carry twice the voting rights of ordinary shares at the Company's General Meeting and are entitled to receive dividends.

Ordinary shares fully covered by capital

	Number of shares	Base capital	Surplus from sale of shares
	pcs	PLN'000	PLN'000
As of 01/01/2023	10,727,000	1 073	32 384
Increases/decreases - transfer from privileged	-	-	-
As of 31/12/2023 and 01/01/2024.	10,727,000	1 073	32 384
Increases/decreases - transfer from privileged	-	-	-
As of 31/12/2024	10,727,000	1 073	32 384

Nota 6.12. Share capital / Shareholders

The table presents information regarding the Company's share capital as of the balance sheet dates, December 31, 2024, and December 31, 2023:

action series	type of action	number of shares [pcs]	total nominal value of the issue [PLN]	method of covering capital	registration date	right to dividend
Series A shares	registered privileged voting rights (x 2)	3,605,000	360 500	Cash	2003-11-04	Yes
Series AA shares	ordinary bearer	495,000	49,500	Cash	2020-09-30	Yes
Series AB shares	ordinary bearer	900,000	90,000	Cash	2022-09-01	Yes
Series B shares	ordinary bearer	2,000,000	200,000	Cash	2005-01-20	Yes
C1 series shares	registered privileged voting rights (x 2)	220,000	22,000	Contribution	2007-01-29	Yes
C2 series shares	ordinary bearer	1,000,000	100,000	Contribution	2007-01-29	Yes
C3 series shares	ordinary bearer	200,000	20,000	Contribution	2017-09-12	Yes
C4 series shares	ordinary bearer	120,000	12,000	Contribution	2017-09-12	Yes
C5 series shares	ordinary bearer	900,000	90,000	Contribution	2018-12-12	Yes
C6 series shares	ordinary bearer	560,000	56,000	Contribution	2020-09-30	Yes
Series D shares	ordinary bearer	52,000	5 200	Cash	2007-11-12	Yes
Series E shares	ordinary bearer	2,000,000	200,000	Cash	2009-03-02	Yes
Series F shares	ordinary bearer	2,500,000	250,000	Cash	2011-01-14	Yes
	Number of shares – total [pcs]:	**14,552,000**				
	Share capital – total [PLN]:		**1 455 200**			
	Nominal value of one share [PLN]:			**0.10**		

In the period subsequent to the reporting date and up to the date of approval of this report for publication (April 17, 2025), the Management Board of the Company, acting upon applications submitted by the Company's shareholders on March 26, 2025, resolved to convert a total of 2,465,000 (two million four hundred sixty-five thousand) registered preference shares with voting rights into ordinary bearer shares. The submission of these conversion requests was previously disclosed by the Company in Current Report No. 6/2025, dated March 26, 2025, specifically based on:

- a request from Flyoo Spółka z ograniczoną odpowiedzialnością, with its registered office in Łódź (a subsidiary of Mr. Grzegorz Baszczyński, a Member of the Supervisory Board of the Company), for the conversion of 855,000 series A registered preference shares of the Company into bearer share
- Aironi shareholder request Quattro Family Foundation with its registered office in Stobnica, Ręczno commune (a subsidiary of Mr. Tomasz Czapla - Member of the Supervisory Board of the Company) for the conversion of 700,000 series A registered preference shares of the Company into bearer shares;
- a request from Elephant Rock Family Foundation, with its registered office in Łódź (a subsidiary of Mr. Remigiusz Talarek, a Member of the Supervisory Board of the Company), for the conversion of 700,000 series A registered preference shares of the Company into bearer shares;,
- a request from Mr. Sławomir Wysmyk (the shareholder) for the conversion of 210,000 series C1 registered preference shares of the Company into bearer shares.

pursuant to Article 334 § 2 of the Polish Code of Commercial Companies and Partnerships, resolved – by virtue of the provisions of the resolution of the Management Board of the Company dated March 27, 2025 – to convert a total of 2,465,000 registered preference shares into ordinary bearer shares on March 27, 2025, specifically:

1) to convert a total of 2,255,000 series A registered preference shares ("Series A Shares") of the Company, with a nominal value of PLN 0.10 each, into ordinary bearer shares. These converted shares are part of the total of 3,605,000 series A registered preference shares of the Company (dematerialized shares registered in the depository maintained by the National Depository for Securities, covered together with 220,000 series C1 registered preference shares marked with the ISIN code: PLRNBWT00049 and the FISN code: RAINBOW/FXD REDEXT PFDSH SER-A C1), including: - 855,000 series A registered preference shares, with numbers ranging from A-1350001 to A-2205000, owned by the shareholder Flyoo Spółka z ograniczoną odpowiedzialnością; 700,000 series A registered preference shares, with numbers ranging from A-2675001 to A-3375000, owned by the shareholder Aironi Quattro Fundacja Rodzinna; - 700,000 series A registered preference shares, with numbers ranging from A-3825001 to A-4525000, owned by the shareholder Elephant Capital Fundacja Rodzinna

   and

2) to convert a total of 210,000 series C1 preferred registered shares ("Series C1 Shares") of the Company, with a nominal value of PLN 0.10 each, into ordinary bearer shares. These converted shares are part of the total of 220,000 series C1 preferred registered shares of the Company (dematerialized shares registered in the depository maintained by the National Depository for Securities, covered by a total of 3,605,000 series A preferred registered shares marked with the ISIN code: PLRNBWT00049 and the FISN code: RAINBOW/FXD REDEXT PFDSH SER-A C1), including 210,000 series C1 preferred registered shares, with numbers ranging from C-1790001 to C-2000000, owned by the shareholder Mr. Sławomir Wysmyk.

As a result of the aforementioned share conversions, the exchanged shares, specifically 2,255,000 series A shares and 210,000 series C1 shares, lost their preferential voting rights (the privilege of one share carrying two votes at the Company's General Meeting). Consequently, this privilege expired in accordance with the provision set forth in Article 352, second sentence of the Commercial Companies Code.

Following these conversions, the current structure of the share capital with respect to shares designated as Series A shares is as follows:

- 1,350,000 series A registered preference shares, each with a nominal value of PLN 0.10 and carrying the preferential voting right of one share having two votes at the General Meeting of the Company. These shares have a total nominal value of PLN 135,000 and are designated with numbers ranging from A-0000001 to A-1350000.
- 2,255,000 ordinary bearer shares of series A, each with a nominal value of PLN 0.10, resulting in a total nominal value of PLN 225,500. These shares were created as a result of the conversion of preference shares

Following the aforementioned conversion, the current structure of the share capital with respect to Series C1 shares is as follow

- 10,000 series C1 registered preference shares, each with a nominal value of PLN 0.10 and carrying the preferential voting right of one share having two votes at the General Meeting of the Company. These shares have a total nominal value of PLN 1,000 and are designated with numbers ranging from C-1780001 to C-1790000.
- 210,000 ordinary bearer shares of series C1, each with a nominal value of PLN 0.10, resulting in a total nominal value of PLN 21,000. These shares were created as a result of the conversion of preference shares.

Prior to the aforementioned share conversion, the Issuer's share capital amounted to one million four hundred fifty-five thousand two hundred Polish złoty (PLN 1,455,200), comprising fourteen million five hundred fifty-two thousand (14,552,000) shares. The total number of votes at the General Meeting of the Company at that time was eighteen million three hundred seventy-seven thousand (18,377,000)

Following the share conversion, the amount of the Issuer's share capital and the total number of shares issued remain unchanged, amounting to one million four hundred fifty-five thousand two hundred Polish złoty (PLN 1,455,200) and fourteen million five hundred fifty-two thousand (14,552,000) shares, respectively. However, the total number of votes at the General Meeting of the Company has decreased to fifteen million nine hundred twelve thousand (15,912,000) votes.

(data in PLN thousand, unless otherwise stated)

Table. Share capital structure as of the report approval date (17/04/2025)

Series of shares	type of shares	number of shares [pcs]	total nominal value of the issue [PLN]	method of covering capital	registration date	right to dividend
Series A shares	registered privileged voting rights (x 2)	1,350,000	135,000	Cash	2003-11-04	Yes
Series A shares *	ordinary bearer	2,255,000	225 500	Cash	2003-11-04	Yes
Series AA shares	ordinary bearer	495,000	49,500	Cash	2020-09-30	Yes
Series AB shares	ordinary bearer	900,000	90,000	Cash	2022-09-01	Yes
Series B shares	ordinary bearer	2,000,000	200,000	Cash	2005-01-20	Yes
C1 series shares	registered privileged voting rights (x 2)	10,000	1,000	Contribution	2007-01-29	Yes
C1 series shares *	ordinary bearer	210,000	21,000	Contribution	2007-01-29	Yes
C2 series shares	ordinary bearer	1,000,000	100,000	Contribution	2007-01-29	Yes
C3 series shares	ordinary bearer	200,000	20,000	Contribution	2017-09-12	Yes
C4 series shares	ordinary bearer	120,000	12,000	Contribution	2017-09-12	Yes
C5 series shares	ordinary bearer	900,000	90,000	Contribution	2018-12-12	Yes
C6 series shares	ordinary bearer	560,000	56,000	Contribution	2020-09-30	Yes
Series D shares	ordinary bearer	52,000	5 200	Cash	2007-11-12	Yes
Series E shares	ordinary bearer	2,000,000	200,000	Cash	2009-03-02	Yes
Series F shares	ordinary bearer	2,500,000	250,000	Cash	2011-01-14	Yes
Number of shares – total [pcs]:		**14,552,000**				
Share capital – total [PLN]:			**1 455 200**			
Nominal value of one share [PLN]:				**0.10**		

* Acting upon the requests submitted by the Company's Shareholders (Flyoo Spółka z ograniczoną odpowiedzialnością, Aironi Quattro Family Foundation, Elephant Capital Family Foundation, and Mr. Sławomir Wysmyk) on March 26, 2025, the Management Board of the Company, by virtue of its resolution dated March 27, 2025, resolved to convert a total of 2,465,000 registered preference shares into ordinary bearer shares on March 27, 2025, specifically: (1) To convert 2,255,000 series A registered preference shares of the Company, each with a nominal value of PLN 0.10, out of the total of 3,605,000 series A registered preference shares issued by the Company, into ordinary bearer shares. (2) To convert 210,000 series C1 registered preference shares of the Company, each with a nominal value of PLN 0.10, out of the total of 220,000 series C1 registered preference shares issued by the Company, into ordinary bearer shares.

As of the date of approval of this report for publication (April 17, 2025), series AA, AB, B, C2-C6, D, E, and F shares, totaling 10,727,000 (representing 73.72% of the Company's share capital) and carrying 10,727,000 votes at the General Meeting of the Company (representing 58.37% of the total number of votes), are traded on the regulated market of the Warsaw Stock Exchange.

The table lists shareholders who directly held significant blocks of shares in the Company as of April 17, 2025, representing at least 5% of the total number of votes at the General Meeting of the Company.

Shareholder	number of shares held [pcs]	number of votes at the General Meeting resulting from the shares held [pcs.]	share in the share capital of the Company [%]	share in the total number of votes at the General Meeting of the Company [%]
Slawomir Wysmyk	1,680,000	3,030,000	11.54%	19.04%
Nationale-Nederlanden PTE SA (through managed funds)	1 943 886	1 943 886	13.36%	12.22%
including:				
National Dutch Pension Funds	*1 770 456*	*1 770 456*	*12.17%*	*11.13%*
Generali PTE SA (through managed funds)	1 092 223	1 092 223	7.51%	6.86%
Flyoo Sp. z o. o.	855,000	855,000	5.88%	5.37%
OTHER SHAREHOLDERS	8 980 891	8 990 891	≈61.7159%	≈56.5038%
TOTAL :	**14,552,000**	**15,912,000**	**100.00%**	**100.00%**

(data in PLN thousand, unless otherwise stated)

The table lists shareholders who directly held significant blocks of shares in the Company as of December 31, 2024, representing at least 5% of the total number of votes at the General Meeting of the Company

Shareholder	number of shares held [pcs]	number of votes at the General Meeting resulting from the shares held [pcs.]	share in the share capital of the Company [%]	share in the total number of votes at the General Meeting of the Company [%]
Slawomir Wysmyk	1,680,000	3,240,000	11.54%	17.63%
Nationale-Nederlanden PTE SA (through managed funds)	1 962 942	1 962 942	13.49%	10.68%
Flyoo Sp. z o. o.	855,000	1,710,000	5.88%	9.31%
Aironi Quattro Family Foundation	700,000	1,400,000	4.81%	7.62%
Elephant Rock Family Foundation	700,000	1,400,000	4.81%	7.62%
Generali PTE SA (through managed funds)	1 092 223	1 092 223	7.51%	5.94%
OTHER SHAREHOLDERS	7 561 835	7 571 835	≈51.9642%	≈41.2028%
TOTAL :	**14,552,000**	**18,377,000**	**100.00%**	**100.00%**

The table lists shareholders who directly held significant blocks of shares in the Company as of December 31, 2023, representing at least 5% of the total number of votes at the General Meeting of the Company

Shareholder	number of shares held [pcs]	number of votes at the General Meeting resulting from the shares held [pcs.]	share in the share capital of the Company [%]	share in the total number of votes at the General Meeting of the Company [%]
Slawomir Wysmyk	1 868 346	3 428 346	12.84%	18.66%
Flyoo Sp. z o. o.	1,280,000	2,135,000	8.80%	11.62%
Elephant Rock Family Foundation	1 090 500	1 790 500	7.49%	9.74%
TCZ Holding Sp. z o. o.	1,035,000	1,735,000	7.11%	9.44%
Nationale-Nederlanden PTE SA (through managed funds)	1,718,000	1,718,000	11.81%	9.35%
Generali PTE SA (through managed funds)	1 008 459	1 008 459	6.93%	5.49%
Esaliens TFI SA	939 342	939 342	6.46%	5.11%
OTHER SHAREHOLDERS	5 612 353	5 622 353	≈38.56%	≈30.59%
TOTAL :	**14,552,000**	**18,377,000**	**100.00%**	**100.00%**

The table lists shareholders who directly and indirectly held significant blocks of shares in the Company as of April 17, 2025, representing at least 5% of the total number of votes at the General Meeting of the Company

Shareholder		Number of Shares [pcs]	Number of votes at the General Meeting [pcs.]	Share in share capital [%]	Share of votes at the General Meeting [%]
Slawomir Wysmyk	Directly	1,680,000	3,030,000	11.54%	19.04%
Nationale-Nederlanden PTE SA (by managed funds)	Indirectly (through managed funds)	1 943 886	1 943 886	13.36%	12.22%
including:					
National Dutch Pension Funds		*1 770 456*	*1 770 456*	*12.17%*	*11.13%*
Generali PTE S.A. (by managed funds)	Indirectly (through managed funds)	1 092 223	1 092 223	7.51%	6.86%
Grzegorz Baszczyński	Indirectly, through a subsidiary: Flyoo Sp. z o. o.	855,000	855,000	5.88%	5.37%
OTHER SHAREHOLDERS		8 980 891	8 990 891	≈61.7159%	≈56.5038%
TOTAL :		**14,552,000**	**15,912,000**	**100.00%**	**100.00%**

(data in PLN thousand, unless otherwise stated)

The table lists shareholders who directly and indirectly held significant blocks of shares in the Company as of December 31, 2024, representing at least 5% of the total number of votes at the General Meeting of the Company

Shareholder		Number of Shares [pcs]	Number of votes at the General Meeting [pcs.]	Share in share capital [%]	Share of votes at the General Meeting [%]
Slawomir Wysmyk	Directly	1,680,000	3,240,000	11.54%	17.63%
Nationale-Nederlanden PTE SA (by managed funds)	Indirectly (through managed funds)	1 962 942	1 962 942	13.49%	10.68%
Grzegorz Baszczyński	Indirectly, through a subsidiary: Flyoo Sp. z o. o.	855,000	1,710,000	5.88%	9.31%
Remigiusz Talarek	Directly	1 050	1 050	≈ 0.0072%	≈ 0.0057%
	Indirectly, through a subsidiary: Elephant Rock Family Foundation	700,000	1,400,000	4.81%	7.62%
	Total – Directly and indirectly	**701 050**	**1 401 050**	**≈4.82%**	**≈7.62%**
Thomas Czapla	Indirectly, through a subsidiary: Aironi Quattro Family Foundation	700,000	1,400,000	4.81%	7.62%
Generali PTE S.A. (by managed funds)	Indirectly (through managed funds)	1 092 223	1 092 223	7.51%	5.94%
OTHER SHAREHOLDERS		7 560 785	7 570 785	≈51.9570%	≈41.1971%
	TOTAL :	**14,552,000**	**18,377,000**	**100.00%**	**100.00%**

The table lists shareholders who directly and indirectly held significant blocks of shares in the Company as of December 31, 2023, representing at least 5% of the total number of votes at the General Meeting of the Company:

Shareholder		Number of Shares [pcs]	Number of votes at the General Meeting [pcs.]	Share in share capital [%]	Share of votes at the General Meeting [%]
Slawomir Wysmyk	Directly	1 868 346	3 428 346	12.84%	18.66%
Grzegorz Baszczyński	Indirectly, through a subsidiary: Flyoo Sp. z o. o.	1,280,000	2,135,000	8.80%	11.62%
Remigiusz Talarek	Directly	1 050	1 050	≈ 0.0072%	≈ 0.0057%
	Indirectly, through a subsidiary: Elephant Rock Family Foundation	1 090 500	1 790 500	7.49%	9.74%
	Indirectly, through a subsidiary: Elephant Capital Sp. z o. o.	54 500	54 500	0.37%	0.30%
	Total – Directly and indirectly	**1 146 050**	**1 846 050**	**≈7.88%**	**10.05%**
Thomas Czapla	Indirectly, through a subsidiary: TCZ Holding Sp. z o. o.	1,035,000	1,735,000	7.11%	9.44%
Nationale-Nederlanden PTE SA (by managed funds)	Indirectly (through managed funds)	1,718,000	1,718,000	11.81%	9.35%
Generali PTE S.A. (by managed funds)	Indirectly (through managed funds)	1 008 459	1 008 459	6.93%	5.49%
Esaliens TFI SA (by managed funds)	Indirectly (through managed funds)	939 342	939 342	6.46%	5.11%
OTHER SHAREHOLDERS		5 556 803	5 566 803	≈38.19%	≈30.29%
	TOTAL :	**14,552,000**	**18,377,000**	**100.00%**	**100.00%**

The information presented above in this Note regarding the holdings of the Company's shares by shareholders holding at least 5% of the total voting rights at the General Meeting has been compiled primarily based on disclosures received from shareholders fulfilling their obligations as stipulated for public companies under relevant legal frameworks. These include the provisions of the Act of July 29, 2005, on public offering and conditions for introducing financial instruments to an organized trading system and on public companies (specifically Articles 69 and 69a), as well as the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (Market Abuse Regulation - MAR, Article 19).

Furthermore, information concerning the status of the Company's shareholdings is derived from publicly accessible data on the portfolio composition and asset structure of investment funds and pension funds. This includes information on the number of shares represented at the General Meeting of the Company, which is available periodically (including data from the financial statements of investment funds and pension funds). It is important to note that this publicly available data may be subject to change subsequent to the publication date of the most recent information.

Nota 6.13. Treasury shares

As of December 31, 2023 (the balance sheet date for 2023), December 31, 2024 (the balance sheet date for 2024), and April 17, 2025 (the date of approval of this report for publication), the Company did not hold any treasury shares.

However, based on the provisions of Resolution No. 4 of the Extraordinary General Meeting of the Company held on December 17, 2024, the Management Board of the Company was granted authorization to acquire the Company's own shares and to establish a reserve capital for this purpose. By virtue of this resolution, the General Meeting of the Company, acting under Article 362 § 1 item 8 of the Commercial Companies Code and § 12 section 5 of the Company's Articles of Association, resolved to authorize the Management Board to acquire the Company's own shares in accordance with Article 362 § 1 item 8 of the Commercial Companies Code and to undertake all necessary legal and factual actions related to the acquisition of these shares, subject to the principles outlined in the resolution, which are as follows:

1. The subject of the acquisition shall be no more than 2,500,000 (two million five hundred thousand) fully paid-up shares of the Company, each with a nominal value of PLN 0.10 (ten groszy), resulting in a total nominal value of PLN 250,000.00 (two hundred fifty thousand zlotys). These shares are designated with the ISIN code: PLRNBWT00031 and the ISIN code: PLRNBWT00049 (hereinafter referred to as the “Shares”)
2. The acquisition of Shares will take place on the following terms:
    1) the total nominal value of the acquired Shares will not exceed PLN 250,000.00 (two hundred and fifty thousand zlotys), which constitutes approximately 17.18% (seventeen and eighteen hundredths of a percent) of the Company's share capital and will not at any time exceed 20% (twenty percent) of the Company's share capital when aggregated with any other treasury shares of the Company already held and not disposed of
    2) The total purchase price of the Shares, including the costs of their acquisition, will not be higher than the reserve capital established for this purpose in accordance with the provisions of the aforementioned Resolution No. 4 of the Extraordinary General Meeting of the Company dated December 17, 2024.
    3) The unit purchase price of the Shares will not be less than PLN 150.00 (one hundred fifty zlotys) and will not exceed PLN 220.00 (two hundred twenty zlotys).
    4) Shares acquired by the Company may be designated for:
        a) Financing potential acquisitions of entities within the industry as part of the implementation of the Company's acquisition program and the expansion of its operational scope
        b) If not allocated to the entity acquisition program mentioned in point 4a), upon completion of the Share buy-back due to the exhaustion of allocated funds transferred to the reserve capital (as per the aforementioned resolution) or upon the expiry of the authorization period for acquiring own Shares (as per the aforementioned resolution), the Shares may be used for redemption or for future incentive programs for the Company's key management personnel, subject to approval by a resolution of the General Meeting and the prior consent of the Supervisory Board in both cases
    5) Shares may be acquired in compliance with the provisions of the Commercial Companies Code and Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Official Journal of the European Union L 2014, No. 173, p. 1) ("MAR Regulation"), through a transaction or transactions conducted outside an organized trading system, without directly influencing price formation on the stock exchange, via a public invitation or invitations to submit offers for the sale of Shares from all shareholders of the Company
    6) The Management Board of the Company will ensure a sufficiently long invitation period for the sale of shares (no less than 30 days) to enable shareholders holding registered shares with voting privileges (ISIN code PLRNBWT00049) to complete the share sale procedure as specified in § 11 of the Company's Articles of Association.
    7) The shares will be purchased through an investment company.

The authorization to acquire Shares was granted from the date of adoption of the aforementioned Resolution No. 4 of the Extraordinary General Meeting of the Company dated December 17, 2024, until December 31, 2028, but not beyond the point at which the funds allocated for the acquisition of Shares (transferred to the reserve capital established for this purpose in accordance with the resolution) are fully utilized

Furthermore, the General Meeting of the Company authorized the Management Board to undertake all necessary legal and factual actions to acquire the Shares pursuant to Article 362 § 1 item 8 of the Commercial Companies Code, as well as to:

- Specify detailed rules for the acquisition of Shares, particularly in areas not governed by the aforementioned Resolution No. 4 of the Extraordinary General Meeting of the Company dated December 17, 2024
- Conclude an agreement with an investment company to act as an intermediary in the Share purchase process.
- Convene the General Meeting to adopt resolutions regarding the redemption of Shares and the reduction of the Company's share capital, or to establish a future (different) incentive program for which the Shares will also be used, if, after the expiry of the authorization to acquire own shares or after the completion of their acquisition due to the exhaustion of the allocated funds, the Shares are not designated for the purposes previously indicated.

Based on the aforementioned Resolution No. 4 of the Extraordinary General Meeting of the Company dated December 17, 2024:

- The General Meeting of the Company, acting under Article 362 § 2 item 3 and Article 348 § 1 of the Commercial Companies Code, resolved to create a reserve capital dedicated solely to the implementation of the acquisition of Shares in accordance with the aforementioned resolution. This reserve capital will be funded by retained profits from previous years and from the Company's profits in future periods (during the validity of the Share acquisition authorization), with amounts to be determined each time by the General Meeting in the resolution on profit distribution
- **One hundred forty-one million eight hundred thirty-three thousand Polish złoty (PLN 141,833,000.00)** was allocated to this reserve capital by transferring funds from retained earnings that were available for distribution among the shareholders.

Detailed information concerning the submission by an eligible Shareholder of a request to convene an Extraordinary General Meeting of the Company and to include specific matters on its agenda (including the authorization of the Management Board of the Company to acquire own shares and create reserve capital for this purpose), the convening of the Extraordinary General Meeting of the Company, the submission by the Shareholder of a request to introduce changes to the agenda and corrections (clarification of the content) of resolutions of the Extraordinary General Meeting of the Company, and the content of resolutions adopted during the Extraordinary General Meeting held on December 17, 2024, can be found in the relevant current ESPI reports (as applicable): ESPI Current Report No. 54/2024 dated October 17, 2024, ESPI Current Report No. 56/2024 dated October 30, 2024, ESPI Current Report No. 59/2024 dated November 22, 2024, and ESPI Current Report No. 67/2024 dated December 17, 2024.

Nota 6.14. Reserve capital

The cash flow hedge reserve represents the accumulated gains or losses resulting from changes in the fair value of hedging instruments designated by the Company as cash flow hedges. 1 These cumulative gains or losses, recognized and accumulated within the cash flow hedge reserve, are subsequently transferred to profit or loss in the period when the hedged transaction impacts profit or loss. Alternatively, they may be recognized as an adjustment to the initial carrying amount (or other basis) of a non-financial hedged item, in accordance with the relevant accounting policies.

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Hedge accounting	5 092	(17,492)
	5 092	**(17,492)**

During the financial year, there were no write-offs directly charged against net profit.

Nota 6.15. Loans, bank credits and leasing obligations

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Secured - at amortized cost		
Overdraft facilities	-	1
Bank loans	-	-
Loans from other PFR units	-	-
Transfer of receivables	-	-
Financial Lease Liabilities	424	379
Obligations arising from the right of use	31 965	29 510
	32 389	**29 890**

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Short-term liabilities	10 664	10 241
Long-term liabilities	21 725	19 649
	32 389	**29 890**

The Company utilizes transportation assets under financial lease arrangements, with an average contract duration of approximately three years. At the end of the lease term, the Company has the option to purchase these leased assets for their nominal value. The lessors' rights to the assets covered by the lease agreements serve as security for the Company's obligations under these agreements.

As of December 31, 2024, the Company did not have any outstanding bank loans (in current account or revolving facilities). In contrast, as of December 31, 2023, the Company had utilized bank loans (in current account and revolving facilities) totaling one thousand Polish złoty (PLN 1 thousand).

On December 31, 2021, the Issuer updated the calculations for lease liabilities arising from the renegotiation of agreements with lessors. These renegotiations involved extending the lease terms in exchange for rent reductions, and the updated calculations considered the revised lease payment schedules and new interest rates. The resulting difference between the originally calculated liability and the amount under the modified agreements led to a corresponding increase in both the value of the right-of-use asset and the value of the lease liabilities.

Period from 01/01/2024 to 31/12/2024	Land and buildings	Machines, devices, vehicles	Sum
	PLN'000	PLN'000	PLN'000
As of 01/01/2024	**29 510**	**379**	**29 889**
Increases	13 104	489	**13 593**
Interest cost	1 395	(40)	**1 355**
Modification of leasing terms	-	-	**-**
Adjustment for variable lease payments	-	-	**-**
Lease payments	(12 217)	(404)	**(12 621)**
Exchange rate differences	173	-	**173**
As of 31/12/2024	**31 965**	**424**	**32 389**

Period from 01/01/2023 to 31/12/2023	Land and buildings	Machines, devices, vehicles	Sum
	PLN'000	PLN'000	PLN'000
As of 01/01/2023	**31 609**	**574**	**32 183**
Increases	9 228	321	**9 549**
Interest cost	(1 371)	(40)	**(1 411)**
Modification of leasing terms	-	-	**-**
Adjustment for variable lease payments	-	-	**-**
Lease payments	(11,719)	(476)	**(12 195)**
Exchange rate differences	1 763	-	**1 763**
As of 31/12/2023	**29 510**	**379**	**29 889**

As of 31/12/2024	Up to 3 months	From 3 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Lease liabilities	100	189	135	-	-
Obligations arising from the right to use premises	2 645	7 729	8 552	12 473	566
	2 745	**7 918**	**8 687**	**12 473**	**566**

As of 31/12/2023	Up to 3 months	From 3 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Lease liabilities	90	153	136	-	-
Obligations arising from the right to use premises	2 542	7 455	7 974	10 634	905
	2 632	**7 608**	**8 110**	**10 634**	**905**

Detailed information regarding loans is presented in Note 6.20, Note 6.21, and Note 9.2 to these financial statements.

The data presented in the following table excludes liabilities arising from long-term leases of premises used for business operations.

	Minimum Lease Fees		Present value of minimum lease payments	
	As of 31/12/2024	As of 31/12/2023	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000	PLN'000	PLN'000
No longer than 1 year	318	267	289	243
Longer than 1 year and up to 5 years	148	149	135	136
Over 5 years	-	-	-	-
Total	466	416	424	379
Minus future financial burdens	(42)	(37)	-	-
Present value of minimum lease payments	**424**	**379**	**424**	**379**

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Included in the separate financial statements as:		
Short-term leasing	289	243
Long-term leases	135	136
	424	**379**

Nota 6.16. Reserves

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Employee benefits (i)	1 906	2 659
Employee benefits (ii)	685	697
Other reserves - complaints	1 956	1 256
Other provisions – estimated aircraft and hotel costs (iii)	36 097	64 064
Other provisions – for commission costs	3 537	3 446
Other Reserves - Estimated Marketing Costs	-	-
Other reserves - estimated costs - other	813	745
	44 994	**72 867**
Short-term reserves	44 309	72 170
Long-term reserves	685	697
	44 994	**72 867**

(i) The provision for employee benefits includes liabilities for outstanding annual leave, accrued entitlements to future leave, and employee claims for remuneration. The increase in this provision reflects the accrual of these employee benefits as estimated at the balance sheet date.

(ii) The provision for employee benefits also encompasses potential retirement benefits that the Company will be obligated to pay upon the retirement of its employees.

(iii) The provision for aircraft and hotel costs was estimated through a comparative analysis of budgeted costs against supporting documentation held by the Company. Confirmed budgeted costs are recognized as expenses incurred within the relevant reporting period

	Employee benefits (i)	Employee benefits (ii)	Complaint costs	Other reserve costs
	PLN'000	PLN'000	PLN'000	PLN'000
As of 01/01/2024	**2 659**	**697**	**1 256**	**68 255**
Recognition of additional reserves	(753)	(12)	700	(27,808)
As of 31/12/2024	**1 906**	**685**	**1 956**	**40 447**

The valuation of the reserves for potential retirement benefits as of December 31, 2024, was determined through calculations performed by an actuarial office.

	Employee benefits (i)	Employee benefits (ii)	Complaint costs	Other reserve costs
	PLN'000	PLN'000	PLN'000	PLN'000
As of 01/01/2023	**680**	**286**	**56**	**45 301**
Recognition of additional reserves	1 979	411	1 200	22 954
As of 31/12/2023	**2 659**	**697**	**1 256**	**68 255**

The valuation of the reserves for potential retirement benefits as of December 31, 2023, was determined through calculations performed by an actuarial office.

The valuation of the reserves for potential retirement benefits as of December 31, 2024, was estimated by an actuarial office using a methodology consistent with International Accounting Standard (IAS) 19, specifically the projected unit credit method (also known as the accrued benefit method proportionate to service). This method views each year of employee service as creating an additional unit of benefit entitlement, thus increasing the employer's obligation for future non-wage benefits. Consequently, the value of these future liabilities is calculated as a portion of the estimated future benefits, taking into account forecasted remuneration that forms the basis of their calculation. Discount Rate: The market yield on 10-year Polish treasury bonds as of December 31, 2024, was 5.8%. Long-Term Annual Wage Growth Rate: A nominal rate of 4.50% was assumed. The real (inflation-adjusted) growth rate was also assumed to be 4.5% for 2024, 2025, and subsequent years. Employee Turnover Probabilities: The estimated probabilities of employees leaving work as of December 31, 2024, were determined based on an analysis of the Company's historical data (considering factors such as age, gender, and length of service) and information regarding the labor market in Poland. Following consultations with the Company's representatives, the probabilities of employees resigning were adopted according to the table below:

employees employed	sex	age					
		20	30	40	50	60	65
for a fixed term	woman	12.0%	12.0%	8.8%	4.4%	0.0%	0.0%
	man	12.0%	12.0%	9.2%	5.5%	1.8%	0.0%
for an indefinite period	woman	12.0%	12.0%	8.8%	4.4%	0.0%	0.0%
	man	12.0%	12.0%	9.2%	5.5%	1.8%	0.0%

Nota 6.17. Deferred tax provisions

Deferred tax provisions	As of 01/01/2024	Change in balance (+/-) recorded in equity	Change in balance (+/-) included in the current period result	As of 31/12/2024
Derivatives valuation	-	1 194	-	1 194
Unrealized negative exchange rate differences - basic	859	-	(185)	674
Unrealized negative exchange rate differences - shares	-	-	-	-
Unrealized negative exchange rate differences - valuation of advances from previous years	-	-	-	-
Right-of-use liabilities IFRS 16	5 224	-	849	6 073
IFRS 15	-	-	-	-
Total	**6 083**	**1 194**	**664**	**7 941**

* As of the balance sheet date of 31.12.2024, the deferred tax provisions were offset against the estimated deferred tax assets

Deferred tax provisions	As of 01/01/2023	Change in balance (+/-) recorded in equity	Change in balance (+/-) included in the current period result	As of 31/12/2023
Derivatives valuation	-	-	-	-
Unrealized negative exchange rate differences - basic	142	-	717	859
Unrealized negative exchange rate differences - shares	-	-	-	-
Unrealized negative exchange rate differences - valuation of advances from previous years	-	-	-	-
Right-of-use liabilities IFRS 16	-	-	5 224	5 224
Total	**142**	**-**	**5 941**	**6 083**

* As of 31.12.2023, the deferred tax provisions were offset against the estimated deferred tax assets

Nota 6.18. Trade and other liabilities

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Trade and service liabilities	102 072	71 970
Payroll liabilities	6 253	5 736
Other liabilities - settlements for the purchase of shares and stocks	2 400	2 583
Other liabilities - documented after the balance sheet date	-	-
Dividend	-	29 104
Other liabilities - other	24 708	17 689
Total	**135 433**	**127 082**

Nota 6.19. Current tax liabilities

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Current tax liabilities		
Other	782	493
PIT income tax to be paid	1 969	1 646
CIT income tax payable	58 236	50 139
Social security	5 492	4 720
	66 479	**56 998**

Nota 6.20. Credit lines available as of December 31, 2024

The credit amount according to the agreement means the available credit limit.

Company name of the entity, indicating its legal form	Credit product	Headquarters	Credit/loan amount as per agreement		Amount of credit/loan remaining to be repaid (credit used)		Interest Rate Terms	Repayment date	Security
			PLN'000	Currency	PLN'000	Currency			
Bank Millennium S.A.	Revolving Credit Agreements	Warsaw	10,000	PLN	-	PLN	market	2025-06-29	voluntary waiver of execution, power of attorney for accounts, blank bill of exchange with declaration issued by the Company
Bank Millennium S.A.	Multi-product line agreement, including overdraft facility	Warsaw	45,000	PLN	-	PLN	market	2025-12-07	voluntary waiver of execution, power of attorney for accounts, blank bill of exchange with declaration issued by the Company
National Economy Bank	Multi-Purpose Line Agreement, including overdraft facility	Warsaw	15,000	PLN	-	PLN, USD, EUR	market	2026-01-31	power of attorney for accounts, voluntary waiver of enforcement, assignment of commercial receivables
Santander Bank Polska S.A.	Current Account and Currency Account Credit Agreement	Warsaw	30,000	PLN	-	PLN, USD, EUR	market	2025-06-30	voluntary waiver of execution, power of attorney for accounts, blank bill of exchange with a bill of exchange declaration issued by the Company
Santander Bank Polska S.A.	Revolving Credit Agreements	Warsaw	20,000	PLN	-	PLN, USD, EUR	market	2025-06-30	voluntary waiver of execution, power of attorney for accounts, blank bill of exchange with a bill of exchange declaration issued by the Company
	Total		**120,000**		**-**				

Amendments to the loan agreements can be found in Note 9.2

Nota 6.21. Credit lines held as at 31/12/2023

The credit amount according to the agreement means the available credit limit.

Company name of the entity, indicating its legal form	Credit product	Headquarters	Credit/loan amount as per agreement		Amount of credit/loan remaining to be repaid (credit used)		Interest Rate Terms	Repayment date	Security
			PLN'000	Currency	PLN'000	Currency			
Bank Millennium S.A.	revolving credit	Warsaw	10,000	PLN	-	PLN	market	2024-06-29	BGK liquidity guarantee for 80% of the loan amount, power of attorney to accounts, voluntary submission to enforcement.
Bank Millennium S.A.	overdraft*	Warsaw	45,000	PLN	-	PLN	market	2024-12-07	BGK liquidity guarantee for 80% of the limit amount, power of attorney to accounts, voluntary submission to enforcement.
National Economy Bank*	overdraft facility	Warsaw	30,000	PLN	1	PLN, USD, EUR	market	2024-01-31	Power of attorney for accounts, voluntary submission to enforcement
Santander Bank Polska S.A.	overdraft facility	Warsaw	20,000	PLN	-	PLN, USD, EUR	market	2024-11-10	BGK liquidity guarantee for 80% of the loan amount, assignment of receivables, power of attorney to accounts, voluntary submission to enforcement.
Santander Bank Polska S.A.	revolving credit	Warsaw	30,000	PLN	-	PLN, USD, EUR	market	2024-06-30	BGK liquidity guarantee for 80% of the loan amount, assignment of receivables, power of attorney to accounts, voluntary submission to enforcement.
	Total		**135,000**		**1**				

*Agreement No.: 9619/16/M/04 dated June 21, 2016 This agreement establishes a global limit of sixty million Polish złoty (PLN 60,000,000.00), which was valid until December 7, 2024. Within this global limit, the following facilities were available: Overdraft Facility: Forty-five million Polish złoty (PLN 45,000,000.00) with a maturity date of December 7, 2024. Bank Guarantee Line: A line of twenty-five million Polish złoty (PLN 25,000,000.00), also valid until December 7, 2024. . Any changes to these loan agreements is provided in Note 9.2 of this report

Nota 6.22. Other liabilities

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Liabilities to customers taken over by UFG	21,999	29 541
Commitments to customers	-	-
Other liabilities	-	12
Total	**21,999**	**29 553**
Short-term liabilities	7 543	7 555
Long-term liabilities	14 456	21 998
	21,999	**29 553**

As part of the Polish government's support measures to prevent, counteract, and combat COVID-19 and related crisis situations, a solution was implemented to provide preferential loans for the reimbursement of payments made by tour operator clients who withdrew from tourist events due to the SARS-CoV-2 coronavirus pandemic. These loans are financed from a dedicated fund (the Tourist Refund Fund) within the Insurance Guarantee Fund (UFG). 1 The UFG provides refunds to customers for cancelled trips, with a 7.5% contribution from tourism companies, based on applications submitted by both the tour operator and the customer.

The Company, as an eligible entity, submitted appropriate applications to the Tourist Guarantee Fund for the disbursement of funds to customers as refunds for advance payments. These refunds were for customers who withdrew from their tourist event contracts or whose contracts were terminated by the Company due to the SARS-CoV-2 coronavirus pandemic. The payments made by the Tourist Guarantee Fund on behalf of the Company constitute a form of financing – a loan granted by the Tourist Guarantee Fund. This loan is repayable in 72 equal monthly installments, commencing in December 2021, with the first installment due by December 31, 2021. Subsequent installments (excluding the first) are due by the 21st day of each month, starting from January 2022.

In connection with the Company's utilization of this aid instrument, the Company had an outstanding obligation to the Tourist Refund Fund at the Insurance Guarantee Fund (representing obligations to customers assumed by the Fund)

- As of December 31, 2024: PLN 21,999 thousand
- As of December 31, 2023: PLN 29,541 thousand

Nota 6.23. Deferred income

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Advances paid by customers *	451 038	348 848
	451 038	**348 848**
Short term	451 038	348 848
Long term	-	-
	451 038	**348 848**

* Advance payments received from customers for future tourist events

Nota 6.24. Book value per share

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Total equity capital	414 523	213 049
Total equity for calculating book value per share	**414 523**	**213 049**
Book value per share	28.49	14.64
Diluted book value per share	28.49	14.64
Weighted average number of common shares used to calculate earnings per share	14 552	14 552

Nota 6.25. Method of calculation of diluted number of shares

The average number of shares outstanding during a given calendar year is calculated by determining the arithmetic mean of the total number of the Company's shares registered in the register of entrepreneurs of the National Court Register on the last day of each month of the financial year. For both the financial years 2024 and 2023, the total number of the Company's shares remained constant at 14,552,000 shares.

7. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

Nota 7.1. Net sales revenues

The analysis of the entity's sales revenues for the current year and for continuing operations is as follows:

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Revenues from the sale of tourist events	4 015 398	3 247 361
Other revenues	6 363	4 427
	4 021 761	**3 251 788**

The Company recognizes sales revenue when its obligation to provide the service is fulfilled. In practice, the tourist services are rendered over a period of time. The Company identifies the completion of the tourist event as the point of fulfillment. However, due to the immaterial impact of recognizing revenue at the precise cut-off of reporting periods (for events that commence in one period and conclude in the subsequent one), the Company applies a practical simplification and recognizes the revenue on the first day the tourist event begins. For the sale of charter services (airplane seats), the revenue recognition date aligns with the date the air carrier performs the service.

In the course of its operations, the Company has not identified any variable remuneration factors that have a material impact on the recognized revenues. Furthermore, the Company does not have any deferred payment arrangements that necessitate discounting. Prepayments received for tourist events are also not subject to any specific or unique accounting treatment beyond standard revenue recognition principles.

Geographic information

The entity's revenues from external customers, segmented by operating areas and the geographical locations of the related assets:

Revenues from external customers	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Poland	**3 964 300**	**3 207 139**
Lithuania	2 052	2 037
The czech republic	19 164	12 443
Other	36 245	30 169
	4 021 761	**3 251 788**

Nota 7.2. Costs by type

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Depreciation	(15 305)	(14,256)
Consumption of raw materials and supplies	(5 615)	(5 434)
External services	(3 412 619)	(2 833 962)
Employee benefit costs	(146 721)	(122 744)
Taxes and fees	(6 434)	(6 840)
Other costs	(84 526)	(61,395)
Value of goods and materials sold	-	-
Total operating expenses	**(3 671 220)**	**(3 044 631)**
Cost of sales	(3 304 049)	(2 725 074)
Selling costs	(278 332)	(250 128)
Management costs	(88 839)	(69 429)
Total	**(3 671 220)**	**(3 044 631)**

Nota 7.3. Other operating income

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Gains from sale of assets:		
Profit from sale of fixed assets	80	56
Profits from the sale of investment properties	-	-
Reversed write-downs:		
The remaining	-	-
Other operating income:		
Other, including:	2 180	1 451
penalties and fines	83	73
compensation	-	66
cancellation of time-barred liabilities	166	7
complaints	327	228
vouchers	893	527
Other	711	550
	2 260	**1 507**

Nota 7.4. Other operating costs

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Losses on disposal of assets:		
Loss on sale of fixed assets	-	-
Write-downs created:		
Trade receivables	-	(572)
Accounts Receivable - Hotel Advances	(8 108)	-
Other operating costs:		
Other, including:	(3 148)	(3 451)
penalties and fines	(124)	(5)
donations	(62)	(38)
complaints	(1981)	(2,546)
value of re-invoiced goods and services in the purchase price	(468)	(287)
other	(513)	(575)
	(11,256)	**(4,023)**

Nota 7.5. Financial income

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Leasing revenues:		
Operating Lease Income	-	-
	-	-
Interest income:		
Bank deposits	15 234	14 737
Other loans and receivables	-	-
Dividends from capital investments	3 111	944
	18 345	15 681
Total	**18 345**	**15 681**

Financial revenues analyzed by asset category:	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Interest income		
Assets valued at amortized cost (including cash in hand and bank deposits and loans granted)	15 234	14 737
Profit from sale of financial investments	-	-
Financial income from non-financial assets	-	-
Dividend income from financial assets	3 111	944
Total	**18 345**	**15 681**

Nota 7.6. Financial costs

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Interest costs:		
Liabilities measured at amortized cost - interest on loans and overdrafts (excluding those received from related parties)	124	959
Liabilities measured at amortized cost - interest on finance lease liabilities	40	40
Other interest costs	138	24
Total interest costs	**302**	**1 023**
Minus: amounts included in the costs of assets that meet the capitalization requirements		-
	302	1 023
Other financial costs:		
Other financial costs - including:	12 513	11 553
tour operator guarantee costs	9 055	8 360
costs of credit products	1 726	1 821
Other discount	1 732	1 372
	12 815	**12 576**

Nota 7.7. Gain (loss) on the sale of all or part of shares in subordinated entities

In 2024 and 2023 the item did not occur.

Nota 7.8. Income tax

Income tax	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Gross profit (loss)	347 075	207 746
Permanent differences increasing the tax base	(669)	14 046
Temporary differences in the tax base:	9 252	61 333
Tax base	**355 658**	**283 125**
	19%	19%
Current tax	65 052	46 098
Deferred tax	3 016	(5 368)
Income tax shown in the account	**68 068**	**40 730**
Effective tax rate	**19.6%**	**19.6%**

Deferred tax	12 month period ended 31/12/2024	12 month period ended 31/12/2023

	PLN'000	PLN'000
Deferred tax assets	22 972	12 210
Deferred tax asset - settled by capital	(4 103)	3 331
Deferred tax asset - settled through profit or loss	(9 121)	13 372
Deferred tax provision - settled by capital	(664)	(5 941)
Deferred tax provision - settled through profit or loss	(1 194)	-
Deferred tax balance	**7 890**	**22 972**

Nota 7.9. Share of net profits (losses) of subsidiaries valued using the equity method

The Company does not perform valuation using the equity method.

Nota 7.10. Method of profit distribution / loss coverage

As of the date of approval of the publication of the Company's separate financial statements for the financial year 2024, for the twelve-month period ended on December 31, 2024 (As of April 17, 2025), the Management Board of the Company recommends that the net profit for the financial year 2024 (the twelve-month period ended December 31, 2024), amounting to two hundred seventy-nine million eight thousand five hundred seventy-one Polish złoty and nineteen groszy (**PLN 279,008,571.19),** be allocated as follows:

1) As of the date of approval for publication of the Company's separate financial statements for the financial year 2024, for the twelve-month period ended December 31, 2024 (April 17, 2025), the Management Board recommends allocating an amount specified in a "range," within the indicated limits (subject to a further decision by the Company's Management Board, contingent upon the development and fulfillment of scenarios regarding investment intentions planned within the Rainbow Tours Capital Group), specifically: from one hundred forty-five million five hundred twenty thousand Polish złoty (**PLN 145,520,000.00)** to one hundred seventy-four million six hundred twenty-four thousand Polish złoty (**PLN 174,624,000.00)** for the payment of a dividend to the Company's Shareholders. This translates to a unit dividend amount, also specified in a "range," within the indicated limits (subject to a further decision by the Company's Management Board, contingent upon the development and fulfillment of scenarios regarding investment intentions planned within the Rainbow Tours Capital Group): **from ten Polish złoty (PLN 10.00)** per share to twelve Polish złoty (PLN 12.00) per share. The dividend will cover 14,552,000 (fourteen million five hundred fifty-two thousand) shares, out of the total number of shares in the Company, which amounts to 14,552,000 (fourteen million five hundred fifty-two thousand) shares.

   whereby, considering the payment of an advance on the anticipated dividend from the net profit for 2024, which the Company made to its Shareholders during the reporting period of the 2024 financial year (and noting that no advance payments on the expected dividend from the net profit for the 2024 financial year were made in the period following the reporting period, up to the date of approval of this report for publication, i.e., April 17, 2025), specifically:

   - Considering the payment of an advance dividend to the Shareholders through the National Depository for Securities S.A. in Warsaw. This advance was based on the Company's net profit reported in the financial statements for the six-month period ended June 30, 2024, in accordance with Article 349 § 2, second sentence of the Commercial Companies Code. This payment was made in light of the fact that, as of the date of the relevant Management Board resolution (Resolution No. 2/10/24 of October 15, 2024, concerning the payment of an advance dividend from the Company's net profit achieved from the end of the previous financial year to June 30, 2024), the Company did not possess any reserve capital created from profit that the Management Board could allocate for advance dividend payments. Furthermore, there were no uncovered losses or treasury shares that would have reduced the amount of the Advance Payment. The Advance Payment was set at forty-eight million four hundred fifty-eight thousand one hundred sixty Polish złoty (PLN 48,458,160.00), representing three Polish złoty and thirty-three groszy (PLN 3.33) per share, and was made with the consent of the Company's Supervisory Board.

   the remaining dividend from the net profit for the 2024 financial year, for the twelve-month period ended December 31, 2024, will be paid to the Company's Shareholders in the total amount of (as at the date of approval for publication of the Company's separate financial statements for the 2024 financial year, for the twelve-month period ended December 31, 2024, i.e., as at April 17, 2025, determined in a "range," within the indicated limits, pending a further decision by the Company's Management Board, contingent upon the development and fulfillment of scenarios regarding investment intentions planned within the Rainbow Tours Capital Group) **from ninety-seven million sixty-one thousand eight hundred forty Polish złoty (PLN 97,061,840.00)** to **one hundred twenty-six million one hundred sixty-five thousand eight hundred forty Polish złoty (PLN 126,165,840.00)**, representing an additional amount determined in a "range," within the indicated limits (to be decided further by the Management Board of the Company, contingent upon the development and fulfillment of scenarios concerning investment intentions planned within the Rainbow Tours Capital Group): **from six Polish złoty and sixty-seven groszy (PLN 6.67)** per share to **eight Polish złoty and sixty-seven**

groszy (PLN 8.67) per share. This payment will cover 14,552,000 (fourteen million five hundred fifty-two thousand) shares, out of the total number of shares in the Company, which amounts to 14,552,000 (fourteen million five hundred fifty-two thousand) shares.

2) The remaining amount, determined within a "range" of indicated limits (pending a further decision by the Company's Management Board, contingent upon the development and fulfillment of scenarios concerning investment intentions planned within the Rainbow Tours Capital Group), specifically the amount **from one hundred four million three hundred eighty-four thousand five hundred seventy-one Polish złoty and nineteen groszy (PLN 104,384,571.19)** to **one hundred thirty-three million four hundred eighty-eight thousand five hundred seventy-one Polish złoty and nineteen groszy (PLN 133,488,571.19),** is recommended to be retained within the Company as retained earnings and allocated to the reserve capital.

As of the date of approval of the Company's separate financial statements for the 2024 financial year for publication (April 17, 2025), the Company's Management Board resolved to recommend determining the method of distributing the Company's net profit for the 2024 financial year, for the twelve-month period ended December 31, 2024, within a "range" of the aforementioned limits concerning the following amounts:

- Recommended total dividend from net profit for 2024: **from PLN 145,520,000.00** (one hundred forty-five million five hundred twenty thousand zlotys) **to PLN 174,624,000**.00 (one hundred seventy-four million six hundred twenty-four thousand zlotys).
- Recommended unit dividend from net profit for 2024: **from PLN 10.00** (ten zlotys) per share to **PLN 12.00** (twelve zlotys) per share.
- Recommended total dividend payment from net profit for 2024 (additional payment remaining after the advance dividend paid on December 5, 2024): **from PLN 97,061,840.00** (ninety-seven million sixty-one thousand eight hundred forty zlotys) **to PLN 126,165,840.00** (one hundred twenty-six million one hundred sixty-five thousand eight hundred forty zlotys).
- Recommended unit dividend payment from net profit for 2024 (additional unit amount remaining after the advance dividend paid on December 5, 2024): **from PLN 6.67** (six zlotys and sixty-seven groszy) per share **to PLN 8.67** (eight zlotys and sixty-seven groszy) per share.
- Recommended amount to be left in the Company as retained earnings and allocated to the reserve capital from the remaining net profit for 2024**: from PLN 104,384,571.19 (**one hundred four million three hundred eighty-four thousand five hundred seventy-one zlotys and nineteen groszy) to PLN **133,488,571.19** (one hundred thirty-three million four hundred eighty-eight thousand five hundred seventy-one zlotys and nineteen groszy).

The Management Board's decision to recommend the distribution of the Company's net profit for the financial year 2024 within the aforementioned "range" is driven by and directly related to the ongoing and temporally uncertain process of securing the necessary permits and administrative approvals for the planned expansion of the "White Olive Premium Lindos" hotel, which is owned by the Company's subsidiary, White Olive AE

The timely acquisition of these permits and approvals (anticipated within 1-2 months) may necessitate the Company, as the parent entity within the Rainbow Tours Capital Group, to reserve financial resources for the execution of this investment in 2025. Simultaneously, the Company aims to maintain a secure liquidity position. The estimated investment cost is approximately EUR 10 million net (around EUR 12.5 million gross). This situation dictates a potential constraint on the amount of the 2024 net profit allocated for dividend payments to Shareholders.

Consequently, the proposed dividend amount falls within the specified range: a smaller amount of the 2024 net profit would be allocated for dividends if the permits and approvals are obtained promptly, allowing for the investment to proceed in 2025. Conversely, a larger amount within the range would be considered for dividend distribution if delays occur in obtaining the necessary permits and a decision is made to postpone the investment until after the "Summer 2025" operating season of the hotel.

The "White Olive Premium Lindos" hotel (formerly known as "Pefkos Garden") is a 97-room, four-star establishment owned and managed by White Olive AE, situated in Pefkos on the Greek island of Rhodes. This hotel underwent significant renovations to its rooms and common areas during the winter of 2019/2020. In 2023, White Olive AE invested in Greece by acquiring three plots of land totaling 11,000 square meters, located in close proximity to the "White Olive Premium Lindos" hotel. The purpose of this acquisition is to expand the existing hotel by an additional 77 rooms, bringing the total number of rooms to 174, without requiring expansion of the existing infrastructure (common areas and kitchen facilities).

White Olive AE is in the advanced stages of securing the necessary permits and administrative approvals for this hotel expansion project. However, obtaining these approvals in a timely manner (within the next 1-2 months) is uncertain due to ongoing administrative processes in Greece. Consequently, the Company's potential involvement (as the parent entity in the Rainbow Tours Capital Group) in financing this investment may be deferred to later periods, specifically after the "Summer

2025" operating season of the hotel. This postponement would then allow for a larger portion (within the previously mentioned limits) of the 2024 net profit to be allocated for dividend payments to the Company's Shareholders.

The Management Board of the Company will make a final decision regarding the recommended method of distributing the 2024 net profit, including the specific amounts for dividend payment (total dividend, per-share dividend, and the remaining amount after the advance payment) and the amount to be retained as earnings allocated to reserve capital. This decision will be made immediately after obtaining the permits and administrative consents for the "White Olive Premium Lindos" hotel expansion, but no later than the date of publishing the announcement convening the Ordinary General Meeting of the Company, which will include draft resolutions such as the one concerning the distribution of the Company's net profit for the 2024 financial year

Detailed information regarding the advance dividend payment from the 2024 net profit, which the Company executed during the 2024 financial year, is provided below:

Advance payment on account of the expected dividend from net profit for the financial year 2024

The Management Board of the Company, acting in accordance with its resolution dated September 3, 2024, decided to commence the preparation and execution of an advance dividend payment to the Company's Shareholders. This advance was based on the anticipated dividend for the end of the 2024 financial year and was determined using the Company's net profit as reported in the financial statements for the six-month period ended June 30, 2024 (the first half of 2024).

Comprehensive details regarding this matter were disclosed to the public by the Company's Management Board in Current Report No. 47/2024, published on September 3, 2024.

The Management Board's decision to initiate the advance dividend payment process was based on the following considerations:

- the fact that in connection with the ongoing process of summarizing the Company's financial data for the preparation of the extended consolidated current report of the Rainbow Tours Capital Group for the first half of 2024, prior to the completion of the preparation process of the aforementioned extended consolidated current report of the Rainbow Tours Capital Group for the first half of 2024, selected preliminary standalone financial data of the Company for the first half of 2024 showed, among other things, as the Company informed in current report No. 44/2024 dated August 26, 2024, an increase in the value of sales revenues achieved in the first half of 2024 in the amount of (preliminary data as of the date of the Management Board's decision to commence the process of preparing and implementing the payment of an advance on the dividend to Shareholders) PLN 1,617.6 million (which represents a growth rate of approximately 28.0% in relation to the data for the comparable period of the first half of 2023, when sales revenues amounted to PLN 1,244.0 million) and showed the achievement of a net profit for the first half of 2024 in the amount of PLN 97.2 million (which represents a growth rate of 73.9% in relation to the data for the comparable period of the first half of 2023, when the Company recorded a net profit of PLN 55.9 million),
- Positive Current and Expected Future Business Conditions: The Company experienced and anticipated a favorable economic outlook and strong operational results. This included continuous growth in sales revenue (as communicated in various current reports throughout 2024: No. 8 on February 27, No. 13 on March 27, No. 16 on April 26, No. 20 on May 27, No. 32 on June 27, No. 40 on July 26, and No. 45 on August 27, 2024) and significant increases in pre-sales of the Company's tourist services. The Company regularly informed about these increases and the higher demand and value of implemented pre-sale offers in cyclical current reports on tourist event pre-sales (including No. 54/2023/KOREKTA of December 20, 2023; No. 9/2024 of March 5, 2024; No. 17/2024 of May 8, 2024; No. 24/2024 of June 5, 2024; No. 30/2024 of June 19, 2024; and No. 33/2024 of July 10, 2024). In the Management Board's view, these trends indicated improved profitability for the 2024 financial year, and the Company possessed adequate funds to pay an advance on the anticipated year-end dividend.
- The standalone financial statements for the previous financial year, 2023, reported a net profit of PLN 167,015,312.44. This was officially confirmed and approved by Resolution No. 6 concerning the approval of the standalone financial statements for 2023 and Resolution No. 8 regarding the distribution of the Company's net profit for 2023, both of which were adopted during the Ordinary General Meeting held on June 18, 2024.

The advance dividend payment to the Company's Shareholders was executed based on the authorization granted by § 28 section 6 of the Company's Articles of Association, and in accordance with the requirements and guidelines stipulated in Article 349 of the Commercial Companies Code.

The total amount of the advance dividend payment anticipated for the end of the 2024 financial year, intended for distribution to Shareholders and based on the Company's net profit reported in the financial statements for the six-month period ending June 30, 2024, was set at **forty-eight million, four hundred and fifty-eight thousand, one hundred and sixty Polish złoty (PLN 48,458,160.00)**, or three Polish złoty and thirty-three groszy (PLN 3.33) per share. This determination was made in accordance with Article 349 § 2, second sentence of the Commercial Companies Code, and considering that, at the time of the Management Board's decision, the Company had no distributable reserve capital from profit, no uncovered losses, and no treasury shares that would necessitate a reduction in the advance payment amount.

The advance dividend payment encompassed all of the Company's 14,552,000 shares. The financial statement serving as the basis for this advance payment was prepared as of June 30, 2024. The record date for determining shareholders entitled to the advance payment was November 28, 2024 (falling within seven days prior to the payment commencement date), and the advance payment was disbursed on December 5, 2024.

In compliance with Article 349 § 1 of the Commercial Companies Code and § 28 section 6, second sentence of the Company's Articles of Association, the advance dividend payment to Shareholders required the approval of the Company's Supervisory Board. This consent was granted by the Supervisory Board under the provisions of their Resolution No. 2/10/2024 dated October 16, 2024, *concerning the Supervisory Board's approval for the Management Board to pay an advance dividend to the Shareholders from the Company's net profit generated between the end of the previous financial year and June 30, 2024, towards the expected dividend for the end of the 2024 financial year.*

The advance dividend payment was executed through the National Depository for Securities S.A. in Warsaw.

Nota 7.11. Earnings per share

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN per share	PLN per share
Basic earnings per share:		
From continuing activities	19.17	11.48
From discontinued operations	-	-
Basic total earnings per share	19.17	11.48
Diluted earnings per share:		
From continuing activities	19.17	11.48
From discontinued operations	-	-
Total diluted earnings per share	19.17	11.48

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000
Profit for the financial year attributable to the shareholders of the entity	279 007	167 016
Earnings used to calculate basic earnings per share from continuing operations	**279 007**	**167 016**

	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	thousand pcs	thousand pcs
Weighted average number of common shares used to calculate earnings per share	14 552	14 552

Rules for calculating dividend per share:

The calculation of the total dividend amount and the resulting dividend per share is determined by the Management Board, taking into account the prevailing political and economic climate at the time of the final decision on net profit distribution (i.e., the date the Management Board submits its proposal to the Supervisory Board for their opinion). This includes consideration of any external factors beyond the Company's control that could impact its operations and the potential need for the Management Board to ensure the Company's safe and uninterrupted functioning, particularly its liquidity. In determining the proposed total dividend and per-share dividend amounts, the Management Board also considers the Company's economic environment, its potential investment needs, and the development plans of both the Company and its Capital Group. The calculation of the total dividend amount and the resulting dividend per share is determined by the Management Board, taking into account the prevailing political and economic climate at the time of the final decision on net profit distribution (i.e., the date the Management Board submits its proposal to the Supervisory Board for their opinion). This includes consideration of any external factors beyond the Company's control that could impact its operations and the potential need for the Management Board to ensure the Company's safe and uninterrupted functioning, particularly its liquidity.

In determining the proposed total dividend and per-share dividend amounts, the Management Board also considers the Company's economic environment, its potential investment needs, and the development plans of both the Company and its Capital Group.

Furthermore, when proposing the total dividend amount (and consequently, the per-share dividend), the Management Board takes into account the current potential holding of its own shares (treasury shares). This is due to Article 364 § 2 of the Commercial Companies Code, which stipulates that the Company does not exercise participation rights attached to its own shares, with the exception of the right to dispose of them or undertake actions to preserve these rights, including the right to collect dividends on its own shares.

8. ADDITIONAL NOTES TO THE FINANCIAL FLOW STATEMENT

Nota 8.1. Additional note to the statement of financial flows explaining balance sheet changes in relation to the amounts recognised in the statement of cash flows

	As of 31.12.2023	As of 31.12.2024	Balance sheet change	Exclusion of items that do not affect flows in this area	Adjustment of operating cash flows
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
(Increase) / decrease in current tax assets	4 511	5 555	1 044	4 103	5 147
Increase / (decrease) in current tax liabilities	56 998	66 479	9 481	(1 194)	8 287

Current tax	68 068
Tax paid	(8,719)
	59 349

Nota 8.2. Additional note to the statement of financial flows explaining balance sheet changes, showing changes in financial liabilities

	As of 31.12.2023	Cash flow (expenses)	Cash flow (income)	Non-monetary changes			As of 31.12.2024
				Increases	The effect of the currency translations	Changes in fair value	
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Long and short term loans	1	(1 140)	1 139	-	-	-	-
Lease liabilities IFRS 16	29 510	(12,951)	-	15 657	(251)	-	31 965
Lease obligations	379	(444)	-	489	-	-	424
Liabilities from financial activities	**29 890**	**(14,535)**	**1 139**	**16 146**	**(251)**	**-**	**32 389**

	As of 31.12.2022	Cash flow (expenses)	Cash flow (income)	Non-monetary changes			As of 31.12.2023
				Increases	The effect of the currency translations	Changes in fair value	
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
Long and short term loans	47 231	(59 461)	12 231	-	-	-	1
Lease liabilities IFRS 16	31 610	(13,509)	-	11,800	(1 763)	1 372	29 510
Lease obligations	573	(493)	-	334	-	(35)	379
Liabilities from financial activities	**79 414**	**(73 463)**	**12 231**	**12 134**	**(1 763)**	**1 337**	**29 890**

9. OTHER EXPLANATORY NOTES

Nota 9.1. Information on financial instruments and risk management principles

9.1.1. Capital Risk Management

The entity's capital management strategy aims to ensure the continuity of its operations and maximize returns for shareholders. The Company primarily secures financing for its ongoing and future activities, including investments and acquisitions, through financial markets, specifically via signed credit agreements. Additionally, the Company has the option to repurchase its own shares as a means of funding potential investment projects. The entity's overarching operational strategy has remained consistent since 2017. The entity's capital structure comprises debt (consisting of loans and liabilities, net of cash and cash equivalents) and equity (including issued shares, reserves, and retained earnings). Notably, at the close of 2024, the Company did not utilize external financing, a change from the situation at the end of 2023 when it had external debt in the form of loans. Should additional funding be required, the Company has the possibility of accessing funds from other companies within its Capital Group that possess surplus cash. The entity is not subject to externally imposed capital requirements, with the exception of the statutory reserve capital mandated by Article 396 §1 of the Commercial Companies Code. This regulation requires the creation of a reserve capital to cover potential losses, with an annual transfer of at least 8% of the profit until the reserve capital reaches a minimum of one-third of the share capital. This portion of the reserve capital (derived from retained earnings) is not available for distribution to shareholders.

9.1.2. Categories of financial instruments

	Categories of financial instruments	31/12/2024	31/12/2023
		PLN'000	PLN'000
and)	**Financial assets**	**337 852**	**305 548**
	Valued at amortized cost		
	Cash and other monetary assets	284 052	267 113
	Trade receivables	47 214	38 135
	Loans granted	300	300
	Measured at fair value through profit or loss	-	
	Derivative instruments in hedging relationships	6 286	-
b)	**Financial obligations**	**134 461**	**123 455**
	Measured at fair value through profit or loss	-	-
	Derivative instruments in hedging relationships	-	21 595
	Valued at amortized cost	-	-
	Trade payables	102 072	71 970
	Borrowings	-	1
	Lease liabilities	32 389	29 889

Fair value of financial assets and liabilities measured at fair value on an ongoing basis (disclosures of fair values are required):

	31/12/2024	31/12/2023
foreign exchange (FX) derivatives		
Financial assets	6 286	
foreign exchange (FX) derivatives		
Financial liabilities		21 595

Valuation techniques and basic input data used for fair value measurement.

Level 2	Currency derivatives - currency forwards and options	For symmetric currency forward transactions, the fair value was determined using a forward transaction valuation model. This model utilized the National Bank of Poland (NBP) exchange rates prevailing on the valuation date and the forward interest rates for the respective currencies involved in the transaction.

During both the current and comparable reporting periods, the Company did not transfer any financial instruments between Level 1 and Level 2 of the fair value hierarchy.

Fair value of financial assets and liabilities that are **not** measured at fair value on an ongoing basis (but for which fair value disclosures are required): Financial assets / liabilities.

	Value as of 31/12/2024	Value as of 31/12/2023
	PLN'000	PLN'000
Financial assets	**426 937**	**400 919**
Unlisted shares and stocks	95 371	95 371
Trade receivables	47 214	38 135
Loans granted	300	300
Cash and cash equivalents	284 052	267 113
Financial liabilities	**134 461**	**101 860**
Trade and other payables	102 072	71 970
Borrowings	-	1
Lease liabilities	32 389	29 889

The Company's financial instruments that are not measured at fair value on an ongoing basis, held as of December 31, 2024, and December 31, 2023, did not have fair values that differed significantly from their carrying amounts presented in the financial statements for those respective years. This is due to the following reasons:

- for short-term Instruments the potential impact of discounting future cash flows to present value is not material. (such as receivables and payables from deliveries and services, short-term loans granted, cash and cash equivalents, and other short-term liabilities)
- these instruments relate to transactions concluded on market terms (particularly interest-bearing receivables and liabilities).

9.1.3. Financial risk management objectives

The Finance Department, in collaboration with the Management Board, oversees access to both domestic and international financial markets and actively monitors and manages financial risks associated with the Company's operations. These risks primarily encompass market risk (with a focus on currency risk), credit risk, and liquidity risk. The entity's strategy to mitigate the impact of these risks includes: monitoring the currency market and strategically purchasing currencies at advantageous exchange rates, informed by analyses from external specialized advisory firms., analyzing and monitoring the creditworthiness of contractors (customers), securing sources of external financing to meet both current operational and investment needs. The Company also utilizes derivative instruments

9.1.4. Market risk

The Company's operations expose it to financial risks arising from fluctuations in exchange rates (as detailed in the "Currency risk management" section below) and, to a lesser degree, to interest rate risk. The Company's overall exposure to market risk and its approach to managing this risk have remained consistent. Notably, the Company does not employ quantifiable methods such as Value at Risk (VaR) to measure its risk exposure.

9.1.5. Currency risk management

When arranging tourist events, the Company typically invoices its contractors in foreign currencies, primarily Euro (EUR) or US Dollar (USD), while its sales to Polish customers are denominated in the local currency (Polish Złoty - PLN). Consequently, unfavorable movements in the exchange rates between the time the Company receives funds from customers and the time it pays its foreign suppliers can lead to a reduction in the Company's profitability and overall profits. Part of this currency risk exposure is mitigated within Rainbow Tours S.A. through a form of "natural" hedging, which arises from foreign currency sales revenues generated from intermediation activities (reselling charter flight seats to its contractors). The remaining portion of the currency risk exposure is managed using currency forward contracts and option corridors. The Company maintains and consistently applies a currency hedging policy to manage these risks.

The Company also faces currency risk related to fluctuations in the EUR exchange rate concerning the settlement of event costs. The risk associated with changes in both the EUR and USD exchange rates is partially reduced by advance payments made under the prepayment system utilized by service providers such as hoteliers and transport companies. The proportion of purchases denominated in EUR and USD is variable but remained relatively consistent in both 2023 and 2024, with approximately 49% in EUR and 51% in USD.

The Company is exposed to EUR and USD exchange rate risk in relation to payments for contracted and purchased services.

As of the balance sheet date, the value of the Company's assets (trade receivables, cash) and monetary liabilities (trade payables) denominated in foreign currencies is as follows:

	Currency positions	As of 31/12/2024	As of 31/12/2023
		PLN'000	PLN'000
and)	**Assets**	**569 081**	**347 278**
	USD in PLN	28 157	76 205
	EUR in PLN	540 924	271 073
b)	**Liabilities**	**36 645**	**63 849**
	USD in PLN	17 725	33 769
	EUR in PLN	18 920	30 [illegible]

9.1.6. Sensitivity to currency risk

The Company's primary exposure lies in the currency risks associated with the US Dollar (USD) and the Euro (EUR). The table below illustrates the entity's sensitivity to a 10% increase and a 10% decrease in the Polish Złoty (PLN) exchange rate against these foreign currencies.

The sensitivity analysis is limited to outstanding monetary items denominated in foreign currencies and adjusts the currency translation at the end of the reporting period to reflect a 10% change in exchange rates. This analysis encompasses trade receivables, trade payables, and cash balances held in foreign currencies.

As of the end of 2024, the value of EUR-denominated receivables exceeded the value of EUR-denominated liabilities. Consequently, a 10% appreciation of the EUR against the PLN would result in an increase in the Company's profit and equity. The situation for USD-denominated assets and liabilities at the end of 2024 was analogous, meaning a 10% appreciation of the USD against the PLN would also lead to an increase in profit and equity

	Impact of the change on the Company's result and capital	As of 31/12/2024	As of 31/12/2023
		PLN'000	PLN'000
and)	**The impact of currency depreciation**	**(53 243)**	**(28,343)**
	USD in PLN	(1,043)	(4 244)
	EUR in PLN	(52,200)	(24,099)
b)	**The impact of currency appreciation**	**53 243**	**28 343**
	USD in PLN	1 043	4 244
	EUR in PLN	52 200	24 099

The impact on capital is equal to the impact on profit or loss for the period.

9.1.7. Interest Rate Risk Management

The Company's exposure to interest rate risk is limited, primarily arising from the use of overdraft facilities. All credit agreements associated with these facilities have variable interest rates, which are determined based on the WIBOR 1M rate plus the bank's margin. The Company continuously monitors market conditions, and should interest rates rise, it will implement measures to minimize its exposure in this area. The entity's interest rate risk related to financial assets is discussed in detail within the section of this note dedicated to liquidity risk management. Furthermore, the changes in accounting standards effective as of the balance sheet date (December 31, 2024) concerning the reform of interest rate benchmarks (Phase 2) have no impact on these financial statements.

9.1.8. Credit Risk Management

Credit risk refers to the potential for financial loss to the Company resulting from the failure of its debtors to meet their obligations. The Company's primary exposure to credit risk arises in three main areas:

- Receivables from deliveries and services (trade receivables).
- Cash and bank deposits.
- Transactions involving derivative instruments.

The Management Board is responsible for overseeing credit risk management within the Company and ensuring adherence to the established credit risk policy. The monitoring of receivables is conducted continuously across all entities within the Rainbow Tours Capital Group. Regarding cash management, the Company invests surplus funds solely in secure instruments available through banking institutions. The credit risk associated with liquid funds is considered limited because the Company's counterparties are banks with high credit ratings from international rating agencies. In the Management Board's assessment, the carrying amount of financial assets in the form of loans and the Company's own receivables represents the maximum exposure to credit risk.

9.1.9. Credit risk protection

The Company actively monitors credit risk and employs security measures to mitigate credit risk associated with trade receivables. These measures include deposits paid by Agents and legal security provided by Agents. The carrying amount of liabilities related to these deposits remained constant at PLN 1,080 thousand as of both December 31, 2024, and December 31, 2023.

9.1.10. Liquidity Risk Management

The Company actively manages its financial liquidity. Its liquidity is supported by its sales model, which is primarily based on a prepayment system, and by securing working capital loans to cover potential liquidity shortfalls during periods of lower revenue. The Company maintains sufficient limits on liquidity instruments in the form of credit lines. Furthermore, significant emphasis is placed on the timely collection of the Company's outstanding receivables.

The ultimate responsibility for managing liquidity risk rests with the Management Board, which has established a comprehensive system for addressing short-term, medium-term, and long-term funding needs and overall liquidity management. The Company manages liquidity risk by maintaining an adequate level of reserve capital, readily available reserve credit lines, and through the continuous monitoring of both forecasted and actual cash flows.

<u>Liquidity and interest rate risk tables</u>

The following tables present the contractual maturities of the Company's financial liabilities (excluding derivatives) with agreed repayment dates as of the balance sheet date. These primarily include bank loans (lease liabilities are immaterial) and trade payables. Analyses conducted by the Company indicate its ability to settle these liabilities, considering its held financial assets and available credit lines.

Weighted average		Weighted average effective interest rate	up to 1 month	over 1 month up to 3 months	over 3 months up to 6 months	over 6 months to 1 year	over 1 year	Total
			PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
31.12.2024	Interest-free	0%	97 835	956	3 281	-	-	102 072
31.12.2024	Interest bearing	6.4%	-	-	-	-	-	-
31.12.2023	Interest-free	0%	61 242	2 653	1 756	978	5 341	71 970
31.12.2023	Interest bearing	6.4%	1	-	-	-	-	1

The following table presents the projected undiscounted maturities of the Company's non-derivative financial assets, excluding loans to subsidiaries, including any interest due. Trade receivables that are past their due date are categorized within the "Less than 1 month" time band.

Weighted average		Weighted average effective interest rate	up to 1 month	over 1 month up to 3 months	over 3 months up to 6 months	over 6 months to 1 year	over 1 year	Total
			PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
31.12.2024	Interest-free	0%	36 809	1 374	3 651	844	4 536	47 214
31.12.2023	Interest-free	0%	26 352	4 894	3 916	1 830	1 143	38 135

following table details the unused credit lines available to the Company as tools for mitigating liquidity risk:

Secured loans	31/12/2024	31/12/2023
	PLN'000	PLN'000
Amount used	0	1
Unused amount	120,000	134 999
Total	**120,000**	**135,000**

(data in PLN thousand, unless otherwise stated)

The following table presents the sensitivity analysis to interest rate risk for individual data as as of December 31, 2024, along with comparable data as of December 31, 2023.

Interest rate risk sensitivity analysis				6.4%	Weighted average effective interest rate			
				-	Amount of credit obligations as of 31/12/2024			
Change in interest rate decrease / change in interest stream				Estimated PA interest stream	Change in interest rate increase / change in interest stream			
-2%	-1.5%	-1%	-0.5%	6.4%	+0.5%	+1%	+1.5%	+2%
-	-	-	-	-	-	-	-	-

Interest rate risk sensitivity analysis				6.4%	Weighted average effective interest rate			
				1	Amount of credit obligations as of 31/12/2023			
Change in interest rate decrease / change in interest stream				Estimated PA interest stream	Change in interest rate increase / change in interest stream			
-2%	-1.5%	-1%	-0.5%	6.4%	+0.5%	+1%	+1.5%	+2%
-	-	-	-	-	-	-	-	-

9.1.11. Fair value measurement

In the opinion of the Company's Management Board, the carrying amounts of the financial assets and liabilities presented in the separate financial statements – specifically loans granted, receivables, and trade payables – are a reasonable approximation of their fair value. The fair values of these items are classified as Level 3 within the fair value hierarchy. This determination has been made using generally accepted valuation models based on discounted cash flow analysis, with the discount rate reflecting the credit risks of the counterparties being the most significant input data.

Nota 9.2. Financial obligations

As of December 31, 2024, the Company primarily collaborated with three banks to finance its operations. These banks provided credit limits and a limit for bank guarantees: Santander Bank Polska SA, Bank Millennium SA, Bank Gospodarstwa Krajowego (BGK).

In April 2018, the Company's subsidiaries, which are joint-stock companies under Greek law – namely Rainbow Hotels AE and White Olive AE – along with the Parent Company, entered into an Investment Credit Agreement with Bank Gospodarstwa Krajowego. The Company disclosed pertinent information regarding this agreement in its Current Reports ESPI No. 14/2018, dated April 4, 2018, and No. 15/2018, dated April 5, 2018. Under the terms of this agreement, the Company is a joint and several borrower, while the specific credit obligation that has been utilized is the responsibility of the special purpose vehicle, White Olive AE.

<u>Parent Company Financing:</u>

Bank Millennium S.A.

1. Multi-purpose line

On June 21, 2016, the Company entered into Agreement No. 9619/16/M/04 with Bank Millennium SA. Subsequently, under Annex No. A15/9619/16/M/04 to the multi-product line agreement No. 9619/16/M/04, concluded on December 8, 2024, the bank granted a global limit of PLN 45,000 thousand for the period spanning from December 8, 2024, to December 7, 2025. Within this overall limit, the Company has access to the following financial products:

a) A sub-limit of PLN 45,000 thousand for an overdraft facility, and/or
b) A sub-limit of PLN 25,000 thousand for bank guarantees.

Partial security for the repayment of the loan includes the transfer of ownership of funds (pursuant to Article 102 of the Banking Law) amounting to PLN 1,000 thousand, and a declaration of submission to direct enforcement from all property (pursuant to Article 777 § 1 item 5 of the Code of Civil Procedure) regarding the obligation to pay the Bank all amounts due under the Multi-Product Line Agreement and the guarantee. The interest rate was established at the prevailing market level, based on WIBOR 1M plus the bank's margin.

2. Revolving credit

On June 30, 2022, the Company entered into a Revolving Loan Agreement with Bank Millennium SA – No. 15386/22/475/04, securing financing in the amount of PLN 10,000 thousand. This agreement was subsequently amended on June 12, 2024, under annex No. A1/15386/22/475/04, extending the availability of the product until June 29, 2025. The revolving loan is secured by the Client's declaration of submission to direct enforcement from all property (pursuant to Article 777 § 1 item 5 of the Code of Civil Procedure) regarding the obligation to pay the Bank all sums due under the Agreement, as amended, up to a maximum amount of PLN 16,000 thousand.

As of December 31, 2024, the Company had not utilized the aforementioned revolving credit and overdraft facility. However, the total amount of guarantees issued was the equivalent of PLN 46,978 thousand. Within the limit granted under the multi-product line, bank guarantees amounted to the equivalent of PLN 17,620 thousand, while guarantees issued outside this limit totaled PLN 29,358 thousand.

As of December 31, 2023, the Company had also not utilized the revolving credit and overdraft facility. The total amount of guarantees issued at that time was the equivalent of PLN 43,388 thousand, with PLN 14,033 thousand within the multi-product line limit and PLN 29,358 thousand outside the limit

Bank Gospodarstwa Krajowego – Multi-Purpose Line, Framework Agreement for Concluding and Performing Derivative Transactions

On August 31, 2018, the Company entered into Multi-Purpose Line Agreement No. 4618-00453 with Bank Gospodarstwa Krajowego. Subsequently, on February 27, 2024, Annex No. 7 to this agreement increased the multi-purpose line limit to the equivalent of PLN 50,000 thousand (the "Limit Currency") for the period from the agreement's conclusion date until January 31, 2026. Within this overall limit, the credit sub-limit (overdraft) is capped at PLN 15,000 thousand, and the sub-limit for payment guarantees is capped at PLN 30,000 thousand, with the total utilization of all products not exceeding the PLN 50,000 thousand limit. The interest rate is set at market levels, based on the base rates WIBOR 1M, EURIBOR 1M, and CME Term SOFR 1M, plus the bank's margin. The multi-purpose line is secured by a registered pledge on the borrower's bank accounts, a declaration of submission to enforcement, an assignment of trade receivables, and a power of attorney to the borrower's bank accounts.

As of December 31, 2024, the Company had not utilized the current account credit facility but had used the bank guarantee limit up to PLN 30,000 thousand.

As of December 31, 2023, the Company had utilized the overdraft facility in an amount equivalent to PLN 1 thousand and had used the bank guarantee limit up to PLN 15,000 thousand.

Santander Bank Polska S.A.

1. Multiline Agreement

On October 10, 2018, the Company entered into a Multiline Agreement No. K00787/18 with Santander Bank Polska SA. In subsequent years, this original agreement was divided into the following separate agreements:

A. Multiline Agreement No. K00787/18a
B. Revolving Credit Agreement No. K00787/18b

A. Multiline Agreement No. K00787/18a

On June 28, 2024, the Company entered into Annex No. 7 with the bank, amending the Revolving Credit Agreement No. K00787/18a. Under this annex, the loan amount was increased from PLN 20,000,000 to PLN 30,000,000, and the availability of the credit line was extended until June 30, 2025. The Company has the option to incur debt under this loan in PLN, USD, or EUR. The interest rate applicable to the drawn credit is based on the respective one-month interbank deposit rates: WIBOR for PLN, EURIBOR for EUR, and SOFR for USD, plus the bank's margin. As per Annex No. 7, the loan is secured by the Company's declaration of submission to enforcement and a blank promissory note.

B. Revolving Credit Agreement No. K00787/18b

On June 28, 2024, the Company entered into Annex No. 3 with the bank, amending the Revolving Credit Agreement No. K00787/18b. Under this amendment, the loan amount was decreased from PLN 30,000,000 to PLN 20,000,000, and the availability of the credit line was agreed upon until June 30, 2025. The Company has the option to incur debt under this loan in PLN, USD, or EUR. The interest rate applicable to the drawn credit is based on the respective one-month interbank deposit rates: WIBOR for PLN, EURIBOR for EUR, and SOFR for USD, plus the bank's margin. As per Annex No. 3, the loan is secured by the Company's declaration of submission to enforcement and a blank promissory note.

2. Guarantee Limit Agreement

On July 9, 2024, according to Annex No. 8 to the MultiLine Agreement No. K00788/18 dated October 10, 2018 (as amended), the Company and the bank agreed to shorten the availability of that line until July 10, 2024. Simultaneously, they entered into

Guarantee Limit Agreement No. K00936/24, establishing a guarantee limit of PLN 30,000 thousand with an availability period until June 30, 2025. Agreement No. K00936/24 is secured by a declaration of submission to enforcement and a blank promissory note.

As of December 31, 2024, the Company had not utilized the overdraft facility or the revolving credit facility, while the guarantee limit was fully used in the amount of PLN 30,000 thousand.

As of December 31, 2023, the Company had not utilized the overdraft facility or the revolving credit facility and had not activated the bank guarantee limit under this specific agreement (K00936/24, as it was concluded later).

Nota 9.3. Data on off-balance sheet items, in particular contingent liabilities, including guarantees and sureties granted (including bills of exchange), with a separate section for those granted to related entities.

9.3.1. Derivatives Transaction Limits

The Company has established transaction limits that enable it to engage in both derivative and commodity derivative transactions. The Company utilizes derivative instruments, specifically entering into forward transactions, as a strategy to hedge its future currency flows.

Table. Value of treasury limits (in PLN thousand)

Bank	type	limit amount	valid until
		PLN'000	
Santander Bank Polska S.A.	transaction limit	40,000	2025-06-30
PKO Bank Polski SA	transaction limit	41 520	2025-03-11
Bank Millennium S.A.	transaction limit	40,000	2025-05-26
Alior Bank S.A.	transaction limit	40,000	2025-10-16

Table. Information on Open Derivative Contracts with expiration date on December 31, 2024 (in PLN thousand, and USD/EUR thousand where applicable)

Currency	Contracted amount in currency	Amount PLN on the contract execution date
USD	71 613	285 596
EUR	49 050	213 902

Table. Information on open contracts with the deadline for completion on 31.12.2023 in PLN thousand and respectively (if applicable) in USD thousand and EUR thousand:

Table. Information on Open Derivative Contracts with expiration date on of December 31, 2023 (in PLN thousand, and USD/EUR thousand where applicable)

Currency	Contracted amount in currency	Amount PLN on the contract execution date
USD	49,500	211 179
EUR	2 400	10 988

As of March 24, 2025, the Company held the following forward contracts for the purchase of USD and EUR currencies against PLN, with execution dates ranging from December 31, 2024, to September 2025:

Currency	Contracted amount in currency	Amount PLN on the contract execution date
USD	143 356	568 262
EUR	68 650	292 631

Table. Information on Open SWAP Commodity Contracts with Maturity After December 31, 2024

Currency	Contracted amount in tons	USD amount on the contract execution date
SWAP Commodity	42,500	31 050

Table. Information on Open SWAP Commodity Contracts with Maturity After December 31, 2023

Currency	Contracted amount in tons	USD amount on the contract execution date
SWAP Commodity	16,000	14 267

Table. Changes in Valuation of the Security Portfolio for Individual Reporting Periods (Excluding the Deferred Tax Effect)

Description	01/01/2024-31/12/2024	01/01/2023-31/12/2023
	PLN'000	PLN'000
Revaluation reserve as at the beginning of the period	(21,595)	(4,067)
creation of reserve for a specific purpose	-	-
other increases / decreases (valuation of currency hedging operations)	6 286	(21,595)
used on purpose	-	-
Reclassification to profit or loss – recognition in cost of sales	21 595	4 067
Reserve capital balance at the end of the period	6 286	(21,595)

9.3.2. Bank guarantees granted by banks in favour of Rainbow Tours SA contractors

The Company uses its available bank guarantee lines to arrange guarantees for the various contractors it works with at Rainbow Tours S.A. During 2024, the Company requested the issuance of guarantees totaling PLN 16,912 thousand, all within its established limits. The following table shows the details of the guarantees that were active as of December 31, 2024. For guarantees issued in currencies other than PLN, the amounts have been converted to PLN using the average exchange rate published by the National Bank of Poland (NBP) between December 29, 2023, and December 31, 2024.

Table. Status of issued guarantees as of 31.12.2024.

Bank issuing guarantees	Amount of guarantees issued
	PLN'000
Bank Millennium S.A.	46 978
National Economy Bank	30,000
Santander Bank Polska S.A.	30,000
Total	**106 978**

Table. Status of issued guarantees as of 31.12.2023.

Bank issuing guarantees	Amount of guarantees issued
	PLN'000
Bank Millennium S.A.	43 388
National Economy Bank	15,000
Total	**58 388**

9.3.3. Insurance guarantee provided by the Europa SA Insurance Company

<u>Guarantee Agreement No. GT 543/2023</u>

The GT 543/2023 Guarantee secures the repayment of claims resulting from events arising from contracts for participation in a tourist event and contracts for related tourist services concluded by the Obliged with travelers during the period of validity of the Guarantee, in accordance with the Act of 24 November 2017 on tourist events and related tourist services, in connection with the obligation to provide travelers in the event of its insolvency:

On August 30, 2023, the Company finalized an agreement, including a guarantee agreement, with Towarzystwo Ubezpieczeń Europa Spółka Akcyjna, an insurance company based in Wrocław (referred to as the "Guarantor"). As a result, the Guarantor issued an insurance guarantee (number GT 543/2023, also referred to as "Guarantee GT 543/2023" or the "Guarantee") for tour operators and those facilitating the purchase of related tourist services. The beneficiary of this guarantee is the Marshal of the Łódź Voivodeship, as well as every traveler who entered into an agreement with the Company during the Guarantee's validity period (collectively, the "Beneficiary").

The Guarantee was effective from September 17, 2023, to September 16, 2024. The total amount of the Guarantee provided to the Company (the "Guarantee Sum") was PLN 250,000,000, which was equivalent to EUR 53,437,072.50 based on the average euro exchange rate announced by the National Bank of Poland on January 2, 2023 (the first rate of the year of issuance), which was 1 euro = 4.6784 PLN.

Guarantee GT 543/2023 secures the repayment of claims arising from events related to contracts for participation in a tourist event and contracts for related tourist services that the Company concluded with travelers during the Guarantee's validity period. This is in accordance with the Act of November 24, 2017, on tourist events and related tourist services, specifically concerning the obligation to provide travelers with the following in the event of the Company's insolvency:

a) Covering the costs needed to continue the tourist event or to arrange travelers' return to their home country. This specifically includes transport and accommodation costs, and also reasonable expenses incurred by travelers if the Company fails to ensure the continuation or return as required.
b) Providing a refund for payments made for a tourist event or any paid service offered by someone helping with related tourist services. This applies if the event or service isn't or won't happen due to reasons caused by the Company or those acting on its behalf.
c) Refunding a portion of the payments made for a tourist event that corresponds to the part of the event that didn't or won't take place, or for each paid service offered by someone helping with related tourist services that corresponds to the part of the service that wasn't or won't be performed due to reasons caused by the Company or those acting on its behalf.

The Guarantee requires the Guarantor to pay out up to the total Guarantee Sum upon receiving a written payment request from the Beneficiary, provided all conditions outlined in the Guarantee document are met. Each payment made under the Guarantee reduces the Guarantor's liability by the amount paid, until the total Guarantee Sum is used up. If the Guarantor makes any payments to the Beneficiary based on the Guarantee (including any future amendments), the Company (Obligor) must reimburse the Guarantor for the paid amount, along with any costs the Guarantor incurred in fulfilling the Guarantee, within 7 days of receiving a payment demand from the Guarantor. Late payments will also incur statutory interest. The Company is obligated to repay the Guarantor the amount paid under the Guarantee (and any amendments), regardless of any objections it might have or raise regarding the validity of the payment made based on the Beneficiary's payment demand related to the Company's obligation covered by the Guarantee. The Guarantor has the right to use any amounts received from the Company under this Agreement to settle the Guarantor's claims against the Company arising from this Agreement, in the following order of priority: (1) statutory interest, (2) costs, and (3) the principal amount.

The Guarantor's claims for reimbursement of amounts paid to the Beneficiary under the Guarantee are secured by the following:

a) A cash deposit held in the bank account of Europa Insurance Company SA.
b) A joint mortgage, established by a notary, in the first available position on the fixed assets of Rainbow Tours SA, specifically the real estate located at ul. Piotrkowska 270 in Łódź, as recorded in the Land and Mortgage Register under the following numbers:: LD1M/00264242/0, LD1M/00264245/1, LD1M/00264246/8, LD1M/00264247/5, LD1M/00264248/2, LD1M/00264253/0, LD1M/00264254/7, LD1M/00264255/4, LD1M/00264257/8, LD1M/00264259/2, LD1M/00264263/3, LD1M/00264264/0, LD1M/00264266/4, LD1M/00187747/6, LD1M/00172644/6, LD1M/00273816/1, LD1M/00273817/8, LD1M/00273818/5, LD1M/00273819/2, LD1M/00273820/2, LD1M/00273822/6, LD1M/00273823/3, LD1M/00273824/0, LD1M/00273825/7, LD1M/00273826/4, LD1M/00273827/1, LD1M/00273843/9, LD1M/00273844/6, LD1M/00273847/7, LD1M/00273846/0, LD1M/00273845/3, LD1M/00272177/2, LD1M/00272179/6, LD1M/00272180/6, LD1M/00272181/3, LD1M/00272182/0, LD1M/00272183/7, LD1M/00272184/4, LD1M/00272185/1, LD1M/00272186/8, LD1M/00272187/5, LD1M/00272188/2, kept by the District Court for Łódź-Śródmieście in Łódź, XVI Court Register Division Perpetual; the mortgage security in question also constitutes security for: insurance guarantee No. GT 500/2021 of 10 September 2021 (with annex) and insurance guarantee No. GT 518/2022 of 14 September 2022 (with annexes);
c) A blank promissory note, endorsed with the phrase "without protest," accompanied by a promissory note declaration.
d) Bank guarantees that were issued prior to the date of this Guarantee, serving as security for insurance guarantees issued for earlier periods. It's noted that this form of security may be replaced, either fully or partially, by providing an additional cash deposit.

The total commission payable by the Company (Obligor) to the Guarantor for issuing the Guarantee was set at a market rate of PLN 5,500,000

Annex No. 1 to Guarantee Agreement No. 543/2023

On June 20, 2024, the Company entered into an annex with Towarzystwo Ubezpieczeń Europa Spółka Akcyjna, the Wrocław-based insurance company (referred to as the "Guarantor"). This annex pertained to the insurance guarantee agreement No. GT 543/2023, originally dated August 30, 2023. This agreement was established due to the Company's role as a tour operator and facilitator of related tourist services, with the Marshal of the Łódź Voivodeship (the "Beneficiary") and all travelers who contracted with the Company during the Guarantee's term also being beneficiaries. The annex specified the terms for the Guarantor's provision of the insurance guarantee (the "Guarantee") in accordance with the relevant articles of the Act of November 24, 2017, on tourist events and related tourist services, specifically addressing the obligation to protect travelers in the event of the Company's insolvency by:

a) Covering the necessary expenses for either continuing the tourist event or arranging the travelers' return home. This includes, notably, the costs of transportation and accommodation, as well as reasonable expenses incurred by the travelers themselves if the Company fails to ensure this continuation or return as required.
b) Providing refunds for payments made for a tourist event or any paid service from a business assisting with related tourist services. This applies if the tourist event or service has not occurred or will not occur due to reasons attributable to the Company or those acting on its behalf.

c) Refunding a portion of the payments made for a tourist event that corresponds to the part of the event that did not or will not take place, or for each paid service from a business assisting with related tourist services that corresponds to the part of the service that was not or will not be performed due to reasons attributable to the Company or those acting on its behalf.

Under the amendment to Guarantee Agreement No. GT 543/2023, the maximum liability of the Guarantor (the "Guarantee Sum") was increased from the original PLN 250,000,000 (equivalent to EUR 53,437,072.50, based on the NBP's initial euro exchange rate for 2023 of PLN 4.6784) to PLN 380,000,000 (equivalent to EUR 81,224,350.20), representing an increase of PLN 130,000,000 (equivalent to EUR 27,787,277.70).

This increase in the Guarantee Sum was driven by the anticipated growth in the Company's actual revenues compared to previous projections and to ensure compliance with the minimum guarantee amount requirements outlined in the Regulation of the Minister of Development and Finance dated December 27, 2017, concerning bank and insurance guarantees for tour operators and facilitators of related tourist services.

The increased guarantee amount of PLN 380,000,000 (equivalent to EUR 81,224,350.20) covers the repayment of claims arising from events related to contracts for tourist events and related tourist services concluded by the Company with travelers between June 20, 2024, and September 16, 2024, even if those events are not fulfilled within that period (plus a one-year post-event claim period).

To secure the Guarantor's claims for reimbursement of any payments made under the increased Guarantee Sum, the security arrangements were modified. This involved: increasing the security provided to the Guarantor (Europa Insurance Company SA) by establishing an additional bank guarantee or by making and maintaining an additional cash deposit in the Guarantor's bank account. Additionally, the Company and the Guarantor entered into an appropriate amendment to the Bill of Exchange Declaration related to the blank promissory note issued by the Company, specifying and detailing the declaration's content in light of the increased Guarantee Sum. In connection with this increase, the Company paid an additional commission to the Guarantor.

<u>Guarantee Agreement No. GT 574/2024</u>

On September 2, 2024, the Company (as the "Obligor") entered into an agreement, including a guarantee agreement, with Towarzystwo Ubezpieczeń Europa Spółka Akcyjna, an insurance company based in Wrocław (the "Guarantor"). Consequently, the Guarantor issued an insurance guarantee (number GT 574/2024, also referred to as "Guarantee GT 574/2024" or the "Guarantee") for tour operators and those facilitating the purchase of related tourist services. The beneficiary of this guarantee is the Marshal of the Łódź Voivodeship, as well as every traveler who entered into an agreement with the Company during the Guarantee's validity period (the "Beneficiary").

The Guarantee is effective from September 17, 2024, to September 16, 2025. The total amount of the Guarantee provided to the Company (the "Guarantee Sum") is PLN 380,000,000, which is equivalent to EUR 87,489,063.87 based on the average euro exchange rate announced by the National Bank of Poland on January 2, 2024 (the first rate of the year of issuance), which was 1 euro = 4.3434 PLN.

Guarantee GT 574/2024 secures the repayment of claims arising from events related to contracts for participation in a tourist event and contracts for related tourist services that the Company concluded with travelers during the Guarantee's validity period. This is in accordance with the Act of November 24, 2017, on tourist events and related tourist services (i.e., Journal of Laws of 2023, item 2211), specifically concerning the obligation to provide travelers with the following in the event of the Company's insolvency:

a) Covering the expenses needed to either continue the tourist event or arrange for the travelers' return to their home country. This specifically includes the costs of transportation and accommodation, as well as reasonable expenses incurred by the travelers if the Company fails to ensure this continuation or return as required.
b) Providing a refund for payments made for a tourist event or any paid service offered by someone assisting with related tourist services. This applies if the event or service has not occurred or will not occur due to reasons caused by the Company or those acting on its behalf.
c) Refunding a portion of the payments made for a tourist event that corresponds to the part of the event that did not or will not take place, or for each paid service offered by someone assisting with related tourist services that corresponds to the part of the service that was not or will not be performed due to reasons caused by the Company or those acting on its behalf.

he Guarantee requires the Guarantor to pay out funds, up to the total Guarantee Sum, upon receiving a written payment request from the Beneficiary, assuming all conditions specified in the Guarantee document are fulfilled. Every payment made under the Guarantee reduces the Guarantor's liability by the amount paid, until the entire Guarantee Sum is exhausted. If the Guarantor makes a payment to the Beneficiary based on the Guarantee (including any future amendments), the Company (Obligor) must reimburse the Guarantor for the amount paid, along with any related costs incurred by the Guarantor, within 7 days of receiving a payment demand. Late payments will also be subject to statutory interest. The Company is obligated to repay the Guarantor the amount paid under the Guarantee (and any amendments), irrespective of any objections it might have or raise concerning the validity of the payment made following the Beneficiary's payment instruction regarding the basis for claiming the Company's obligation covered by the Guarantee. The Guarantor has the right to use any funds received from the Company under this Agreement to settle the Guarantor's claims against the Company arising from this Agreement, in the following order of priority: (1) statutory interest, (2) costs, and (3) the principal amount.

The Guarantor's claims for reimbursement of amounts paid to the Beneficiary under the Guarantee are secured by the following:

a) Cash deposits held in the bank account of Europa Insurance Company SA.
b) A joint mortgage, established through a notary, in the first available position on the fixed assets of Rainbow Tours SA, specifically the property located at ul. Piotrkowska 270 in Łódź, as recorded in the Land and Mortgage Register under the following numbers: LD1M/00264242/0, LD1M/00264245/1, LD1M/00264246/8, LD1M/00264247/5, LD1M/00264248/2, LD1M/00264253/0, LD1M/00264254/7, LD1M/00264255/4, LD1M/00264257/8, LD1M/00264259/2, LD1M/00264263/3, LD1M/00264264/0, LD1M/00264266/4, LD1M/00187747/6, LD1M/00172644/6, LD1M/00273816/1, LD1M/00273817/8, LD1M/00273818/5, LD1M/00273819/2, LD1M/00273820/2, LD1M/00273822/6, LD1M/00273823/3, LD1M/00273824/0, LD1M/00273825/7, LD1M/00273826/4, LD1M/00273827/1, LD1M/00273843/9, LD1M/00273844/6, LD1M/00273847/7, LD1M/00273846/0, LD1M/00273845/3, LD1M/00272177/2, LD1M/00272179/6, LD1M/00272180/6, LD1M/00272181/3, LD1M/00272182/0, LD1M/00272183/7, LD1M/00272184/4, LD1M/00272185/1, LD1M/00272186/8, LD1M/00272187/5, LD1M/00272188/2 and LD1M/00134200/4, as registered by the District Court for Łódź-Śródmieście in Łódź, XVI Land and Mortgage Register Division. Notably, this mortgage also serves as security for insurance guarantee No. GT 543/2023 dated August 30, 2024, along with its annex.
c) An assignment of rights arising from the contract or insurance policy related to the Company's real estate located at ul. Piotrkowska 270 in Łódź.
d) A blank promissory note, endorsed with the phrase "without protest," accompanied by a promissory
e) The total commission payable by the Company (Obligor) to the Guarantor for issuing this Guarantee was set at the prevailing market rate.

9.3.4. Tax settlements

Tax regulations in Poland, covering areas like goods and services tax (VAT), corporate income tax (CIT), and personal income tax (PIT), frequently undergo changes. This often means there's a lack of established rules or legal precedents to refer to. Furthermore, the existing tax laws can be unclear, leading to differing interpretations among government bodies and between these bodies and businesses. Tax and other financial settlements (such as customs or foreign exchange) can be audited by authorities who have the power to impose significant penalties. Any additional liabilities identified during an audit must be paid along with interest.

In Poland, tax authorities can audit tax returns for up to five years. However, during this period, companies can offset any tax receivables against their current income tax obligations.

The Company believes that the tax liabilities reported in its financial statements are accurate for all tax years that are potentially subject to audit. This assessment is based on a thorough evaluation of various factors, including the interpretation of tax law and experience gained from previous years. Nevertheless, future events and circumstances could potentially impact the assessment of the accuracy of both current and past tax liabilities.

9.3.5. Contingent receivables

Before partnering with a new agent, the Company utilizes an external credit scoring system to evaluate their financial reliability. Based on this assessment, credit limits are established for the agent. These limits and the agent's credit score are reviewed twice annually. To further secure receivables, the Company also employs measures such as "blank" bills of exchange accompanied by a bill of exchange declaration, bank guarantees, and a deposit system.

9.3.6. Court cases

As of December 31, 2024, and continuing up to the date this report was approved for publication on April 17, 2025, the Company was involved in ongoing court proceedings against the contractor Verikios Grigorios & SIA EE. This dispute concerns payments related to tour operator contracts (part of the Company's regular business operations) for three hotels located in Greece. While the initial value of the dispute did not exceed 10% of the Company's equity based on the direct contractual settlements, this threshold was surpassed when additionally considering estimated contractual penalties for contracts concluded but not fulfilled by the contract.

The estimated total value of the dispute amounted to EUR 5,269,560. Based on rulings from the common court in the Republic of Greece, a decision was made to seize the contractor's assets and the personal assets of Verikios Grigorios, the company's shareholder and legal representative, up to this amount.

To avoid further enforcement costs, Rainbow Tours SA accepted an out-of-court settlement proposal from the defendants (the company and Verikios Grigorios). A private dispute/debt settlement agreement was signed on October 17, 2024, between

RTSA and the defendants, outlining a total payment of EUR 180,000 to be made in installments, with the final payment due on September 30, 2027.

Apart from this specific case, as of both December 31, 2024, and the report approval date of April 17, 2025, the Company was not involved in any other court or arbitration proceedings where the individual or total value of the dispute exceeded 10% of the Company's equity.

Nota 9.4. Information on revenues, costs and results of operations discontinued in the reporting period or planned to be discontinued in the following period

In 2024 and 2023 the transactions in question did not occur.

Nota 9.5. Information on the costs of producing fixed assets under construction and fixed assets for own needs

The Company does not manufacture fixed assets for its own use and has not capitalized any costs or other items directly associated with the acquisition of fixed asset

Nota 9.6. Information on incurred and planned capital expenditures in the next 12 months from the balance sheet date, including non-financial fixed assets

Investment expenditure incurred

In 2024, the Company incurred the following capital expenditures:

- Expenditures on new locations: PLN 1,860.0 thousand,
- Purchase of machinery and equipment: PLN 841.2 thousand
- Expenditures on the development of new programs: PLN 1,729.5 thousand

The Company did not incur any expenses related to environmental protection in 2024.

Planned investment outlays

In 2025, the Company anticipates investing approximately PLN 5,000 thousand in capital expenditures. These investments are earmarked for establishing new locations and acquiring additional machinery and equipment.

Based on the Company's operational profile, no specific expenditures related to environmental protection are anticipated.

Nota 9.7. Information on transactions with related parties concerning the transfer of rights and obligations

All sales transactions conducted with related parties were typical, routine, and directly related to the core business activities of the entities involved.

Table. Sales Transactions for Products and Services Between Entities of the Rainbow Tours Capital Group from 01.01.2024 to 31.12.2024 and in the comparable period from 01.01.2023 to 31.12.2023.

	Sales of services		Purchase of services	
	12 month period ended 31/12/2024	12 month period ended 31/12/2023	12 month period ended 31/12/2024	12 month period ended 31/12/2023
	PLN'000	PLN'000	PLN'000	PLN'000
White Olive AE	22 334	23 750	539	822
'White Olive Kos' Monoprosopi AE*	-	-	-	-
"My Way by Rainbow Tours" Sp. z o. o	241	553	-	-
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	40 535	28 718	7 872	6 687
"Rainbow Tours Spółka akcyjna - Torremolinos Branch" - Branch in Spain	-	-	-	-
"Rainbow Tours Spółka Akcyjna - Athens Branch" - Branch in Greece	-	-	-	-
Rainbow distribution sro **	2 392	-	-	-
Rainbow Tours S.A.	80 487	7 509	137 578	53 021
Total	**145 989**	**60 530**	**145 989**	**60 530**

*) On November 13, 2024, the subsidiary White Olive AE finalized a sales agreement as part of its ongoing investment activities. Through this agreement, White Olive AE acquired a block of shares representing 100% of the share capital and 100% of the voting rights at the General Meeting of a Greek company previously known as "Ellas Star Resorts Symmetoches" Monoprosopi Anonymi Etaireia. This Athens-based company (formerly part of the FTI Group tourism holding) held legal title to the hotel property previously named "Labranda Marine Aquapark," situated near Tigaki on the island of Kos, Greece. Subsequently, on December 19, 2024, the company's name was officially changed in the Greek commercial register (GEMI) to "White Olive Kos" Monoprosopi Anonymi Etaireia.

**) In the fourth quarter of 2023, Rainbow Tours SA established a new subsidiary in the Czech Republic. This entity is a limited liability company under Czech law operating under the name Rainbow distribuce s.r.o. Rainbow distribuce s.r.o. was officially registered and entered into the Commercial Register maintained by the Municipal Court in Prague (reference number: C 393007) on October 30, 2023, and was assigned the identification number: 198 68 839.

Table. Trade Receivables/Payables Between Rainbow Tours SA and Entities of the Rainbow Tours Capital Group as of December 31, 2024 and December 31, 2023 (PLN '000)

The following states occur at the end of the reporting period:	Amounts owed by related parties		Amounts payable to related parties	
	As of 31/12/2024	As of 31/12/2023	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000	PLN'000	PLN'000
White Olive AE	5 362	459	120 055	27 082
'White Olive Kos' Monoprosopi AE*	-	-	4 700	-
" My Way by Rainbow Tours" Sp. z o. o	-	78	-	-
Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS	-	-	1 533	2 476
"Rainbow Tours Spółka Akcyjna - Torremolinos Branch" - Branch in Spain	-	-	-	-
"Rainbow Tours Spółka Akcyjna - Athens Branch" - Branch in Greece	-	-	-	-
Rainbow distribution sro **	-	-	-	-
Rainbow Tours S.A.	137 341	29 558	16 415	537
Total	**142 703**	**30 095**	**142 703**	**30 095**

*) On November 13, 2024, as part of its ongoing investment activities, the subsidiary White Olive AE entered into a sales agreement. This agreement resulted in White Olive AE acquiring 100% of the share capital and voting rights of a Greek company formerly known as "Ellas Star Resorts Symmetoches" Monoprosopi Anonymi Etaireia, based in Athens, Greece. This company (previously part of the FTI Group tourism holding) held the legal title to the hotel property previously named "Labranda Marine Aquapark," located near Tigaki on the island of Kos, Greece. Subsequently, on December 19, 2024, the Greek commercial register (GEMI) recorded the change of the company's name to "White Olive Kos" Monoprosopi Anonymi Etaireia.

**) In the fourth quarter of 2023, Rainbow Tours SA established a new subsidiary in the Czech Republic, a limited liability company operating under the name Rainbow distribuce s.r.o. This subsidiary was registered in the Commercial Register maintained by the Municipal Court in Prague (reference number: C 393007) on October 30, 2023, and was assigned the identification number: 198 68 839.

Loans granted to related entities:

	As of 31/12/2024	As of 31/12/2023
	PLN'000	PLN'000
Loans granted to a subsidiary	300	300

Besides the transactions already described, there were no other significant transactions involving individuals closely related to the Company during the reporting period.

Nota 9.8. Information about joint ventures that are not subject to consolidation

The Company prepares consolidated financial statements, which include details of all mutual transactions and balances with other companies within the Capital Group. As of both December 31, 2023, and December 31, 2024, the Company did not have any joint ventures under agreements that would require consolidation.

Nota 9.9. Information on average employment, broken down by professional group

a) Average employment in full-time positions:

Employees	2024	2023
Blue-collar worker	1	1
White-collar worker	792.88	734.86
Total	**793.88**	**735.86**

(data in PLN thousand, unless otherwise stated)

b) Average employment in persons :

Employees	2024	2023
Blue-collar worker	1	1
White-collar worker	806.39	745.22
Total	**807.39**	**746.22**

Nota 9.10. Compensation Paid or Payable to Key Management Personnel of the Issuer and Members of the Governing Bodies of Subsidiaries.

The guidelines and structure for determining the compensation of the Company's Management Board and Supervisory Board members are outlined in the "Remuneration Policy for Members of the Management Board and Supervisory Board of Rainbow Tours Spółka Akcyjna" (the "Policy"). This Policy applies to individuals serving on the Management Board, which is the Company's executive body, in roles such as President, Vice-President, and Member. It also applies to individuals on the Supervisory Board, the Company's oversight body, in positions including Chairman, Vice-Chairman, Secretary, and Member, as well as those serving on committees established within the Supervisory Board.

The Policy was developed and implemented for use within the Company based on the regulations outlined in Chapter 4a ("Remuneration Policy and Remuneration Report") of the Act of July 29, 2005, concerning public offerings and the conditions for introducing financial instruments to an organized trading system and public companies. It also considers the principles set forth in Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017, amending Directive 2007/36/EC to encourage long-term shareholder engagement. Furthermore, the Company aims to apply and adhere, to the fullest extent possible, to the corporate governance principles detailed in the "Best Practices of GPW Listed Companies 2016" (or any subsequent version) and the European Commission Recommendation (EU) of December 14, 2004 (2004/913/EC) promoting an appropriate remuneration system for directors of listed companies, along with the supplementing Commission Recommendation (EU) of April 30, 2009 (2009/385/EC).

The Management Board is responsible for preparing the initial draft of the Policy and any subsequent amendments. This draft is then reviewed by the Supervisory Board, which provides its opinion and may introduce changes. The Supervisory Board, or a designated member thereof, then submits the Policy to the General Meeting of shareholders. Ultimately, the General Meeting holds the authority to determine and approve the final version of the Policy through a resolution.

The currently effective Remuneration Policy was initially drafted by the Management Board under Resolution No. 01/07/20 dated July 27, 2020. It was subsequently reviewed and approved by the Supervisory Board via Resolution No. 2/07/2020 dated July 29, 2020. The General Meeting of the Company formally adopted this Policy through Resolution No. 25 on August 25, 2020 (as documented in notarial deed Rep. A No. 3833/2020 by Notary Anna Bald in Łódź), and its provisions became effective on that date. Upon the Policy's enactment, the previous "Remuneration Policy for members of the management body of Rainbow Tours Spółka Akcyjna," adopted by Supervisory Board Resolution No. 04/12/2016 dated December 20, 2016 (as amended), ceased to be in effect, subject to the transitional provisions outlined in § 16 sections 4 and 5 of the new Policy.

The General Meeting further adopted amendments to the "Remuneration Policy for members of the Management Board and Supervisory Board of Rainbow Tours Spółka Akcyjna" through Resolution No. 38 at the Annual General Meeting on June 30, 2021, and a consolidated version of the amended Policy was also adopted. Details of the resolutions passed during the Annual General Meeting on June 30, 2021, along with related documents, were publicly disclosed in Current Report ESPI No. 10/2021 dated June 30, 2021.

Further changes to the Remuneration Policy were adopted by the General Meeting through Resolution No. 31 at the Annual General Meeting on June 30, 2022, and a unified text of the revised Policy was also adopted. Information regarding the resolutions adopted during the Annual General Meeting on June 30, 2022, along with relevant documents, was made public in Current Report ESPI No. 17/2022 dated June 30, 2022.

The Company publishes the current consolidated text of the "Remuneration Policy of the Members of the Management Board and Supervisory Board of Rainbow Tours Spółka Akcyjna," along with the relevant resolutions concerning the policy, their adoption dates, and voting results, on its investor relations website under the "Corporate Governance/Company Documents" section.

(data in PLN thousand, unless otherwise stated)

Remuneration of Members of the Company's Governing Bodies (Management Board and Supervisory Board) for the Year Ended December 31, 2024.

Table. Gross remuneration of the Management Board members due and paid in 2024 [in PLN]

Payment title	Fixed salary under an employment contract at Rainbow Tours SA		Fixed remuneration for serving on the Management Board of Rainbow Tours SA		Variable remuneration (bonuses – awards) at Rainbow Tours SA		Total	
Person	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Piotr Burwicz	244 800	244 800	-	-	4 991 994	5 071 238	5 236 794	5 316 038
Aleksandra Piwko-Susik *	183,000	181 500	-	-	2 196 794	2 219 884	2 379 794	2 401 384
Jakub Puchałka	124 800	124 800	120,000	120,000	4 991 994	5 071 238	5 236 794	5 316 038
Maciej Szczechura	271 200	271 200	-	-	6 333 294	6 416 080	6 604 494	6 687 280
Grzegorz Baszczyński **	-	-	-	-	396 662	396 662	396 662	396 662
Total	**823 800**	**822 300**	**120,000**	**120,000**	**18 910 738**	**19 175 102**	**19 854 538**	**20 117 402**

**) In 2024, Ms. Aleksandra Piwko-Susik served on the Company's Management Board starting from July 1, 2024. She was appointed as a Member of the Management Board under the provisions of Supervisory Board Resolution No. 2/06/2024 dated June 7, 2024. This appointment was made in conjunction with a separate Supervisory Board resolution on the same date, which set the size of the Company's current, fourth, joint, five-year term Management Board at four individuals. Consequently, effective July 1, 2024, Ms. Aleksandra Piwko-Susik was appointed to the Management Board for this term, holding the position of Member of the Management Board. Prior to this appointment in 2024, specifically from January 1, 2024, to June 30, 2024, Ms. Aleksandra Piwko-Susik held the position of Operations Director at Rainbow Tours SA.*

***) In 2024, Mr. Grzegorz Baszczyński did not serve on the Management Board (he held the position of President of the Management Board until June 30, 2023, and was appointed to the Supervisory Board starting from July 1, 2023). However, in 2024, he received remuneration in the form of an annual bonus for 2023. This bonus was settled and approved by the Supervisory Board based on the approved consolidated financial statements of the Rainbow Tours Capital Group for 2023 (according to the provisions of Resolution No. 7 of the Ordinary General Meeting of the Company dated June 18, 2024). He also received payment related to the settlement of the total achievement of bonus targets set for the six-month period of calendar year 2023 regarding his monthly bonus. This determination of the final total monthly bonus due to Mr. Grzegorz Baszczyński for that six-month period and the resulting underpayment settlement was approved by the Supervisory Board based on the approved separate financial statements of the Company for 2023 (according to the provisions of Resolution No. 6 of the Ordinary General Meeting of the Company dated June 18, 2024).*

Table. Gross remuneration of members of the Supervisory Board of the Company due and paid in 2024 [in PLN]

Payment title	Fixed remuneration for serving on the Supervisory Board and in committees of the Supervisory Board of Rainbow Tours SA		Fixed salary under an employment contract at Rainbow Tours SA		Total	
Person	Due	Paid	Due	Paid	Due	Paid
Grzegorz Baszczyński	746 926	740 451	-	-	746 926	740 451
Thomas Czapla	746 926	740 451	-	-	746 926	740 451
Monika Kulesza	60,000	60,000	-	-	60,000	60,000
Monika Ostruszka	60,000	60,000	-	-	60,000	60,000
Joanna Stepien-Andrzejewska	60,000	60,000	-	-	60,000	60,000
Remigiusz Talarek	746 926	740 451	-	-	746 926	740 451
Paul Walczak *****	72,000	72,000	180,000	180,000	252,000	252,000
Total	**2 492 778**	**2 473 354**	**180,000**	**180,000**	**2 672 778**	**2 653 354**

**) Mr. Paweł Walczak, despite being a member of the Supervisory Board, has also held a position as a lower-level employee within the Company since November 1, 2016. His role is Investor Relations Consultant, where he is responsible for providing consultation, cooperation, and support to the investor relations, financial, and accounting departments. Mr. Paweł Walczak does not meet at least one of the independence criteria outlined in: § 24 of the Company's Articles of Association, corporate governance principle no. 2.3 within the "Best Practices of GPW Listed Companies 2021," the Act of May 11, 2017, on auditors, audit firms, and public supervision, and Annex II to the EU Commission Recommendation 2005/162/EC. Consequently, he does not possess the required status of an independent member of the Supervisory Board of Rainbow Tours SA.*

Compensation of Key Management Personnel - Members of the Management Board and Supervisory Board - for the Year Ended December 31, 2023.

Table. Gross remuneration of the Management Board members due and paid in 2023 [in PLN]

Payment title	Fixed salary under an employment contract at Rainbow Tours SA		Fixed remuneration for serving on the Management Board of Rainbow Tours SA		Variable remuneration (bonuses – awards) at Rainbow Tours SA		Total	
Person	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Grzegorz Baszczyński *	87 216	101 752	150,000	175,000	2 690 366	2 742 009	2 927 582	3 018 761

(data in PLN thousand, unless otherwise stated)

Payment title	Fixed salary under an employment contract at Rainbow Tours SA		Fixed remuneration for serving on the Management Board of Rainbow Tours SA		Variable remuneration (bonuses – awards) at Rainbow Tours SA		Total	
Person	Due	Paid	Due	Paid	Due	Paid	Due	Paid
Piotr Burwicz	244 800	245 529	-	-	3 049 539	2 863 134	3 294 339	3 108 663
Jakub Puchałka	124 800	124 800	120,000	120,000	3 049 539	2 863 134	3 294 339	3 107 934
Maciej Szczechura	249,000	245 300	-	-	3 335 640	3 106 709	3 584 640	3 352 009
Tota	**705 816**	**717 381**	**270,000**	**295,000**	**12 125 084**	**11 574 986**	**13 100 900**	**12 587 367**

**) The remuneration details for Mr. Grzegorz Baszczyński presented in the aforementioned table exclusively pertain to his role as a member and President of the Management Board of the Company. He served as President of the Management Board during the period from January 1, 2023, to June 30, 2023. Subsequently, starting from July 1, 2023, Mr. Grzegorz Baszczyński was appointed to the Supervisory Board of the Company, where he served as a member from July 1, 2023, to December 31, 2023.*

Table. Gross remuneration of the members of the Supervisory Board of the Company due and paid in 2023 [in PLN]

Payment title	Fixed remuneration for serving on the Supervisory Board and in committees of the Supervisory Board of Rainbow Tours SA		Fixed salary under an employment contract at Rainbow Tours SA		Total	
Person	Due	Paid	Due	Paid	Due	Paid
Grzegorz Baszczyński *	334 615	278 846	-	-	334 615	278 846
Thomas Czapla	631 153	620 022	-	-	631 153	620 022
Monika Kulesza	60,000	60,000	-	-	60,000	60,000
Pawel Niewiadomski **	30,000	35,000	-	-	30,000	35,000
Monika Ostruszka ***	30,000	25,000	-	-	30,000	25,000
Paul Pietras ****	30,000	25,000	-	-	30,000	25,000
Joanna Stepien-Andrzejewska	60,000	60,000	-	-	60,000	60,000
Remigiusz Talarek	631 153	620 022	-	-	631 153	620 022
Paul Walczak *****	72,000	72,000	180,000	180,000	252,000	252,000
Total	**1 878 921**	**1 795 890**	**180,000**	**180,000**	**2 058 921**	**1 975 890**

**) The remuneration details for Mr. Grzegorz Baszczyński presented in the aforementioned table exclusively represent the compensation he received for his membership on the Supervisory Board of the Company and for serving as a Member of the Supervisory Board and its Committees. In 2023, Mr. Baszczyński held the position of President of the Management Board from January 1, 2023, to June 30, 2023. Subsequently, starting from July 1, 2023, he was appointed to the Supervisory Board of the Company and served as a Member of the Supervisory Board from July 1, 2023, to December 31, 2023.*

***) Mr. Paweł Niewiadomski held the position of Vice-Chairman of the Supervisory Board of the Company from January 1, 2023, to June 30, 2023. Pursuant to Resolution No. 22 of the Ordinary General Meeting of the Company dated June 28, 2023, the General Meeting decided to dismiss Mr. Paweł Niewiadomski from the Supervisory Board at the end of June 30, 2023.*

****) Ms. Monika Ostruszka served as a Member of the Supervisory Board of the Company from July 1, 2023, to December 31, 2023. According to Resolution No. 25 of the Ordinary General Meeting of the Company dated June 28, 2023, the General Meeting decided to appoint Ms. Monika Ostruszka to the Supervisory Board for its seventh, joint, three-year term of office, effective July 1, 2023.*

*****) Mr. Paweł Pietras served as a Member of the Supervisory Board of the Company from January 1, 2023, to June 30, 2023. Pursuant to Resolution No. 23 of the Ordinary General Meeting of the Company dated June 28, 2023, the General Meeting decided to dismiss Mr. Paweł Pietras from the Supervisory Board at the end of June 30, 2023.*

******) Mr. Paweł Walczak, despite his position on the Supervisory Board, has held a lower-level employee status within the Company as an Investor Relations Consultant since November 1, 2016. In this role, he is responsible for consultations, cooperation, and support for the investor relations, financial, and accounting departments. Mr. Paweł Walczak does not meet at least one of the independence criteria specified in: § 24 of the Company's Articles of Association, corporate governance principle no. 2.3 of the "Best Practices of GPW Listed Companies 2021," the Act of May 11, 2017, on statutory auditors, audit firms, and public supervision, and Annex II of the EU Commission Recommendation 2005/162/EC. Therefore, he does not have the status required for an independent member of the Supervisory Board of Rainbow Tours SA.*

Nota 9.11. Significant events from previous years affecting the current period's financial statements

During the 2024 reporting period, no significant events occurred that pertained to prior years and would necessitate specific disclosure in the 2024 financial results.

Nota 9.12. Inflation-adjusted financial statements

The financial report did not require any adjustments to account for the effects of inflation.

Nota 9.13. Differences arising from restatement of prior period financial statements.

Not applicable. The company has not previously disclosed its financial data.

Nota 9.14. Changes in accounting policies and presentation: reasons, titles, and retrospective impact on assets, financial position, liquidity, financial result, and profitability.

In preparing this report, the Company consistently applied the same accounting principles (policy) and methods for financial statement preparation as in the previous financial year(s), without any changes.

Nota 9.15. Correction of prior period errors: nature, causes, and impact on financial statements

The Company that the presentation of the financial data as of December 31, 2024, remained consistent with prior periods, and no changes in presentation were implemented

Nota 9.16. Going concern uncertainty: risks and mitigation

These separate financial statements have been prepared based on the assumption that both the Company and the Capital Group will continue their operations as going concerns in the foreseeable future. Currently, the Company does not foresee any significant threats to its future business continuity, even when considering the ongoing conflict and warfare initiated by the Russian Federation in Ukraine.

Detailed information regarding the Company's and the Capital Group's assessment and assumptions about their ability to continue as going concerns can be found in Part III, section 3.4, of these separate financial statements of Rainbow Tours S.A. for the financial year 2024, under the heading "Going Concern."

Furthermore, information concerning the potential impact of the political and economic situation resulting from the armed conflicts in Ukraine and the Gaza Strip on the Company's operations is presented in Part III, section 3.5, of these separate financial statements of Rainbow Tours SA for the 2024 financial year, entitled "Potential impact of the political and economic situation related to the armed conflicts in Ukraine and the Gaza Strip on the Company's operations."

Nota 9.17. Preparation of consolidated financial statements

The Company prepares and publishes consolidated financial statements. The following entities are included in the consolidation for 2024:

- "My Way by Rainbow Tours" Sp. z o. o. with its registered office in Łódź,
- White Olive AE with its registered office in Athens [joint stock company incorporated under Greek law],
- White Olive Kos Monoprosopi AE (previously: " Ellas Star Resorts Symmetoches " Monoprosopi AE) with its registered office in Athens [joint stock company incorporated under Greek law] – a direct subsidiary of White Olive AE; an indirect subsidiary of Rainbow Tours SA,
- Rainbow Tours Destination Services Turkey Turizm Ve Seyahat Hizmetleri AS with its registered office in Alanya [a joint stock company incorporated under Turkish law],
- Rainbow distribuce s.r.o. with its registered office in Prague [a limited liability company incorporated under Czech law].

Nota 9.18. Changes in financial statement presentation

There are no changes in the presentation of assets in these financial statements.

10. EVENTS AFTER THE BALANCE SHEET DATE

Alterations to the Rights Associated with the Issuer's Securities Arising from the Conversion of Series A and C1 of Preferred Registered Shares into Ordinary Bearer Shares.

Between the end of the reporting period and the approval date of this report for publication (April 17, 2025), the Company's Management Board acted upon shareholder requests submitted on March 26, 2025, to convert a total of 2,465,000 (two million four hundred sixty-five thousand) registered preference shares with voting rights into ordinary bearer shares. The Company announced the submission of these requests in Current Report No. 6/2025 on March 26, 2025. This action was taken based on:

- A request from Flyoo Spółka z o. o., headquartered in Łódź (a subsidiary of Mr. Grzegorz Baszczyński, a member of the Company's Supervisory Board), to convert 855,000 of the Company's series A preferred registered shares into bearer shares.
- A request from Aironi Quattro Family Foundation, based in Stobnica, Ręczno commune (a subsidiary of Mr. Tomasz Czapla, a member of the Company's Supervisory Board), to convert 700,000 of the Company's series A preferred registered shares into bearer shares.
- A request from Elephant Rock Family Foundation, headquartered in Łódź (a subsidiary of Mr. Remigiusz Talarek, a member of the Company's Supervisory Board), to convert 700,000 of the Company's series A preferred registered shares into bearer shares.
- A request from the shareholder Mr. Sławomir Wysmyk to convert 210,000 of the Company's series C1 preferred registered shares into bearer shares.

pursuant to Article 334 § 2 of the Commercial Companies Code, the Management Board of the Company, in accordance with its resolution dated March 27, 2025, resolved to convert a total of 2,465,000 registered preference shares into ordinary bearer shares on March 27, 2025, as follows:

1) to carry out the conversion into ordinary bearer shares of a total of 2,255,000 units of series A preferred registered shares ("Series A Shares") of the Company with a nominal value of PLN 0.10 per share, out of the total number of 3,605,000 units of series A preferred registered shares of the Company (dematerialized shares registered in the deposit maintained by the National Depository for Securities, covered together with 220,000 series C1 preferred registered shares by the ISIN code: PLRNBWT00049 and the FISN code: RAINBOW/FXD REDEXT PFDSH SER-A C1), including: (-) 855,000 units of series A preferred registered shares, numbered from A-1350001 to A-2205000, owned by the shareholder: Flyoo Spółka z o.o., (-) 700,000 units of series A preferred registered shares, numbered from A-2675001 to A-3375000, owned by the shareholder: Aironi Quattro Fundacja Rodzinnej, (-) 700,000 units of series A preferred registered shares, numbered from A-3825001 to A-4525000, owned by the shareholder: Elephant Capital Fundacja Rodzinna and

2) 210,000 Series C1 preferred registered shares, numbered C-1790001 to C-2000000, owned by Mr. Sławomir Wysmyk, were converted. to carry out the conversion into ordinary bearer shares of a total of 210,000 units of series C1 preferred registered shares ("Series C1 Shares") of the Company with a nominal value of PLN 0.10 per share, out of the total number of 220,000 units of series C1 preferred registered shares of the Company (dematerialized shares registered in the deposit maintained by the National Depository for Securities, covered together with 3,605,000 series A preferred registered shares by the ISIN code: PLRNBWT00049 and the FISN code: RAINBOW/FXD REDEXT PFDSH SER-A C1), including: (-) 210,000 units of series C1 preferred registered shares, numbered from C-1790001 to C-2000000, owned by the shareholder: Mr. Sławomir Wysmyk.

As a result of this conversion, the exchanged shares – 2,255,000 series A shares and 210,000 series C1 shares – lost their preferential voting rights (the right to two votes per share at the General Meeting of the Company). Consequently, this privilege expired in accordance with Article 352, second sentence of the Commercial Companies Code.

Following this exchange, the current structure of the Company's share capital with respect to shares designated as Series A is now as follows

- 1,350,000 series A registered preference shares, each carrying two votes at the General Meeting of the Company, with a nominal value of PLN 0.10 each and a total nominal value of PLN 135,000. These shares are numbered from A-0000001 to A-135000

- 2,255,000 ordinary bearer shares of series A, each with a nominal value of PLN 0.10 and a total nominal value of PLN 225,500.

Following the conversion, the current structure of the Company's share capital with respect to shares designated as Series C1 is as follows:

- 10,000 series C1 registered preference shares, each carrying two votes at the General Meeting of the Company, with a nominal value of PLN 0.10 each and a total nominal value of PLN 1,000. These shares are numbered from C-1780001 to C-1790000.
- 210,000 ordinary bearer shares of series C1, each with a nominal value of PLN 0.10 and a total nominal value of PLN 21,000.

Prior to the aforementioned conversion, the Issuer's share capital stood at PLN 1,455,200 (one million four hundred fifty-five thousand two hundred zloty), comprising 14,552,000 (fourteen million five hundred fifty-two thousand) shares. The total number of votes at the General Meeting of the Company at that time was 18,377,000 (eighteen million three hundred seventy-seven thousand).

Following the conversion, the Issuer's share capital and the total number of shares remain unchanged at PLN 1,455,200 (one million four hundred fifty-five thousand two hundred zloty) and 14,552,000 (fourteen million five hundred fifty-two thousand) shares, respectively. However, the total number of votes at the General Meeting of the Company has decreased and currently amounts to 15,912,000 (fifteen million nine hundred twelve thousand) votes.

In the opinion of the Company's Management Board, no other significant events occurred between the balance sheet date and the date of approval of this report for publication that have not already been included in these financial statements.

(data in PLN thousand, unless otherwise stated)

11. INFORMATION ABOUT THE AUDITING FIRM – THE ENTITY AUTHORIZED TO AUDIT FINANCIAL STATEMENTS

Entity authorized to audit financial statements, conducting a review and audit of the Company's financial statements for the financial year 2023 (statutory audit and voluntary audit)

Review and statutory audit of the Company's financial statements

On June 14, 2022, the Supervisory Board of the Company, acting as the body responsible for selecting the audit firm and statutory auditor (as defined in § 1 section 1 of the "Policy for the selection of an audit firm to conduct the audit and review of financial statements in Rainbow Tours Spółka Akcyjna," hereinafter the "Policy"), made a decision regarding the audit and review of the Company's and the Capital Group's financial statements. This selection was made by the Supervisory Board Resolution No. 5/06/2022 dated June 14, 2022, in accordance with § 22 letter d) of the Company's Articles of Association and § 3 section 5 item 3) of the Regulations of the Supervisory Board, as well as considering § 10 section 2 and section 5 of the "Procedures for selecting an audit firm to audit and review the financial statements of Rainbow Tours Spółka Akcyjna" (hereinafter the "Procedure").

This decision followed the Supervisory Board's review of the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to conduct an audit and review of the financial statements of the Company and the Rainbow Tours Capital Group," as part of the statutory auditor/audit firm appointment process outlined in the Policy and Procedure.

As a result, the Supervisory Board selected an audit firm to conduct the review and statutory audit of both the individual financial statements of Rainbow Tours Spółka Akcyjna and the consolidated financial statements of the Rainbow Tours Capital Group for three consecutive financial years, specifically for the periods of 2022, 2023, and 2024. This included the review and audit of the following financial statements for the financial year 2023:

a) The review of the separate financial statements of Rainbow Tours Spółka Akcyjna for the first half of 2023, covering the period from January 1, 2023, to June 30, 2023, and prepared as of June 30, 2023.
b) The review of the consolidated financial statements of the Rainbow Tours Capital Group for the first half of 2023, covering the period from January 1, 2023, to June 30, 2023, and prepared as of June 30, 2023.
c) The audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the financial year 2023, covering the period from January 1, 2023, to December 31, 2023, and prepared as of December 31, 2023.
d) The audit of the consolidated financial statements of the Rainbow Tours Capital Group for the financial year 2023, covering the period from January 1, 2023, to December 31, 2023, and prepared as of December 31, 2023.

and additionally

e) the assessment of the report on the remuneration of the Management Board and Supervisory Board of the Company for 2023.

The Supervisory Board then decided to entrust these audit activities to the following entity:

Name (Business name) of the entity:	**BDO limited liability company sp.k.** **(formerly: BDO Sp. z o. o.)**
Registered office address:	02-676 Warsaw, 12 Postępu St.
Registration details:	A company registered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register, under KRS number: 0000729684
MR. No.:	Entity entered on the "List of audit firms" kept by the Polish Audit Oversight Agency under number 3355

The selection of BDO limited liability company sp.k. as the audit firm followed the procedure outlined in § 5 section 1 of the Company's internal guidelines. The Audit Committee of the Supervisory Board decided against a formal tender process (as per § 4 section 1), based on a positive assessment of their previous collaboration with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, who had audited the Company's financial statements in prior years. This extension of the contract was contingent on adhering to the mandatory rotation rules, cooling-off periods, and contract duration limits stipulated by the Act on Statutory Auditors, Regulation (EU) No 537/2014, the Accounting Act, and the Company's relevant policy.

During their assessment of BDO Spółka z ograniczoną odpowiedzialnością Sp. k., the Supervisory Board considered various factors, including the findings and conclusions in the 2021 annual report of the Polish Audit Oversight Agency (formerly the Audit Oversight Commission), which they accessed on June 14, 2022.

Following this decision, and in compliance with Article 66 section 5 of the Accounting Act, the Supervisory Board authorized the Management Board to finalize the necessary agreements with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa for the review and audit of both the individual and consolidated financial statements. These agreements were signed on August 22, 2022.

Voluntary audit of the Company's financial statements

In connection with the Management Board's decision to initiate the process of paying an advance dividend to Shareholders from the Company's net profit achieved between the end of the previous financial year and March 31, 2023 (Management Board Resolution No. 1/05/23 dated May 22, 2023, and subsequent resolutions including Management Board Resolution No. 1/07/23 dated July 13, 2023, and Supervisory Board Resolution No. 14/07/2023 dated July 14, 2023), the Supervisory Board of the Company (Resolution No. 3/05/2023 dated May 23, 2023) – acting as the body responsible for selecting the audit firm and statutory auditor as per § 1 section 1 of the "Policy for the selection of an audit firm to conduct the audit and review of financial statements in Rainbow Tours Joint-Stock Company" – decided to select an audit firm for a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the three-month period ended March 31, 2023. This voluntary audit was specifically for the purpose of paying an advance dividend to the Company's Shareholders.

The Supervisory Board entrusted this voluntary audit, which is not a statutory audit under the Act of May 11, 2017, on statutory auditors, audit firms, and public supervision, to **BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa**, with its registered office in Warsaw (02-676 Warsaw, ul. Postępu 12), registered under KRS number 0000729684 and listed on the Polish Audit Oversight Agency's register under number 3355.

This selection was made through the procedure outlined in § 5 section 1 of the applicable "Procedure," which was applied accordingly to this voluntary audit. The Audit Committee of the Supervisory Board decided to waive the formal tender process (as per § 4 section 1), based on an analysis of the existing cooperation with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, the firm already conducting the statutory audits and reviews for the Company and the Capital Group (under a separate agreement dated August 22, 2022, for the financial years 2022, 2023, and 2024). The decision was to entrust BDO with this voluntary audit of the Company's separate financial statements for the three-month period ended March 31, 2023 (i.e., the first quarter of 2023) for the advance dividend payment. The relevant agreement for these audit services was signed between the Company and BDO on June 14, 2023.

In addition, in connection with the decision made by the Management Board of the Company to initiate the processes of preparing and executing payments to the Shareholders of the **second Company advance payments towards the expected dividend at the end of the 2023 financial year from the Company's net profit achieved from the end of the previous financial year to 30/09/2023.** In addition, the Management Board of the Company decided to initiate the processes for preparing and executing the payment of **a second advance dividend to the Shareholders. This second advance would be drawn from the Company's net profit generated between the end of the previous financial year and September 30, 2023.**

(Resolution No. 1/10/23 of the Management Board of the Company dated October 3, 2023 *on the commencement of the process of preparing and implementing the payment to the Company's Shareholders of the second advance payment on account of the expected dividend from the Company's net profit for 2023* and subsequent resolutions: resolution No. 2/12/23 of the Company's Management Board dated December 13, 2023 *on the payment to the Company's Shareholders of the second advance payment towards the expected dividend at the end of the 2023 financial year from the Company's net profit achieved from the end of the previous financial year to September 30, 2023* and resolution No. 1/12/2023 of the Company's Supervisory Board dated December 14, 2023 *on the Supervisory Board's consent to the payment by the Company's Management Board to the Shareholders of the second advance payment towards the expected dividend at the end of the 2023 financial year from the Company's net profit achieved from the end of the previous financial year to September 30, 2023*) - the Supervisory Board of the Company (by virtue of the provisions of resolution No. 1/10/2023 dated October 4, 2023), as the body selecting the audit firm and a certified auditor to conduct the audits and reviews referred to in § 1 sec. 1 of the "Policy for selecting an audit firm to conduct the audit and review of financial statements in Rainbow Tours Spółka Akcyjna", i.e. a body other than the body referred to in art. 66 sec. 4 of the Act of 29 September 1994 on Accounting, which is not the body approving the entity's financial statements, acting on the basis of the provisions of § 22 letter d) of the Company's Articles of Association and § 3 sec. 5 item 3) of the Regulations of the Supervisory Board, as well as taking into account the provisions of § 10 sec. 2 and sec. 5 "Procedures for selecting an audit firm to audit and review the financial statements of Rainbow Tours Spółka Akcyjna" decided - after the Supervisory Board had reviewed the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to conduct a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the nine-month period ended on 30 September 2023". as part of the process of appointing a statutory auditor/audit firm provided for in the Policy and Procedure - select an audit firm to conduct a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the nine-month period ended on 30 September 2023 for the purposes of paying the Company's Shareholders an advance payment on account of the dividend expected at the end of 2023 and decided to entrust the performance of this voluntary audit, i.e. not being a statutory audit within the meaning of the relevant provisions of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision, to the audit firm **BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa** with its registered office in Warsaw (address: 02-

676 Warsaw, ul. Postępu 12), registered in the register of entrepreneurs maintained by the District Court for the capital city of Warsaw in Warsaw, 13th Commercial Division of the National Court Register, under KRS number: 0000729684, entered on the list of audit firms maintained by the Polish Audit Oversight Agency (PANA) under number 3355. The subject selection of the audit firm was carried out in the selection procedure provided for in § 5 sec. 1 of the Procedure, applicable accordingly to the voluntary audit, on the basis of which the Audit Committee of the Supervisory Board of the Company decided to waive the conduct and implementation of the offering procedure referred to in § 4 sec. 1 Procedures, having analyzed the previous cooperation with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, as the audit firm conducting the audit (including voluntary) of the financial statements in the Company for the previous periods, decided to entrust BDO with the financial audit activities of the voluntary audit in relation to the separate financial statements of the Company for the nine-month period ended on September 30, 2023 (i.e. for the period of three quarters of 2023) for the purposes of paying the Company's Shareholders the second advance payment on the expected dividend to the audit firm that performs the statutory audit and review processes of the financial statements of the Company and the Capital Group in the Company (based on a separately applicable agreement dated August 22, 2022 - for the relevant periods of the financial years 2022, 2023 and 2024). The relevant agreement for the above-mentioned audit services was signed and concluded between the Company and BDO on November 2, 2023.

Following the Management Board's decision to commence the preparation and execution of the second advance dividend payment to the Company's Shareholders from the net profit for 2023 (Resolution No. 1/10/23 dated October 3, 2023, and subsequent resolutions: No. 2/12/23 dated December 13, 2023, and Supervisory Board Resolution No. 1/12/2023 dated December 14, 2023), the Supervisory Board of the Company (pursuant to Resolution No. 1/10/2023 dated October 4, 2023), in its capacity as the body responsible for selecting the audit firm and certified auditor for audits and reviews as outlined in § 1 section 1 of the "Policy for selecting an audit firm to conduct the audit and review of financial statements in Rainbow Tours Spółka Akcyjna" (a body distinct from the one referred to in Article 66 section 4 of the Act of September 29, 1994, on Accounting, and not the body approving the entity's financial statements), acting in accordance with § 22 letter d) of the Company's Articles of Association and § 3 section 5 item 3) of the Regulations of the Supervisory Board, and considering § 10 section 2 and section 5 of the "Procedures for selecting an audit firm to audit and review the financial statements of Rainbow Tours Spółka Akcyjna," made a decision.

After reviewing the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to conduct a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the nine-month period ended on 30 September 2023," as part of the process for appointing a statutory auditor/audit firm stipulated in the Policy and Procedure, the Supervisory Board decided to select an audit firm to conduct a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the nine-month period ended September 30, 2023. This audit was for the purpose of facilitating the payment of the second advance dividend to the Company's Shareholders from the anticipated profit for 2023.

The Supervisory Board resolved to entrust the performance of this voluntary audit, which is not a statutory audit as defined by the Act of May 11, 2017, on statutory auditors, audit firms, and public supervision, to **BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa**, with its registered office in Warsaw (address: 02-676 Warsaw, ul. Postępu 12), registered under KRS number 0000729684 and listed on the Polish Audit Oversight Agency's register under number 3355.

The selection of this audit firm was conducted under the selection procedure detailed in § 5 section 1 of the Procedure, applied mutatis mutandis to the voluntary audit. Based on this, the Audit Committee of the Supervisory Board decided to waive the formal offering procedure outlined in § 4 section 1 of the Procedures. This decision was made after analyzing the existing collaboration with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, the audit firm that had been conducting audits (including voluntary ones) of the Company's financial statements in previous periods. Consequently, BDO was entrusted with the financial audit activities for the voluntary audit of the Company's separate financial statements for the nine-month period ended September 30, 2023 (i.e., the first three quarters of 2023) to facilitate the second advance dividend payment to Shareholders. This was given to the same audit firm that performs the statutory audit and review processes for the financial statements of the Company and the Capital Group (based on a separate agreement dated August 22, 2022, for the relevant periods of the financial years 2022, 2023, and 2024). The relevant agreement for these audit services was signed and concluded between the Company and BDO on November 2, 2023.

Up to the date of approval of this report for publication, BDO Spółka z ograniczoną odpowiedzialnością Sp. k. provided the Company with the following services pertaining to the 2023 financial year:

- Conducted a review of the condensed interim separate financial statements of Rainbow Tours SA for the six-month period from January 1, 2023, to June 30, 2023.
- Conducted a review of the condensed interim consolidated financial statements of the Rainbow Tours Capital Group for the six-month period from January 1, 2023, to June 30, 2023.

- Conducted a voluntary audit of the Company's separate financial statements for the three-month period ended March 31, 2023 (i.e., the first quarter of 2023) for the purpose of paying an advance dividend to the Company's Shareholders from the anticipated net profit for 2023.
- Conducted a voluntary audit of the Company's separate financial statements for the nine-month period ended September 30, 2023 (i.e., the first three quarters of 2023) for the purpose of paying the second advance dividend to the Company's Shareholders from the anticipated net profit for 2023.
- Conducted a preliminary audit of the separate financial statements for 2023.
- Carried out a statutory audit of the Company's separate financial statements for the financial year 2023, covering the period from January 1, 2023, to December 31, 2023, and prepared as of December 31, 2023.
- Carried out a statutory audit of the consolidated financial statements of the Rainbow Tours Capital Group for the financial year 2023, covering the period from January 1, 2023, to December 31, 2023, and prepared as of December 31, 2023.

Entity's remuneration for services provided for 2023: Entity's

- for the review of the separate and consolidated financial statements for the first half of 2023 – a total of PLN 115 thousand net,
- for the voluntary audit of the separate report for the three-month period ended on 31 March 2023 (Q1 2023) for the purposes of paying the Company's Shareholders an advance on the expected dividend from the net profit for 2023 – PLN 65 thousand net,
- for the voluntary audit of the separate report for the nine-month period ended 30 September 2023 (three quarters of 2023) for the purposes of paying the Company's Shareholders the second advance payment on the expected dividend from the net profit for 2023 – PLN 66 thousand net,
- for the audit of the annual separate financial statements for 2023 – PLN 128 thousand net,
- for the audit of the annual consolidated financial statements for 2023 together with an assurance service (assessment of compliance of the annual financial statements and the annual consolidated financial statements prepared in the Single European Reporting Format - ESEF/XBRL format - with the requirements of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards for the specifications of the single electronic reporting format) - PLN 62.5 thousand net.

- For the review of the separate and consolidated financial statements for the first half of 2023: PLN 115,000, net
- For the voluntary audit of the separate report for the three-month period ended March 31, 2023 (Q1 2023) for the purpose of paying an advance dividend: PLN 65,000, net
- For the voluntary audit of the separate report for the nine-month period ended September 30, 2023 (three quarters of 2023) for the purpose of paying the second advance dividend: PLN 66,000,net
- For the audit of the annual separate financial statements for 2023: PLN 128,000, net
- For the audit of the annual consolidated financial statements for 2023, including the assurance service for ESEF/XBRL format compliance: PLN 62,500,net

Total Value of Services for 2023 (Net): PLN 436,500

In 2023, the audit firm responsible for reviewing and auditing the Company's financial statements, BDO Spółka z ograniczoną odpowiedzialnością Sp. k., did not provide any services to the Company other than those listed above. No other permissible non-audit services were provided by the audit firm during this period.

Entity Authorized to Audit and review Financial Statements for the Financial Year 2024 (Statutory and Voluntary Audits):

Review and statutory audit of the Company's financial statements

On June 14, 2022, the Supervisory Board of the Company, acting as the body responsible for selecting the audit firm and statutory auditor (as defined in § 1 section 1 of the "Policy for the selection of an audit firm to conduct the audit and review of financial statements in Rainbow Tours Spółka Akcyjna," hereinafter the "Policy"), made a decision regarding the audit and review of the Company's and the Capital Group's financial statements. This selection was made by the Supervisory Board Resolution No. 5/06/2022 dated June 14, 2022, in accordance with § 22 letter d) of the Company's Articles of Association and § 3 section 5 item 3) of the Regulations of the Supervisory Board, as well as considering § 10 section 2 and section 5 of the "Procedures for selecting an audit firm to audit and review the financial statements of Rainbow Tours Spółka Akcyjna" (hereinafter the "Procedure").

(data in PLN thousand, unless otherwise stated)

This decision followed the Supervisory Board's review of the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to conduct an audit and review of the financial statements of the Company and the Rainbow Tours Capital Group," as part of the statutory auditor/audit firm appointment process outlined in the Policy and Procedure.

As a result, the Supervisory Board selected an audit firm to conduct the review and statutory audit of both the individual financial statements of Rainbow Tours Spółka Akcyjna and the consolidated financial statements of the Rainbow Tours Capital Group for three consecutive financial years, specifically for the periods of 2022, 2023, and 2024. This included the review and audit of the following financial statements for the financial year 2024:

a) The review of the separate financial statements of Rainbow Tours Spółka Akcyjna for the first half of 2024, covering the period from January 1, 2024, to June 30, 2024, and prepared as of June 30, 2024.

b) b) The review of the consolidated financial statements of the Rainbow Tours Capital Group for the first half of 2024, covering the period from January 1, 2024, to June 30, 2024, and prepared as of June 30, 2024.

c) c) The audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the financial year 2024, covering the period from January 1, 2024, to December 31, 2024, and prepared as of December 31, 2024.

d) d) The audit of the consolidated financial statements of the Rainbow Tours Capital Group for the financial year 2024, covering the period from January 1, 2024, to December 31, 2024, and prepared as of December 31, 2024.

e) e) Additionally, the assessment of the report on the remuneration of the Management Board and Supervisory Board of the Company for 2024.

and decided to entrust the aforementioned audit activities to the following entity:

Name (business name) of the entity:	**BDO limited liability company sp.k.** **(formerly: BDO Sp. z o. o.)**
Registered office address:	02-676 Warsaw, 12 Postępu St.
Registration details:	A company registered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register, under KRS number: 0000729684
MR. No.:	Entity entered on the "List of audit firms" kept by the Polish Audit Agency under number 3355.

The selection of BDO limited liability company sp.k. as the audit firm was made following the selection procedure outlined in § 5 section 1 of the internal regulations. Based on this, the Audit Committee of the Supervisory Board of Rainbow Tours decided to waive the tender procedure mentioned in § 4 section 1. This decision was taken after analyzing the successful past cooperation with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, the firm that had previously audited the Company's financial statements. The Audit Committee resolved to extend the contract with BDO, ensuring compliance with the mandatory rotation requirements for audit firms and statutory auditors, including grace periods and contract duration limits, as stipulated by the Act on Statutory Auditors, Regulation (EU) No 537/2014, the Accounting Act, and the Company's relevant Policy.

During the assessment of BDO Spółka z ograniczoną odpowiedzialnością Sp. k., the Supervisory Board considered various factors, including the findings and conclusions presented in the annual report of the Audit Oversight Commission (now the Polish Audit Oversight Agency), as referred to in Article 90 section 5 of the Act on Statutory Auditors. Specifically, they reviewed the Report of the Polish Audit Oversight Agency for 2021, which was downloaded on June 14, 2022, from the Agency's website.

In connection with this selection, and in accordance with Article 66 section 5 of the Accounting Act, the Supervisory Board of the Company authorized and instructed the Management Board (as the entity's management) to enter into the necessary agreement(s) with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa regarding the review and audit of the financial statements (both individual and consolidated). The agreement was subsequently concluded on August 22, 2022.

Voluntary audit of the Company's financial statements

In response to the Management Board's decision to initiate the process for paying an advance dividend to the Shareholders from the Company's net profit for 2024 (Resolution No. 1/09/24 dated September 3, 2024, and subsequent resolutions: No. 2/10/24 dated October 15, 2024, and Supervisory Board Resolution No. 2/10/2024 dated October 16, 2024), the Supervisory Board of the Company (pursuant to Resolution No. 3/09/2024 dated September 5, 2024) – acting as the body responsible for selecting the audit firm and statutory auditor as per § 1 section 1 of the "Policy for the selection of an audit firm to conduct the audit and review of financial statements in Rainbow Tours Joint-Stock Company" – decided to select an audit firm for a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the six-month period ended June 30, 2024. This voluntary audit was specifically for the purpose of paying an advance dividend to the Company's Shareholders.

In response to the Management Board's decision to initiate the process for paying an advance dividend to the Shareholders from the Company's net profit for 2024 (Resolution No. 1/09/24 dated September 3, 2024, and subsequent resolutions: No. 2/10/24 dated October 15, 2024, and Supervisory Board Resolution No. 2/10/2024 dated October 16, 2024), the Supervisory Board of the Company (pursuant to Resolution No. 3/09/2024 dated September 5, 2024) – acting as the body responsible for selecting the audit firm and statutory auditor as per § 1 section 1 of the "Policy for the selection of an audit firm to conduct the audit and review of financial statements in Rainbow Tours Joint-Stock Company" – decided to select an audit firm for a voluntary audit of the separate financial statements of Rainbow Tours Spółka Akcyjna for the six-month period ended June 30, 2024. This voluntary audit was specifically for the purpose of paying an advance dividend to the Company's Shareholders.

The subject selection of the audit firm was carried out in accordance with the selection procedure provided for in § 5 sec. 1 of the Procedure, applicable to the voluntary audit, on the basis of which the Audit Committee of the Supervisory Board of the Company decided to waive the conduct and implementation of the offering procedure referred to in § 4 sec. 1 Procedures, having analyzed the previous cooperation with BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, as the audit firm auditing the financial statements of the Company for the previous periods, decided to entrust BDO with the financial audit of the voluntary audit of the Company's separate financial statements for the six-month period ended on June 30, 2024 (i.e. for the first half of 2024) for the purposes of paying the Company's Shareholders an advance payment on the expected dividend to the audit firm that performs the statutory audit and review processes of the Company's and the Capital Group's financial statements in the Company (based on the currently applicable agreement of August 22, 2022 - for the relevant periods of the financial years 2022, 2023 and 2024). The relevant agreement for the above-mentioned audit services was signed and concluded between the Company and BDO on 13 September 2024.

Sustainability Reporting

In light of the new requirements for sustainability reporting based on the European Sustainability Reporting Standards (ESRS), introduced by Delegated Regulation (EU) 2023/2772, and stemming from Directive (EU) 2022/2464 (the Corporate Sustainability Reporting Directive or "CSRD Directive"), as well as the amendments to the Act of September 29, 1994, on Accounting (specifically Chapter 6c, "Sustainable development reporting," Article 63p et seq.) implementing the CSRD Directive, the Company was obligated under the relevant provisions of the Act on Accounting to present and include a separate report on sustainable development for the Rainbow Tours Capital Group within the Management Board's report on the activities of the Company and the Group for the year 2024.

The Supervisory Board of the Company (pursuant to Resolution No. 4/09/2024 dated September 5, 2024), acting as a body other than the one referred to in Article 66 section 4 of the Act of September 29, 1994, on Accounting (and not the body approving the entity's financial statements), and operating under § 22 letter d) of the Company's Articles of Association and § 3 section 5 item 3) of the Regulations of the Supervisory Board, and also taking into account the provisions of the following European Union legal acts:

- Directive 2022/2464 of the European Parliament and of the Council (EU) of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting,
- Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (as amended), which establishes rules concerning the statutory audit of annual and consolidated accounts and the assurance of annual and consolidated sustainability reporting,
- Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (as amended) ("Directive 2013/34/EU"),
- Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (as amended)

in the scope related to sustainability reporting (meaning sustainability reporting as defined in Article 2, point 18 of the above-mentioned Directive 2013/34/EU), providing for, among others, for large entities that are public interest entities, the obligation to include in the management report information necessary to understand the entity's impact on sustainability issues and information necessary to understand how sustainability issues affect the entity's development, results and situation (information clearly identifiable in the management report by placing it in a separate section of that report) and, in the scope of mandatory attestation of sustainability reporting (meaning carrying out procedures resulting in the issuance of an opinion by a statutory auditor or an audit firm in accordance with Article 34 paragraph 1, second subparagraph, letter aa and Article 34 paragraph 2 of the above-mentioned Directive 2013/34/EU, i.e. issuing an opinion on the basis of an assurance engagement providing limited assurance on the compliance of sustainability reporting with the applicable requirements), after the Supervisory Board has become familiar with: (i) the offers submitted by audit firms for the performance of financial audit activities within the scope of an assurance engagement concerning the attestation of sustainability reporting; (ii) with the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to carry out financial audit activities in the scope of the assurance service regarding the assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024" decided to select an audit firm to carry out financial audit activities in the scope of the assurance service regarding the assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024 and decided to entrust the above financial audit activities in the scope of the assurance service regarding the assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024 to the audit firm BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa with its registered office in Warsaw ("BDO"). An appropriate agreement for the provision by BDO of an assurance service providing limited assurance on the sustainability reporting of the Capital Group, in which the Company is the parent entity, prepared in accordance with the European Sustainability Reporting Standards (hereinafter referred to as "ESRS") for 2024 was signed and concluded between the Company and BDO on November 8, 2024.

in the context of sustainability reporting (defined in Article 2, point 18 of Directive 2013/34/EU), which mandates, among other things, that large public-interest entities include information in their management report necessary to understand the entity's impact on sustainability matters and how sustainability issues affect the entity's development, performance, and position (this information must be clearly identifiable in a separate section of the management report), and in the context of the mandatory attestation of sustainability reporting (involving procedures leading to an opinion from a statutory auditor or audit firm in accordance with Article 34 paragraph 1, second subparagraph, letter aa and Article 34 paragraph 2 of Directive 2013/34/EU, specifically an opinion based on a limited assurance engagement regarding the compliance of sustainability reporting with applicable requirements), the Supervisory Board, after reviewing: (i) the offers submitted by audit firms for financial audit activities related to the assurance of sustainability reporting attestation; and (ii) the "Recommendation of the Audit Committee to the Supervisory Board of Rainbow Tours Spółka Akcyjna regarding the proposal to select an audit firm to carry out financial audit activities in the scope of the assurance service regarding the assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024," decided to select an audit firm to perform financial audit activities for the assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024.

The Supervisory Board resolved to entrust these financial audit activities for the limited assurance of the sustainability reporting of the Company / Rainbow Tours Capital Group for 2024 to the audit firm BDO Spółka z ograniczoną odpowiedzialnością Spółka komandytowa with its registered office in Warsaw ("BDO"). A suitable agreement for BDO to provide limited assurance services on the sustainability reporting of the Capital Group, in which the Company is the parent entity, prepared in accordance with the European Sustainability Reporting Standards (hereinafter referred to as "ESRS") for 2024, was signed and concluded between the Company and BDO on November 8, 2024.

Until the date of approval of this report for publication, BDO Spółka z ograniczoną odpowiedzialnością Sp. k. provided the Company with the following services related to the 2024 financial year:

- Reviewed the condensed interim separate financial statements of Rainbow Tours SA for the six-month period from January 1, 2024, to June 30, 2024.
- Reviewed the condensed interim consolidated financial statements of the Rainbow Tours Capital Group for the six-month period from January 1, 2024, to June 30, 2024.
- Conducted a voluntary audit of the Company’s separate financial statements for the six-month period ended June 30, 2024 (i.e., the first half of 2024) for the purpose of paying an advance dividend to the Company’s Shareholders from the anticipated net profit for 2024.
- Conducted a preliminary audit of the separate financial statements for 2024.
- Carried out a statutory audit of the Company’s separate financial statements for the financial year 2024, covering the period from January 1, 2024, to December 31, 2024, and prepared as of December 31, 2024.
- Carried out a statutory audit of the consolidated financial statements of the Rainbow Tours Capital Group for the financial year 2024, covering the period from January 1, 2024, to December 31, 2024, and prepared as of December 31, 2024.
- Carried out a limited assurance engagement on the sustainability reporting of the Rainbow Tours Capital Group, for which the Company is the parent entity, prepared in accordance with the ESRS for the year 2024.

Entity's Remuneration for Services Provided in 2024:

- For the review of the separate and consolidated financial statements for the first half of 2024: PLN 100,000 net

- For the voluntary audit of the separate report for the six-month period ended June 30, 2024 (H1 2024) for the purpose of paying an advance dividend: PLN 85,000 net
- For the audit of the annual separate financial statements for 2024: PLN 128,000 net
- For the audit of the annual consolidated financial statements for 2024, including the assurance service for compliance with the ESEF/XBRL format: PLN 62,500 net
- For the attestation of the sustainable development reporting of the Rainbow Tours Capital Group (ESRS): PLN 160,000 net

Total value of services for 2024 (net): PLN 535.5 thousand.

In 2024, the audit firm responsible for reviewing and auditing the Company's financial statements, BDO Spółka z ograniczoną odpowiedzialnością Sp. k., did not provide any services to the Company beyond those detailed above. Specifically, no other permissible non-audit services were rendered by the audit firm during this period.

12. APPROVAL FOR PUBLICATION

This report was approved for publication on 17 April 2025.

Management Board of Rainbow Tours Spółka Akcyjna / Persons responsible for maintaining accounting records:

Łódź, April 17, 2025

Maciej Szczechura, President of the Management Board	Piotr Burwicz Vice President of the Management Board	Jakub Puchałka Vice President of the Management Board	Aleksandra Piwko-Susik Member of the Management Board