MOORE Polska Audyt

Razem możemy **więcej**

AUDITOR'S REPORT

on the audit of the financial statements

for

1 April 2025 to 31 March 2026

mcr S.A.

Gdańsk

Moore Polska Audyt sp. z o.o., ul. Grzybowska 87, 00-844 Warsaw, Poland
President of the Management Board – Lidia Skudławska, Members of the Management Board – Piotr Witek, Michał Ossowski, Krzysztof Oczko
Tax Identification Number (NIP): 7011052300, Industry Identification Number (REGON): 520003823,
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District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register
Entered in the list of audit firms under Reg. No. 4326

MOORE Polska Audyt

INDEPENDENT AUDITOR'S REPORT

To the General Meeting and Supervisory Board of

mcr S.A.

with registered office at ul. Juliusza Słowackiego 224, Gdańsk, Poland

Auditor's report on the annual financial statements

Opinion

We have audited the annual financial statements of mcr S.A. (the "Company"), comprising the statement of financial position as at 31 March 2026, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year from 1 April 2025 to 31 March 2026, and notes to the financial statements, including a description of the accounting policies applied and other explanatory information (the "financial statements").

In our opinion, the accompanying financial statements:

- give a true and fair view of the Company's assets and financial position as at 31 March 2026 and of its financial performance and cash flows for the financial year then ended, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union, and the applied accounting policies;
- comply with the form and content requirements laid down in the laws applicable to the Company and its Articles of Association;
- were prepared on the basis of properly maintained accounting records in accordance with the provisions of Chapter 2 of the Accounting Act.

This opinion is consistent with the additional report for the Audit Committee, which we issued on 10 July 2026.

Basis for opinion

We conducted our audit in accordance with the Polish Financial Auditing Standards, in the wording of the International Standards on Auditing, adopted by the National Council of Statutory Auditors and approved by the Council of the Polish Agency for Audit Oversight ("PFAS"), as well as in accordance with the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017 (the "Statutory Auditors Act"), and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audits of public-interest entities (the "EU Regulation"). Our responsibility under those standards is further described in the "Auditor's responsibility for the audit of the financial statements" section of our report.

Independence and ethics

We are independent of the Company in accordance with the ethical requirements set out in the Handbook of the International Code of Ethics for Professional Accountants (including International Independence Standards), as adopted by resolution of the National Council of Statutory Auditors (the "Code of Ethics"), and with other ethical requirements applicable to audits of financial statements in Poland. We have fulfilled our other ethical obligations in accordance with these requirements and the Code of Ethics. During the audit, the key audit partner and the audit firm were independent of the Company, in accordance with the independence criteria set out in the Statutory Auditors Act and in the EU Regulation.

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

Key audit matters

Key audit matters are those which, in our professional judgement, were of most significance in our audit of the financial statements for the current reporting period. They cover the most significant assessed risks of material misstatement, including the assessed risks of material misstatement due to fraud. We addressed those matters in the context of our audit of the financial statements as a whole and in forming our opinion, and we also summarised our response to those risks. Where we considered it relevant, we included key observations arising with respect to the particular risks. We do not provide a separate opinion on those matters.

Key audit matter	How our audit addressed the matter
Impairment of investments in subsidiaries and joint ventures	
In the financial statements as at 31 March 2026, the Company disclosed its equity interests in subsidiaries and joint ventures at a net amount of PLN 56,579 thousand (including impairment losses of PLN 10,136 thousand), representing approximately 21% of total assets. The Company recognises investments in subsidiaries and joint ventures at cost less impairment losses, if any. The Company annually assesses whether there are any indications of impairment of its investments in subsidiaries and joint ventures. An assessment of impairment indicators includes a thorough analysis of the extent to which individual entities have met their budgets and implemented their strategies and long-term plans, and a review of macroeconomic factors affecting the segment in which each entity operates. Additionally, a comparison is made between the equity of each entity and the carrying amount of the investment in that entity. If any indications of impairment are identified, the recoverable amounts of the investments are estimated using discounted cash flow models for the relevant cash-generating units. The results of impairment tests for investments in subsidiaries and joint ventures depend to a significant extent on estimates made by the Management Board, including forecast revenue and costs, business plans, the assumed weighted average cost of capital for each entity and the terminal growth rate. Such estimates are largely forward-looking and therefore subject to significant uncertainty arising from changes in market conditions. Given the inherent uncertainty as to the future achievement of the key assumptions and the materiality of the Company's investments in subsidiaries and joint ventures disclosed in the financial statements, we considered the assessment of impairment of investments in subsidiaries and joint ventures to be a key audit matter. The disclosures related to investments in	Our audit procedures included, without limitation: - evaluating the financial condition of the investees, in particular the joint venture registered in Russia, by analysing their financial information; - evaluating the Company's Management Board's assessment of whether any indications of impairment existed; - evaluating the assumptions adopted by the Company in its discounted cash flow models for the following years, including forecast revenue, costs and margins, as well as other assumptions, by analysing budgets and historical performance against budgets for prior years for individual subsidiaries and joint ventures; - assessing the macroeconomic assumptions, including inflation and terminal growth rates, based on publicly available market analyses and our independent analyses; - assessing the weighted average cost of capital by verifying the key inputs used in its calculation and comparing them with available market data; - evaluating whether the discounted cash flow models applied by the Company complied with the relevant financial reporting standards; - checking the mathematical accuracy of the discounted cash flow models; - verifying the consistency of assumptions used in the impairment tests with those underlying other estimates. In addition, we evaluated the adequacy of the disclosures relating to impairment tests, including the disclosures concerning the sensitivity analysis and the impact of the war in Ukraine on the Company's operations.

subsidiaries and joint ventures are presented in Note 14 “OTHER FINANCIAL ASSETS”, while the relevant accounting policies are described in section 6 “Professional judgement of the Company’s Management Board” of Note 2 “MATERIAL ACCOUNTING POLICY INFORMATION” to the financial statements. Disclosures related to judgement exercised by the Company’s Management Board with respect to the absence of indications of impairment of shares held in the joint venture registered in Russia are contained in section 3 “Impact of the war in Ukraine on the Company’s business” of Note 2 “MATERIAL ACCOUNTING POLICY INFORMATION” to the financial statements.	

Impairment of other non-current assets – Mirosław facility

In accordance with International Accounting Standard 36 *Impairment of Assets*, the Company is required to perform annual impairment tests for cash-generating units and to assess whether there has been any indication of impairment of other non-current assets allocated to cash-generating units. The identification of indications of impairment of assets allocated to the cash-generating unit comprising the Mirosław facility was considered a key audit matter due to the material carrying amount of the assets employed at the Mirosław facility, including property, plant and equipment and intangible assets, as well as the inventories associated with its operations, as presented in the statement of financial position as at the reporting date. The Company annually assesses whether there are any indications of impairment of non-current assets allocated to cash-generating units. For the purposes of the financial statements as at 31 March 2026, the Company performed such assessment in particular with respect to assets held in the Mirosław facility. If any indications of impairment are identified, the recoverable amounts of the assets are calculated based on the results of impairment tests carried out under the discounted cash flow model for individual cash-generating units. Furthermore, impairment tests of the cash-generating units to which the tested assets are allocated rely to a significant extent on estimates made by the Management Board, including the Company’s strategy, planned capital expenditure, forecast revenue and costs, the assumed weighted average cost of capital and the terminal growth rate. These assumptions are subject to significant uncertainty arising from changes in	Our audit procedures included, without limitation: - obtaining an understanding of the process for performing the impairment test and identifying the cash-generating unit to which the non-current assets are allocated; - evaluating the assessment of indications of impairment performed by the Management Board, especially with respect to assets employed at the Mirosław facility; - evaluating the assumptions adopted by the Management Board under the discounted cash flow model for the following years, including forecast revenue, costs and margins, the Company’s expected market position and other assumptions, by analysing budgets and comparing historical performance with those budgets; - analysing the macroeconomic assumptions, including inflation and the terminal growth rate, based on publicly available market analyses and our independent analyses; - assessing the weighted average cost of capital by verifying the key inputs used for its calculation and comparing them with available market data; - evaluating the discounted cash flow models in terms of compliance with the relevant financial reporting standards; - checking the mathematical accuracy of the discounted cash flow models; - verifying the consistency of assumptions used in the impairment tests with those underlying other estimates.

market conditions.

Disclosures related to the applied accounting policies and material judgements are contained in Section 6 “Professional judgement of the Company’s Management Board” of Note 2 “MATERIAL ACCOUNTING POLICY INFORMATION” to the financial statements.

Disclosures related to impairment tests performed for the assets specified above are presented in Note 13 “PROPERTY, PLANT AND EQUIPMENT” to the financial statements.

Disposal of investments in subsidiaries and joint ventures – accounting for and presentation of the transaction in the financial statements

On 1 October 2025, the Company completed the disposal of investments in subsidiaries to the Kingspan Group. The transaction comprised shares in several entities operating in different jurisdictions.

As a result of the transaction, the Company recognised a gain on the disposal of the investments, calculated as the difference between the total consideration receivable under the transaction and the carrying amount of the investments. The consideration comprised the sale price allocated to the individual entities and a contingent consideration component in the form of an earn-out, dependent on the divested entities achieving specified financial performance in the future. The total gain recognised by the Company in connection with the transaction amounted to PLN 317,742 thousand.

Accounting for the transaction required the Management Board to exercise significant judgement, in particular in determining the date on which control over the divested entities was lost, assessing the completeness of the items covered by the transaction, allocating the sale price to the individual investments, and recognising and measuring the contingent consideration.

The contingent consideration was estimated on the basis of the terms set out in the transaction documentation and the forecast financial performance of the divested businesses. Its measurement depends on the achievement of the assumptions concerning future performance, primarily operating results, and is therefore subject to estimation uncertainty.

Given the material value of the transaction, its complex legal and settlement structure, its significant effect on the Company's financial performance, and the extent of judgement required in accounting for and presenting it, we considered the disposal of investments in subsidiaries to be a key audit matter.

Disclosures related to the applied accounting policies and material judgements are contained in Section 6 "Professional judgement of the Company's Management Board" of Note 2 "MATERIAL ACCOUNTING POLICY INFORMATION" to the financial statements.

Disclosures concerning the transaction are

Our audit procedures included, without limitation:

- analysing the provisions of the share sale agreements, amendments thereto and other transaction documentation, including assessing the conditions for completion of the transaction and the timing of the transfer of rights to the shares sold;
- verifying the scope of the investments sold and agreeing the sale price allocated to the individual entities to the provisions of the relevant agreements;
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- agreeing the proceeds received from the sale of the shares to bank statements and other documentation confirming settlement of the transaction price;
- agreeing the carrying amounts of the investments sold, including related impairment losses, to the accounting records;
- assessing the accounting treatment and measurement of the earn-out contingent consideration, including verifying whether the calculation mechanism applied was consistent with the provisions of the agreement and the amendments thereto;
- assessing the reasonableness of the key assumptions used by the Management Board to estimate the earn-out, in particular the forecast EBITDA, by comparing them with historical performance and available financial data;
- independently recalculating the earn-out, assessing the effect of the maximum consideration cap and verifying the accuracy of the determination of its present value as at the reporting date;
- performing a sensitivity analysis of the earn-out estimate to reasonably possible changes in the key assumptions;
- assessing whether the accounting policies applied complied with the applicable financial reporting standards; and
- evaluating the appropriateness of the presentation of the transaction and the resulting gain, as well as the completeness and adequacy of the related disclosures in the financial statements.

presented in Note 14 “OTHER FINANCIAL ASSETS” to the financial statements. In addition, disclosures concerning the earn-out contingent consideration are presented in Note 17 “FINANCIAL ASSETS” to the separate financial statements.

Other matters – scope of the audit

The Company’s financial statements for the year ended 31 March 2025 were audited by a statutory auditor acting on behalf of another audit firm, who expressed an unmodified opinion on those financial statements on 30 July 2025.

Responsibility of the Management Board and Supervisory Board for the financial statements

The Management Board of the Company is responsible for the preparation, on the basis of properly maintained accounting records, of financial statements that give a true and fair view of the Company’s assets, financial position and financial performance in accordance with International Financial Reporting Standards as adopted by the European Union, the accounting policies adopted by the Company, the laws applicable to the Company and its Articles of Association, and for such internal control as the Management Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Company’s Management Board is responsible for assessing the Company’s ability to continue as a going concern, disclosing, if applicable, matters related to going concern, and using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company’s Management Board and the members of its Supervisory Board are responsible for ensuring that the financial statements comply with the requirements of the Accounting Act. The members of the Company’s Supervisory Board are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Polish Financial Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The scope of an audit does not include assurance as to the future viability of the Company or as to the efficiency or effectiveness with which the Company’s Management Board has conducted or will conduct its affairs.

In auditing financial statements in accordance with the Polish Financial Auditing Standards, we exercise professional judgement and maintain professional scepticism, and:

- identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures adequate to the identified risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Management Board;

- conclude on the appropriateness of application of the going concern basis of accounting by the Company's Management Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to operate as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence and that we will communicate with the Supervisory Board regarding all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated to the Supervisory Board, we determined those matters that were of most significance in the audit of the financial statements for the current reporting period and were therefore considered key audit matters. We describe those matters in our auditor's report unless law or regulation precludes their public disclosure or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information, including the Management Report

Other information comprises the Management Report on the operations of the Company and the Group for the financial year ended 31 March 2026 (the "Management Report"), together with the statement of compliance with corporate governance standards, which forms a separate part of that Management Report for the financial year ended 31 March 2026, and the other documents included in the annual report for the financial year ended 31 March 2026 (the "Annual Report") (collectively, the "Other Information").

The Other Information does not include the separate financial statements or our auditor's report thereon.

Responsibility of the Management Board and Supervisory Board

The Company's Management Board is responsible for the preparation of the Other Information in accordance with applicable laws.

The Company's Management Board and members of its Supervisory Board are required to ensure that the Management Report on the Company's operations, and the specific sections included therein, meets the requirements stipulated in the Accounting Act.

Auditor's responsibility

Our opinion on the audited financial statements does not cover the Other Information. In connection with our audit of the financial statements, it is our responsibility to read the Other Information and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Other Information, we are required to report that fact.

In accordance with the Statutory Auditors Act, our responsibility is also to express an opinion on whether the Management Report, excluding sustainability reporting, has been prepared in accordance with the applicable laws and regulations and is consistent with the information contained in the financial statements. In addition, we are required to express an opinion on whether the Company has included the required information in its corporate governance statement.

Opinion on the Management Report

In our opinion, based on the work performed in the course of the audit, the Management Report:

- has been prepared in accordance with Article 49 of the Accounting Act and Section 72 of the Minister of Finance’s Regulation of 6 June 2025 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (the “Current Reporting Regulation”);

- is consistent with the financial statements.

Statement on the Other Information

Based on our knowledge of the Company and its environment obtained in the course of our audit, we have not identified any material misstatement in the Management Report on the Company’s operations.

We have nothing to report on other components of the Other Information.

Opinion on the corporate governance statement

In our opinion, the Company’s corporate governance statement contains the information required under Section 72(7)(5) of the Current Reporting Regulation. In addition, in our opinion, the information specified in Section 72(7)(5)(c) to (f), (h) and (i) of the Regulation contained in the corporate governance statement is in accordance with the applicable laws and regulations and is consistent with the information contained in the financial statements.

Report on other legal and regulatory requirements

Statement on the provision of non-audit services

To the best of our knowledge and belief, we declare that the non-audit services that we have provided to the Company and its subsidiaries are compliant with the laws and regulations applicable in Poland, and that we have not provided any non-audit services that are prohibited under Article 5(1) of the EU Regulation or Article 136 of the Statutory Auditors Act. The non-audit services we have provided to the Company and its subsidiaries in the audited period are specified in the section "Agreements with statutory auditors" of the Management Report on the Company's operations.

Appointment of the audit firm

We were appointed to audit the Company's financial statements by resolution of the Company's Supervisory Board dated 28 July 2025. This is the first time we have audited the Company's financial statements.

The key audit partner responsible for the audit resulting in this independent auditor's report is:

Piotr Witek

Key Audit Partner

Reg. No. 9631

Acting on behalf of:

Moore Polska Audyt sp. z o.o.

ul. Grzybowska 87, 00-844 Warsaw, Poland

entered in the list of audit firms under Reg. No. 4326

Gdańsk, 10 July 2026