ANY Security Printing Company Public Limited Company by Shares

Independent Auditors' Report and Consolidated Financial Statements

for the year ended December 31, 2023

ANY Security Printing Company Public Limited Company by Shares

Audited Consolidated Financial Statements

December 31, 2023

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Consolidated Statement of Financial Position as at December 31, 2023 and December 31, 2022

In HUF thousands:	Notes	December 31, 2023	December 31, 2022
Current assets			
Cash and bank	3	6,056,275	6,393,330
Accounts receivables	4	12,674,854	5,607,294
Inventories	5	6,625,554	6,487,058
Other current assets and prepayments (without current tax receivable)	6	1,826,006	982,797
Current tax receivables	6	137,847	160,315
Total current assets		**27,320,536**	**19,630,794**
Non-current assets			
Property, plant and equipment	7	12,839,007	13,083,997
Right of use	8	489,831	578,557
Goodwill	9	639,352	569,823
Intangibles	10	171,420	247,615
Other assets		18,223	16,914
Total non-current assets		**14,157,833**	**14,496,906**
Total assets		**41,478,369**	**34,127,700**
Current liabilities			
Trade accounts payables	27	5,908,538	4,326,200
Short term part of lease liabilities	24	134,219	287,807
Contracted liabilities	11	2,644,678	7,411,258
Other payables and accruals (without current tax liabilities)	11	4,614,676	2,498,326
Current tax liabilities	11	1,687,520	1,142,542
Short term loans	12	8,474,190	2,540,520
Total current liabilities		**23,463,821**	**18,206,653**
Long term liabilities			
Deferred tax liability	20	941,763	839,984
Long term part of lease liabilities	24	104,886	112,396
Long term loans	12	4,049,259	4,357,787
Other long term liabilities		1,978	15,444
Total long term liabilities		**5,097,886**	**5,325,611**
Shareholders' equity			
Share capital	13	1,449,876	1,449,876
Capital reserve		250,686	250,686
Retained earnings	15	9,845,826	7,888,003
Treasury shares	14	(455,048)	(455,048)
Other comprehensive income	21	224,320	232,040
Total owners' equity		**11,315,660**	**9,365,557**
Non controlling interest	15	1,601,002	1,229,879
Total shareholders' equity		**12,916,662**	**10,595,436**
Total liabilities and shareholders' equity		**41,478,369**	**34,127,700**

The Supplementary Notes are inseparable parts of the consolidated financial statements.

Consolidated Statement of Comprehensive Income as at December 31, 2023 and December 31, 2022

In HUF thousands:	Notes	FY 2023	FY 2022
Net sales	16	55,475,269	43,179,930
Cost of sales	19	(37,790,901)	(30,555,068)
Gross profit		**17,684,368**	**12,624,862**
Selling general and administration costs	19	(10,247,827)	(8,830,160)
Gain on sale of fixed assets		(133)	227
Foreign currency (loss) / gain		(178,195)	149,804
Other expense, net	17	(856,058)	(358,675)
Operating income		**6,402,155**	**3,586,058**
Interest income	18	158,677	45,994
Interest expense	18	(698,442)	(246,169)
Profit before tax and non-controlling interest		**5,862,390**	**3,385,883**
Deferred tax income / (expense)	20	(101,779)	(117,722)
Income tax expense	20	(1,062,974)	(573,862)
Total tax expense		**(1,164,753)**	**(691,584)**
Profit after tax		**4,697,637**	**2,694,299**
Other comprehensive income for the year	21	**(65,291)**	**205,027**
*out of which: effect of revaluation based on IAS 21**		(65,291)	205,027
Total comprehensive income for the year		**4,632,346**	**2,899,326**
Profit after tax attributable to			
Shareholders of the Company		***4,267,289***	***2,244,042***
Non controlling interests		*430,348*	*450,257*
Other comprehensive income attributable to			
Shareholders of the Company		***(7,720)***	***137,933***
Non controlling interests		*(57,571)*	*67,094*
Earnings per share (EPS):			
Basic (HUF per share)	22	***298***	***156***
Fully diluted (HUF per share)	22	***298***	***156***
Dividend per share paid (DPS)		**161**	**168**

The Supplementary Notes are inseparable parts of the consolidated financial statements.

* In case of derecognition of a foreign subsidiary the relevant part will be reclassified to profit and loss.

Consolidated Statement of Changes in Shareholders' Equity as at December 31, 2022 and December 31, 2021

	Notes	Issued Capital	Capital Reserve	Retained Earnings	Treasury Shares	Other comprehensive income	Non controlling Interest	Total
January 1, 2022		**1,449,876**	**250,686**	**8,054,043**	**(455,048)**	**94,107**	**1,048,010**	**10,441,674**
Dividend paid (after FY 2021)		-	-	(2,410,082)	-	-	-	**(2,410,082)**
Dividend paid to minority shareholders (after FY 2021 in-	15	-	-	-	-	-	(498,738)	**(498,738)**
Profit after tax attributable to non-controlling interests	15	-	-	-	-	-	450,257	**450,257**
Effect of revaluation based on IAS 21	15	-	-	-	-	137,933	67,094	**205,027**
Changes connected to Atlas transaction	15	-	-	-	-	-	163,256	**163,256**
Profit after tax attributable to owners of the Company		-	-	2,244,042	-	-	-	**2,244,042**
December 31,2022		**1,449,876**	**250,686**	**7,888,003**	**(455,048)**	**232,040**	**1,229,879**	**10,595,436**
Dividend paid (after FY 2022)		-	-	(2,309,466)	-	-	-	**(2,309,466)**
Dividend paid to minority shareholders (after FY 2022 in-	15	-	-	-	-	-	(1,654)	**(1,654)**
Profit after tax attributable to non-controlling inter-	15	-	-	-	-	-	430,348	**430,348**
Effect of revaluation based on IAS 21	15	-	-	-	-	(7,720)	(57,571)	**(65,291)**
Profit after tax attributable to owners of the Company		-	-	4,267,289	-	-	-	**4,267,289**
December 31,2023		**1,449,876**	**250,686**	**9,845,826**	**(455,048)**	**224,320**	**1,601,002**	**12,916,663**

The Supplementary Notes are inseparable parts of the consolidated financial statements.

Consolidated Statement of Cash-flow as at December 31, 2023 and December 31, 2022

In HUF thousands:	Notes	FY 2023	FY 2022
Cash flows from operating activities			
Profit before tax and non-controlling interest		5,862,390	3,385,883
of which foreign currency (loss) / gain		*(178,195)*	*149,804*
Effect of revaluation based on IAS 21		*(65,291)*	*205,027*
Depreciation cost of fixed assets	7	2,296,323	1,962,562
Amortization cost of intangibles	10	76,195	84,607
Changes in provisions	17	483,055	78,012
Gain on sale of property, plant and equipment		133	(2,906)
Interest expense		698,442	246,169
Interest income		(158,677)	(45,994)
Operating cash-flow before working capital changes:		**9,192,570**	**5,913,360**
Changes in accounts receivable and other current assets	4,6	(7,915,575)	802,543
Changes in inventories	5	(595,942)	(3,218,547)
Changes in accounts payables, provision and accruals	11	(617,199)	8,925,226
Cash provided by operating activities		**63,854**	**12,422,582**
Interest paid		(617,624)	(224,054)
Interest received		135,879	101,953
Taxes paid, net	20	(1,038,509)	(591,855)
Net cash provided by operating activities		**(1,456,400)**	**11,708,626**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(1,963,893)	(4,504,249)
Gain on sale of property, plant and equipment		(133)	2,906
Proceeds on sale of investments	9	-	(425,016)
Changes in loans to employees		(1,309)	(4,658)
Net cash flow used in investing activities		**(1,965,335)**	**(4,931,017)**
Cash flows from financing activities			
Non controlling interest changes		(71,182)	(498,738)
Increase in short term loans	12	5,933,670	198,506
Increase in long term debt	12	-	3,330,576
Repayment of long term loans	12	(308,528)	(2,060,323)
Increase of lease liabilities	24	139,661	96,630
Repayment of lease liabilities	24	(299,475)	(338,356)
Dividend paid		(2,309,466)	(2,410,081)
Net cash flow used in financing activities		**3,084,680**	**(1,681,786)**
Changes in cash and cash equivalents		**(337,055)**	**5,095,823**
Cash and cash equivalents at beginning of period		**6,393,330**	**1,297,507**
Cash and cash equivalents at end of the period	3	**6,056,275**	**6,393,330**

The Supplementary Notes are inseparable parts of the consolidated financial statements.

Supplementary Notes to the Consolidated Financial Statements Dec. 31, 2023

1 General

ANY Security Printing Company Public Limited Company by Shares (ANY PLC or the Company) is a limited liability company incorporated under the laws of the Republic of Hungary. The Company operated as a State enterprise until 1992 when it was transformed into a limited liability company (Rt.). The Company's registered office is located at Halom u.5, Budapest, District 10. The Company's webpage: www.any.hu.

The persons authorized to represent the Company, and to sign the annual report: Gábor Zsámboki, CEO (Address: 1056 Budapest, Belgrád rakpart 21. IV/1.). The person responsible for the accounting services registered in IFRS: Tamás Karakó, CFO (Address: 1112 Budapest, Őrség u. 9/B). The auditor of the Company Deloitte Könyvvizsgáló és Tanácsadó Kft. (Address: 1068 Budapest, Dózsa György út 84/C.), registered statutory auditor: Tamás Horváth (MKVK: 003449) (Address: 1028 Budapest, Bölény utca 16.). The audit fee in 2023 is HUF 39.1 million (HUF 31.2 million in 2022). Deloitte Üzletviteli és Vezetési Tanácsadó Zrt. provided advisory services to ANY Security Printing company Plc. in connection with taxation issues in the amount of 18,000 USD.

As of December 31, 2023 and 2022 – based on the Company's share book – the following owners have more than 5% voting right or the following groups of investors own the Company:

	FY 2023		FY 2022	
Investor	**Voting right (%)**	**Ownership (%)**	**Voting right (%)**	**Ownership (%)**
Owners above 5% share				
EG CAPITAL LLC(*)	11.98%	11.62%	11.98%	11.62%
DIGITAL FOREST LLC(**)	7.11%	6.89%	6.97%	6.76%
AEGON ALFA SZÁRMAZTATOTT ALAP	5.20%	5.04%	8.87%	8.60%
Owners below 5% share				
Domestic Institutional Investors	30.15%	29.23%	28.94%	28.06%
Foreign Institutional Investors	10.83%	10.50%	10.75%	10.42%
Foreign Individual Investors	0.57%	0.55%	0.54%	0.52%
Domestic Individual Investors	31.70%	30.75%	28.53%	27.66%
Management, employees	1.46%	1.42%	2.42%	2.34%
Treasury shares	0.00%	3.03%	0.00%	3.03%
Other	1.00%	0.97%	1.00%	0.99%

(*) The Chairman of the Board of Directors of ANY Security Printing Company PLC as owner of EG Capital LLC has a further indirect ownership through Fortunarum Kft.
(**) Based on the AGM of March 31, 2014 the Tamás Erdős has been elected as a member of the Board of Directors of ANY Security Printing Company PLC has indirect ownership.

The Group produces security products and solutions (tax stamps. stickers with security elements), plastic and paper cards (document cards. bank and telephone cards. as well as commercial cards), personalized business and administration forms, as well as conventional printing products.

The consolidated subsidiaries of the Group at December 31, 2023 and at December 31, 2022 are as follows. The parent company primarily examines ownership when investigating control over subsidiaries based on IFRS 3.

			FY 2023		FY 2022		
Name of the Company	**Place of registration and operation**	**Share capital**	**Share of ownership**	**Voting right [1]**	**Share of ownership**	**Voting right [1]**	**Classification [2]**
Gyomai Kner Nyomda Zrt.	Hungary	HUF 200,000,000	99.48%	99.48%	99.48%	99.48%	L
Specimen Zrt.	Hungary	HUF 100,000,000	100.00%	100.00%	100.00%	100.00%	L
Techno-Progress Kft.	Hungary	HUF 5,000,000	100.00%	100.00%	100.00%	100.00%	L
ANY Ingatlanhasznosító Kft.	Hungary	HUF 3,000,000	100.00%	100.00%	100.00%	100.00%	L
Zipper Services SRL	Romania	RON 2,060,310	60.00%	60.00%	60.00%	60.00%	L
Tipo Direct Serv SRL	Moldova	30.308 MDL	60.00%	60.00%	60.00%	60.00%	L
ATLAS Trade Distrib. SRL	Romania	RON 1,000	60.00%	60.00%	60.00%	60.00%	L
Slovak Direct SRO	Slovakia	EUR 63,965	100.00%	100.00%	100.00%	100.00%	L

[1] Voting rights that entitle the holder to participate in decision making at the general meeting of the company included in consolidation.

[2] Fully controlled subsidiaries (L); Joint ventures (K); Associated undertakings (T)

ESEF information	
Homepage of parent company:	www.any.hu
LEI code of parent company:	529900YYR637SPJ0JR59
Name of parent company:	ANY Security Printing Company Plc.
Domicile of parent company:	Hungary
Legal form of parent company:	Public Limited Company by Shares
Country of incorporation:	Hungary
Address of parent company's registered office:	H-1102, Budapest, Halom street 5., Hungary
Principal place of business:	H-1102, Budapest, Halom street 5., Hungary
Description of nature of parent company's operation and principal activities:	The Group produces security products and solutions (tax stamp, stickers with security elements), plastic and paper cards (document cards, bank and telephone cards, as well as commercial cards), personalized business and administration forms, as well as conventional printing products.

2 Significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (the “EU”). The Parent Company, ANY Security Printing company Plc. prepares its separate financial statements in accordance with International Financial Reporting Standards from January 1, 2017. Its domestic subsidiaries prepare their financial statements in accordance with Hungarian Accounting Law, while foreign subsidiaries prepare their financial statements according to accounting principles generally accepted in their own countries, that are adjusted in accordance with IFRS from the consolidation package through the consolidation process.

The consolidated financial statements are mainly prepared due to the regulations related to listed companies based on the accounting act, so it contains reclassifications and adjustments through which it complies with IFRS.

IFRS as adopted by the EU does not significantly differ from IFRS as issued by the International Accounting Standards Board (IASB).

The reporting currency of the Group is the Hungarian Forint (“HUF”), rounded to nearest thousand forints.

The reporting period of the Group is equivalent to calendar years. Base period from 1st January 2022 to 31st December 2022, referred as FY 2022 in text and table headings as well, and current period from 1st January 2023 to 31st December 2023, referred as FY 2023 in text and table headings as well.

The consolidated financial statements have been prepared on the historical cost basis except for real estates and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.
Financial Statements are prepared based on the assumption of going concern of the activity of the Group in the foreseeable future.

Basis of consolidation

The consolidated financial statements include the financial statements of ANY PLC and its subsidiaries after elimination of all intercompany transactions and balances, including unrealized intercompany profits. Subsidiaries are those companies in which one company of the Group has control over the subsidiary, so the company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to effect those returns through its power over the subsidiary.

On acquisition, the assets and liabilities of a subsidiary are measured in the consolidated financial statements at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority’s proportion of the fair values of the assets and liabilities recognized. Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group’s interest in the fair value of the identifiable net assets of a subsidiary at the date of acquisition.

The results of subsidiaries acquired or disposed during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The transactions between the subsidiaries, including unrealized gains and losses as well as realized intragroup gains, were eliminated during consolidation.

The equity and net income attributable to minority interests are shown as separate items in the consolidated financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash at bank in hand, balances of bank accounts and short-term deposits with an original maturity of three months or less and the risk of their impairment is not significant.

Consolidated statement of cash flows

For the cash flow statement the Cash and cash equivalents include cash and the value of bank deposits, as well as other short term (a term of three months or less at the time of their purchase) liquid investments, which may be immediately exchanged for the amount indicated on them, and their conversion does not come with the risk of a change in their value. Statement of cash-flow is prepared based upon the indirect cash-flow method.

Inventory

Inventory is stated at the lower of cost or net realizable value after making impairment for any obsolete or slow moving items. Cost is determined at standard cost adjusted to actual purchase price at period end. For purchased inventories cost comprises purchase price, possible additional customs, delivery costs, non-refundable taxes and any other costs related to acquiring the inventory. For finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate allocation of manufacturing fixed and variable overheads.

Inventory impairment is calculated on obsolete or slow moving stocks item by item after judgement of the inventory item based on its physical status and future usage and selling opportunities. Full impairment is raised on inventories of which future usage and selling opportunities based on the unique debtors related characteristics of the inventories after the expiration of the contract or in lack of further orders are not probable. In case of inventories not connected directly to debtors, impairment on inventory is posted, if there was no consumption or sale in that item for a longer period before balance sheet day, based on individual assessment in this case as well. Furthermore the Group accounts impairment for inventories where cost of inventory is higher than the possible future net realizable value at a level until the net realizable value. Furthermore raises the Group full impairment on inventories that are falling out of production during the different technological processes, checked but proved to be not sufficient quality, and which were moved to scrap inventory location during the year, but have not been scrapped yet.

Property, plant and equipment (PP&E)

Property, plant and equipment are stated at cost less accumulated depreciation less accumulated impairment losses. Freehold land is not depreciated. Depreciation is provided using the straight-line method at rates calculated to write off the cost of the asset over its expected economic useful life. The estimated useful life and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The rates used are as follows:

Buildings	2% to 5%
Machinery and equipment	14.5 to 33%
Vehicles	20%

At each balance sheet date, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication in accordance with internal or external information that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of such an impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognized as an expense immediately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Depreciation of assets directly attributed to operation is posted to cost of sales, depreciation of assets directly not attributed to operation is posted to selling, general and administration costs.

Right of use assets

The Group recognises its assets owned in connection with lease contracts as right of use assets from 1st January 2019 based on the regulations of IFRS 16. Based on these regulations all assets are classified as right of use assets of which use is controlled through lease contracts or long term rental contracts. As there is no guaranteed residual value or lease payments due at the end of the contractual period, in the lease contracts of the Group, initial value of right of use assets are equal to initial value of the lease liabilities. The Group has three different classes of right of use assets. These are real estates, machineries and equipments and vehicles and other equipments. Depreciation is calculated on right of use assets based on IAS 16 through the entire life of the lease contracts and long term rental contracts applying the following rates:

Real estates	10.0% - 46%
Machineries and equipments	14.5% - 33%
Vehicles and other equipments	25.0% - 33%

Lease liabilities (as Lessee)

The Group recognises its lease liabilities based on IFRS 16. In accordance with that, all liabilities are recognised as lease liabilities which are connected to lease contracts or long term rental contracts. The Group measures its lease liabilities based upon the present value of contractual net cash-flows, with incremental borrowing rate available on the market for the Group for similar periods using as a discount rate. The Group has no initial lease obligations, no dismantling or removing costs, variable lease conditions and does not receive any lease incentives. The members of the Group have no option to prolong or terminate the contracts neither in lease contracts nor in long term rental contracts, though not even the lessor has the right to change the lease conditions during the lease period.

The Group has no small value or short term leases based on IFRS 16, has no sub-lease contracts and has no sale-and-lease-back type transactions.

Lease interest is calculated on lease liabilities applying the interest rate implicit in the lease or incremental borrowing rate (if the implicit interest rate is not available), which is recognised in the statement of profit or loss and other comprehensive income on the line interest expense.

Intangible assets

Intangible assets are considered to be definite useful life by the Group. Intangible assets can be purchased, self produced or recognised in compliance with IFRS3 business combinations. Intangible assets with definite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with infinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Amortization is provided at rates between 16.7% and 33% per year.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Goodwill

On acquisition, the assets and liabilities of a subsidiary are measured in the consolidated financial statements at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognized. Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable net assets of a subsidiary at the date of acquisition. Goodwill is included as intangible asset in the statement of financial position, to which impairment loss is calculated, if based on annually performed impairment test it is necessary. For the purpose of impairment test, the value of goodwill is allocated to those Cash Generating Units (hereinafter: CGU) of the Group that probably will have positive effects from the synergies. Those CGU-s, to which goodwill is allocated are subject to goodwill impairment test annually or more often if circumstances indicate any loss in the value of the Unit. If the book value of the goodwill is higher than the fair value of the CGU, impairment loss is accounted on the goodwill. The impairment loss decreases mainly the value of the goodwill allocated on the CGU, then the remaining amount decreases the net book value of the CGU's other assets, in proportion of the book value of the assets. The goodwill impairment loss once accounted cannot be reversed in the future. On disposal of a CGU the attributable amount of goodwill is included in the determination of the profit or loss on disposal. The goodwill impairment calculation is based upon companies' budgets containing more financial years. Present value of earnings before interest, tax and depreciation is calculated to the date of year end, using the companies' expected earnings before interest, tax and depreciation ratio as a discount factor. Thus enterprise values are adjusted by cash balance and net debt balance resulting in final enterprise value. This final enterprise value is compared to the net book value of the goodwill.

Financial instruments

In order to define the category of financial assets, the Group defines whether the financial asset is a debt instrument or an equity instrument. Debt instruments must be measured through fair value to profit and loss statement, though when recognizing, the Group can decide that debt instruments not held for sale can be measured through fair value to other comprehensive income. If the financial asset is a debt instrument, the following has to be considered.

- Amortised cost – purpose is to have the contractual cash-flows, which contains only and only the principle part of the liability and the interests.
- Fair value through other comprehensive income (FVTOCI) – purpose is to held, which achieves its goal by having contractual cash-flows and the sale of the financial instrument and the contractual conditions of the financial asset contain in defined periods cash-flows only from principle part of the liability and interests.
- Fair value through profit and loss statement (FVTPL) – which do not belong into neither of the above mentioned categories, or when recognition were marked as FVTPL financial assets.

Financial liabilities must be measured at amortised cost, except for those, which must be measured FVTPL or the Group chose to measure at fair value.

Financial liabilities and derivative products must be measured at FVTPL. When recognizing, the Group can mark a financial liability to be measured at FVTPL irrevocably if:

- it ceases or significantly decreases a measurement inconsistency, or
- a group of financial liabilities or a group of financial assets and liabilities are measured at fair value

in accordance with a documented risk or investment strategy.

Subsequent measurement

Subsequent measurement is based upon the category of the financial instrument.

Amortised cost

Financial liabilities are measured at amortized costs, so do lease liabilities as well, and also those parts of financial liabilities which are held by the Group based on the business model for collecting contractual cash-flows and contractual cash-flows consist solely payments of principle and interest on the principal amount outstanding. Amortised cost is the original historical cost of the financial asset or liability decreased by the principal payments increased or decreased by the accumulated amortised cost of the difference between the original historical cost and the maturity cost and decreased by the possible impairment costs or loss of value. Effective rate of interest method should be used, interest has to be accounted in P&L.

Debt instruments measured FVTOCI

The asset must be measure at fair value. Interest income, impairment and foreign exchange differences must be accounted in P&L (similar to amortised cost assets). Fair value differences must be accounted in OCI. When derecognizing the asset, the previously accounted loss or gain must be reclassified to P&L. When reclassifying or derecognizing the asset, the previously accounted fair value differences accumulated in equity must be reclassified to P&L in a way like the asset would have been measured by amortised cost from initial recognition.

Equity instrument measured FVTOCI

Dividend can be recognised, if:
- the entity is eligible for that,
- economic benefits will flow to the entity and can be reliably measured.

Dividend has to be accounted in P&L, except when dividend is obviously partial return for the costs of the investment, in which case it has to be accounted in OCI.

Fair value differences are accounted in OCI. Fair value differences accounted in OCI cannot be reclassified to P&L later, even if the asset is impaired or sold.

Debt instruments measured FVTPL

Assets must be measured at fair value, and fair value differences must be accounted in P&L.

Fair value measurement

Based on market prices valid on the date of the statement of financial position without deducting transaction costs. If such cannot be found, then based upon market price of similar assets, or based upon the cash-flows deriving from the net assets of the investment.

Impairment of financial assets

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The Group analysed whether how much credit loss on trade receivables should be raised based on expected credit loss of IFRS 9, and found that based on the return of previous years' trade receivables as future expected credit loss on trade receivables will account to Statement on Profit and Loss and Other Comprehensive Income (SPLOCI) 0.15% of gross value of trade receivables. The Group has significant number of trade debtors with governmental background, and the Group also ensures the inflow of trade receivables in the form of advances or other payment guarantees. General credit losses are not significant based on the Group's assessment, although based on individual trade debtors' assessment the necessary impairment on trade receivables is accounted.

Credit-loss accounted in previous years in proportion of value of gross receivables:

2018.12.31	2019.12.31	2020.12.31	2021.12.31	2022.12.31
0.07%	0.09%	0.07%	0.07%	0.15%

Receivables by due date	Not overdue or 0-90 days overdue	More than 90 days overdue
Amount of write-off receivable	0.95%	Individually measured

De-recognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Taxation

The amount of company tax is based on the taxation obligation defined according to the law on corporate income tax and dividend taxes, which is modified by the deferred tax. Based on the decision of the Hungarian Parliament, 9% corporate tax rate has to be applied for the Hungarian companies from the calendar year of 2017. In case of the domestic subsidiaries we applied the new 9% corporate tax rate when calculating deferred tax. The tax liability of the foreign companies of the Group is taken into consideration with the effective tax legislation of their country of incorporation.

Deferred taxes are calculated using the balance sheet liability method. Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized or settled. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to realize or settle the carrying amount of its assets and liabilities. The conditions of netting deferred tax liabilities and deferred tax assets are met, as deferred tax arises only as deferred tax assets and deferred tax liabilities under the legislation of Hungarian tax authorities.

Deferred tax assets are recognized only if it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilized. At each balance sheet date, the Group re-assesses unrecognized deferred tax assets and the carrying amount of deferred tax assets. The Group recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Group conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. The Company classifies the local taxes and innovation contribution to corporate tax in profit and loss statement based on IAS 12 requirement.

Treasury shares

Trearury shares repurchased are included in shareholders' equity and are measured at cost. Premiums and discounts arising on sale of treasury shares, and differences on repurchase, are credited or debited to retained earnings.

Revenue recognition

IFRS 15 defines a five-step model to recognize revenue coming from the contracts with the clients, which – apart from a few exceptions – irrespectively to the type of the transaction or the industry must be applied in all cases. Rules of the standard must be applied for the sale of some non-financial assets as well, where such sale is out of the standard business activity of the company. (E.g. sale of fixed assets or intangible assets.)

Revenue is recognized at the time goods are dispatched and services rendered by the Group, as this is the point at which control of the goods and services are transferred to the customer.

Revenue is measured from contracts with customers at the amount of consideration to which the entity expects to be entitled in exchange for transferring promised goods or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is separated into five different product segment by the Group. The management considers these product segments strategically important. These segments are monitored and these are the basis of evaluating the performance. However, classification of turnover by product segments do not mean that these products can be produced in a clearly separable way in terms of assets and liabilities.

Revenue from sale of printing solutions is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment at the customer's location. The normal credit term is 30 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of printing solutions, the Group considers the effects of variable consideration, existence of a significant financing component, noncash consideration (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Rights of return

The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

Volume rebates

The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Significant financing component

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Non-cash consideration

The fair value of such non-cash consideration received from the customer is included in the transaction price and measured when the Group obtains control of the equipment. The Group estimates the fair value of the non-cash consideration by reference to its market price. If the fair value cannot be reasonably estimated, the non-cash consideration is measured indirectly by reference to the stand-alone selling price of the fire prevention equipment.

Contract balances

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Cost to obtain a contract

The Group pays sales commission to its employees for each contract that they obtain for sales of printing solutions and services. The Group applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of employee benefits.

Interest revenue

Interest revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Provisions

The Group recognises provision in case when:

- an entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The Group is involved in a low number of ongoing legal disputes. Based upon historical experience and expert reports, the Group assesses the developments in these cases, and the likelihood and the amount of potential financial losses which are appropriately provided for.

Contingent liabilities acquired in a business combination

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative income recognised in accordance with IFRS 15 *Revenue*.

Government grants

Assistance by the government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to operating activities of the entity. Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are mostly used by the Group to purchase assets. In case of purchasing assets the Group accounts government grants based on income approach. Grants connected to asset purchases are accounted to the period and in that proportion, which period and which proportion the depreciation of the asset is also accounted. Grants are accounted in compliance with gross method. Grants related to income should be recognised as deferred income in the statement of profit or loss and other comprehensive income on a systematic basis that matches them with the related costs.

Segment reporting

The Group does not separate different segments based on IFRS 8 – Segment reporting, but revenue is separated into five different product segment. The management of the Group considers these product segments strategically important. These segments are monitored and these are the basis of evaluating the performance. However, classification of turnover by product segments do not mean that these products can be produced in a clearly separable way in terms of assets and liabilities.

Earnings per share

Basic earnings per share data is calculated based on the weighted average number of shares outstanding during the period excluding treasury held by the Company and employee shares. Fully diluted earnings per share is calculated based on the weighted average number of shares outstanding as calculated for basic earnings per share and as adjusted for giving effect to the assumed issuance of all potentially dilutive securities. Net income is adjusted in the fully diluted earnings per share calculation for any income or expense associated with the potentially dilutive securities.

Foreign currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's presentational currency (HUF) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Exchange differences are recognised in profit or loss in the period in which they arise.

From the foreign subsidiaries of the Group Zipper Services S.R.L. prepares its financial statements in Romanian Lei, Tipo Direct SERV S.R.L. in Moldavian Lei, while Slovak Direct S.R.O. prepares its financial statement in EURO (presentational currency, and functional currency as well). The balances of foreign currency assets and liabilities of the foreign subsidiaries of the Group are translated at the relevant year-end MNB (National Bank of Hungary) foreign exchange rate, while incomes and expenditures are translated at the yearly average MNB rates in the consolidated financial statements in the parent company's presentational currency (HUF), which is the functional currency of the Group at the same time. Differences arising from translation are presented in other comprehensive income. The details of the conversion have been presented in table 27 Risk Management.

The effect of adopting new and revised International Financial Reporting Standards effective from 1 January 2023.

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective for reporting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Standard	Title
IFRS 17	New standard IFRS 17 "Insurance Contracts" including the June 2020 and December 2021 Amendments to IFRS 17
Amendments to IAS 1	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform — Pillar Two Model Rules*

** exception specified in amendments to IAS 12 (that an entity does not recognise and does not disclose information about deferred tax assets and liabilities related to the OECD pillar two income taxes) is applicable immediately upon issuance of the amendments and retrospectively in accordance with IAS 8. The remaining disclosure requirements are required for annual reporting periods beginning on or after 1 January 2023.*

New and revised IFRS Accounting Standards in issue and adopted by the EU but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following revised IFRS Accounting Standards that have been issued by IASB and adopted by EU but are not yet effective:

Standard	Title	Effective date
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants	1 January 2024

New and revised IFRS Accounting Standards in issue but not adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from IFRS adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not adopted by the EU as at 8th March 2024:

Standard	Title	EU adoption status
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements (IASB effective date: 1 January 2024)	Not yet adopted by EU
Amendments to IAS 21	Lack of Exchangeability (IASB effective date: 1 January 2025)	Not yet adopted by EU
IFRS 14	Regulatory Deferral Accounts (IASB effective date: 1 January 2016)	the European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred by IASB indefinitely but earlier application permitted)	Endorsement process postponed indefinitely until the research project on the equity method has been concluded

The Group does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

Hedge accounting for a portfolio of financial assets and liabilities whose principles have not been adopted by the EU remains unregulated. According to the Group's estimates, the application of hedge accounting to a portfolio of financial assets or liabilities pursuant to **IAS 39: "Financial Instruments: Recognition and Measurement"** would not significantly impact the financial statements, if applied as at the balance sheet date.

Critical accounting judgements and estimates by applying the accounting policy

The process of preparing financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions regarding the carrying amounts of assets and liabilities presented in the consolidated financial statements and the Notes.

Critical assumptions by applying the accounting policy

The Management of the Group had certain assumptions when applying the accounting policy, that can influence the carrying amounts of assets and liabilities presented in the consolidated financial statements (apart from the impact of the estimates. presented at the next point). These assumptions are presented in details in the Notes, but the most important ones are the following:

- The temporary differences calculated with deferred tax liabilities will reverse in the foreseeable future, and the corporate tax rate is 9%, which is effective from 1st January 2017.
- The outcome of certain contingent liabilities.
- Zipper Services Srl, and TipoDirect Moldva Srl are subsidiaries of the Group because the Group owns a 60% ownership interest in these companies since 31st December 2021, while ATLAS Trade Distribution SRL is a subsidiary of the Group since 15th February, 2022. Based on the contractual arrangements between the Group and other investors, the Group also has the power to appoint and remove the majority of the board of management of these companies that has the power to direct the relevant activities of these companies. Therefore, the management of the Company concluded that the Group had and has the practical ability to direct the relevant activities of these companies unilaterally and hence the Group has control over these companies. Since 31st December 2021 the Group has majority ownership as well beside control through arrangements.

Uncertainties in the estimates

The process of preparing consolidated financial statements in accordance with International Financial Reporting Standards as adopted by EU requires the use of estimates and assumptions regarding the carrying amounts of assets and liabilities presented in the consolidated financial statements and the Notes. These estimates are based on the best knowledge of the Management, in spite of this actual results may differ from estimated amounts. These estimates are presented in details in the Notes, but the most important ones are the following:

- Determining the fair value of Financial Instruments
- Determining the economic useful life of fixed assets
- Calculating the impairment loss on fixed assets and goodwill
- Calculating provisions

3 Cash and bank

	December 31, 2023	December 31, 2022
Cash and cash equivalents	6,056,275	6,393,330
Total cash and cash equivalents:	**6,056,275**	**6,393,330**

Balance of cash and cash equivalents at the end of the period is HUF 6,056 million, which is HUF 337 million lower than at the end of year 2022.

4 Accounts receivables

	December 31, 2023	December 31, 2022
Trade receivables	12,728,095	5,634,926
Allowance for doubtful debts	(53,241)	(27,632)
Total:	**12,674,854**	**5,607,294**

The carrying value of trade receivables is fair value. Balance of trade debtors is HUF 12,675 million, which is HUF 7,068 million higher than at the end of 2022.

Movement of the allowance in doubtful debts is broken down below:

	December 31, 2023	December 31, 2022
Balance at the beginning of the year	**27,632**	**3,118**
Impairment losses recognised on receivables	25,545	24,514
Impairment losses reversed	64	-
De-recognition of receivables as uncollectable debt	-	-
Balance at the end of the year	**53,241**	**27,632**

5 Inventories

	December 31, 2023	December 31, 2022
Raw materials	4,714,129	5,118,640
Work in progress	2,814,394	1,746,709
Finished goods	1,082,172	1,117,948
Goods	94,439	125,895
Cumulated loss in value for inventories (*)	(2,079,580)	(1,622,134)
Total:	**6,625,554**	**6,487,058**

The total amount of inventories is HUF 6,626 million, which increased by HUF 138 million (2%) compared to 31 December 2022.

(*) Inventory impairment is calculated on stocks item by item after judgement of the inventory item based on its physical status and future usage and selling opportunities.

6 Other current assets and prepayments

	December 31, 2023	December 31, 2022
Prepayments	285,772	203,400
Of which: revenue recognized but not invoiced	*87,530*	*92,553*
Of which: rental fee of softwares	*127,227*	*76,390*
Of which: other prepayment	*71,015*	*34,457*
Guarantee receivables	201,965	367,093
Advances paid	839,018	298,967
Of which: advances paid for PP&E	*808,560*	164,927
Of which: other advances paid	*30,458*	88,852
Employee loans	-	2,124
Other receivables	499,251	110,159
Total other current assets and prepayments:	**1,826,006**	**981,473**

	December 31, 2023	December 31, 2022
Other taxes receivable	80,881	94,044
Corporate income tax receivable	9,865	34,330
VAT receivable	47,101	33,265
Total current tax receivables	**137,847**	**161,639**

Year-end balance of current tax receivables is HUF 24 million lower than in previous period.
Interest in employees loans are the same for each employee, Hungarian prime rate + 5%.

7 Property, Plant and Equipment

	Land and buildings	Machinery and equipment	Property rights	Vehicles and other equipments	Capital projects	Total
Cost:						
January 1, 2022	**8,062,879**	**13,996,109**	**51,119**	**3,747,047**	**76,046**	**25,933,200**
Capitalization	1,134,946	3,274,300	1,517	410,591	5,932	**4,827,286**
Increase due to acquisition	-	61,422	-	-	-	**61,422**
Disposals	4,801	509,780	267	79,538	-	**594,386**
Reclassification	-	70,445	-	-	-	**70,445**
December 31, 2022	**9,193,026**	**16,892,496**	**52,369**	**4,078,100**	**81,977**	**30,297,968**
January 1, 2023	**9,193,026**	**16,892,496**	**52,369**	**4,078,100**	**81,977**	**30,297,968**
Capitalization	506,654	897,273	14,746	471,016	-	**1,889,689**
Disposals	3,718	523,424	1,550	136,048	17,084	**681,824**
Reclassification	-	-	-	23,274	-	**23,274**
December 31, 2023	**9,695,962**	**17,266,345**	**65,565**	**4,436,342**	**64,893**	**31,529,107**
Accumulated depreciation:						
January 1, 2022	**2,161,035**	**11,399,050**	**10,767**	**2,478,133**	-	**16,048,985**
Charge for year	330,098	901,820	3,201	402,198	-	**1,637,317**
Impairment	-	-	-	-	**-**	**-**
Disposals	2,400	400,725	-	69,206	-	**472,331**
December 31, 2022	**2,488,733**	**11,900,145**	**13,968**	**2,811,125**	-	**17,213,971**
January 1, 2023	**2,488,733**	**11,900,145**	**13,968**	**2,811,125**	-	**17,213,971**
Charge for year	287,185	1,313,177	13,178	452,762	**-**	**2,066,302**
Impairment	-	-	-	-	**-**	**-**
Disposals	3,718	477,295	-	109,160	-	**590,173**
December 31, 2023	**2,772,200**	**12,736,027**	**27,146**	**3,154,727**	-	**18,690,100**
Net book value:						
December 31, 2021	**5,901,844**	**2,597,059**	**40,352**	**1,268,914**	**76,046**	**9,884,215**
December 31, 2022	**6,704,293**	**4,992,351**	**38,401**	**1,266,975**	**81,977**	**13,083,997**
December 31, 2023	**6.923.762**	**4.530.318**	**38.419**	**1.281.615**	**64.893**	**12.839.007**

Fair value of the PP&E exceeds book value, therefore no impairment loss was calculated. Frame mortgage right is registered on the real estates of ANY Ingatlanhasznosító Kft., covering the risk of the loan of ANY Nyrt.

8 Right of use assets

Rights of use movement table (values in thousands of HUF)	Property rights	Machinery and equipment	Vehicles and other equipments	Total
Cost:				
January 1, 2022	**-**	**1,876,588**	**324,573**	**2,201,161**
Additions	-	-	96,628	**96,628**
Disposals	-	-	-	**-**
December 31, 2022	**-**	**1,876,588**	**421,201**	**2,297,789**
January 1, 2023	**-**	**1,876,588**	**421,201**	**2,297,789**
Additions	-	-	139,275	**139,275**
Disposals	-	-	-	**-**
Reclassification	-	1,408,265	-	**1,408,265**
December 31, 2023	**-**	**468,323**	**560,476**	**1,028,799**
Accumulated depreciation:				
January 1, 2022	**-**	**894,243**	**252,346**	**1,146,590**
Charge for year	-	479,887	92,755	**572,643**
December 31, 2022	**-**	**1,374,130**	**345,102**	**1,719,232**
January 1, 2023	**-**	**1,374,130**	**345,102**	**1,719,232**
Charge for year	-	158,455	69,502	**228,000**
Reclassification	-	1,408,265	-	**1,408,265**
December 31, 2023	**-**	**124,363**	**414,604**	**538,968**
Net book value:				
January 1, 2022	**-**	**982,345**	**72,227**	**1,054,572**
January 1, 2023	**-**	**502,457**	**76,100**	**578,557**
December 31, 2023	**-**	**343,960**	**145,872**	**489,831**

Right of use assets were increasing due to the increase of leased assets of ANY Nyrt. Further details about leases can be found in Note 24 Leases.

9 Goodwill

	December 31, 2023	December 31, 2022
Zipper Services SRL	276,231	276,231
ATLAS Trade SRL	233,966	233,966
Gyomai Kner Nyomda Zrt.	26,994	26,994
Techno-Progress Kft.	20,509	20,509
Specimen Zrt.	12,123	12,123
Foreign currency goodwill revaluation effect (Zipper and ATLAS)	69,529	-
Goodwill	**639,352**	**569,823**

The five year term budgets used for the evaluation of the goodwill are reflecting the management's best knowledge and information about the expected conditions of the financial environment. The expected net sales revenue growth rate is between 4-6% based on the financial achievement and market conditions. Discount rate used is 10%.

Cost

	December 31, 2023	December 31, 2022
Balance at the beginning of the year	335,857	335,857
ATLAS transaction	233,966	233,966
Foreing currency goodwill revaluation effect (Zipper and ATLAS)	69,529	-
Balance at the end of the year	**639,352**	**569,823**

Accumulated impairment losses

At the end of the year the Group examined goodwill's remunerative value and recognized that there was no need to account impairment losses on the goodwill. When evaluating the goodwill the Group uses 5 year plans and uses DCF method for EBITDA, which is adjusted by cash balance and net debt balance resulting in final enterprise value. When applying 5 year budgets, first year budget is approved, next years' budgets are calculated by considering yearly 5% growth rate. This 5% growth rate is the expected growth rate of subsidiaries by the parent company. Due to the events occurred in the economy in FY 2022 discount rate was increased by the Group by 200 basis points compared to previous year. Any further 100 basis point increase in the discount rate would result in a decrease of recoverable amount by 2%. The Group considers the subsidiaries as CGU (cash-generation unit) based upon their sizes, assets and operation.

Goodwill impairment indications calculated on cash-generation units (CGU) in HUF thousands:	**December 31, 2023**		**December 31, 2022**	
	Recoverable amount	Proportionate part of carrying value of CGU	Recoverable amount	Proportionate part of carrying value of CGU
Zipper Services SRL	3,703,458	824,134	2,333,267	778,583
ATLAS Trade SRL	686,052	371,969	413,835	412,484
Gyomai Kner Nyomda Zrt.	734,376	746,887	1,402,914	865,692
Techno-Progress Kft.	1,273,261	76,228	485,870	119,290
Specimen Zrt.	214,865	13,785	202,545	14,395
Net value of Goodwill	**6,612,012**	**2,033,003**	**4,838,431**	**2,190,444**

10 Intangibles

	Research and development costs	Softwares	Value of contracts recognised based on IFRS 3	Total intangibles
Historical cost:				
January 1, 2022	**269,161**	**100,544**	**-**	**369,705**
December 31, 2022	**269,161**	**100,544**	**332,222**	**701,927**
January 1, 2023	**269,161**	**100,544**	**332,222**	**701,927**
Additions	-	-	-	-
Revaluation	-	-	11,205	11,205
December 31, 2023	**269,161**	**100,544**	**343,427**	**713,132**
Accumulated amortisation:				
January 1, 2022	**269,161**	**100,544**	**-**	**369,705**
Amortisation	-	-	84,607	84,607
December 31, 2022	**269,161**	**100,544**	**84,607**	**454,312**
January 1, 2023	**269,161**	**100,544**	**84,607**	**454,312**
Amortisation	-	-	87,400	87,400
December 31, 2023	**269,161**	**100,544**	**172,007**	**541,712**
Net book value				
January 1, 2022	**-**	**-**	**-**	**-**
December 31, 2022	**-**	**-**	**247,615**	**247,615**
December 31, 2023	**-**	**-**	**171,420**	**171,420**

11 Contracted liabilities, other payables tax liabilities, government grants and accruals

Contracted liabilities:

	December 31, 2022	Increase	Decrease	Revaluation	December 31, 2023
Contracted laibilities:	**7,411,258**	**261,242**	**5,108,225**	**80,403**	**2,644,678**

Tax liabilities, other liabilities, accruals:

	December 31, 2023	December 31, 2022
Accrued management bonuses	598,908	716,455
Other accruals	2,088,602	516,626
*Of which: accrued creditors**	*1,244,076*	*146,801*
Social security	280,563	64,373
Salaries and wages	496,407	408,340
Advance payments from customers	970,802	231,903
Other short term liabilities	179,395	560,629
Other payables and accruals	**4,614,676**	**2,498,326**

* Mainly contains current year expenses occured but not invoiced connected to Angolan project

	December 31, 2023	December 31, 2022
VAT	906,685	775,243
Personal income tax	143,838	102,583
Social contribution	56,010	109,281
Other taxes	636,997	155,435
Total current tax liabilities	**1,687,520**	**1,142,542**

Total current tax liabilities, other payables and accruals amounts to HUF 8,947 million, which decreased by HUF 2,105 million compared to December 31, 2022.

Other accruals consists government grants accrued according to the following table:

	December 31, 2023	December 31, 2022
Opening balance of accrued government grant:	**176,361**	**213,012**
Government grant posted to other income in current year:	36,652	36,652
Closing balance of accrued government grant:	**139,709**	**176,361**
Out of which long term part::	**103,057**	**139,709**
Out of which short term part:	**36,652**	**36,652**

Support received

Gyomai Kner Nyomda Zrt. won government grant in PM/3935 subsidy project for purchasing innovative, modern printing machine in 2020. The grant received was in amount of HUF 259,739 thousands in 2020, out of which was accounted to SPLOCI in 2022 in value of HUF 36,652 thousands parallel to the depreciation charged to SPLOCI in connection to the assets purchased from the grant, so accrued balance of the grant was HUF 139,709 thousands as at 31st December 2023.

12 Short term and long term loans

	December 31, 2022	Increase	Decrease	December 31, 2023
Parent company overdraft facility, HUF based	-	3,273,325	-	3,273,325
Parent company short-term loan, EUR based	-	3,827,800	-	3,827,800
Short term part of long term loan of Parent Company	2,202,009	25,775	1,125,007	1,102,777
Other short term loans of subsidiaries	338,511	112,312	180,535	270,288
Total short term loans and overdrafts	**2,540,520**	**7,239,212**	**1,305,542**	**8,474,190**
Long term loan of Parent Company	4,212,925	875,979	1,106,561	3,982,343
Long term loan of subsidiary	144,862	0	77,946	66,916
Total long term loans	**4,357,787**	**875,979**	**1,184,507**	**4,049,259**
Total loans and borrowings:	**6,898,307**	**8,115,191**	**2,490,049**	**12,523,449**

The Group has overdraft limit (market interest rate, based on 1 month BUBOR) in value of HUF 4.3 billion from which HUF 0.3 billion is secured by mortgage and sales revenue assignment.
Based on the overdraft limit contracts the available amount of overdraft can be used is HUF 4.3 billion.
For the long term loans mortgages of real estates and current assets were involved.
For the financing of export projects parent company uses 10 million EUR revolving loan, which is covered by 11 million USD fixed-term deposit.

13 Share capital

Share capital (at par value, in HUF thousands) authorized, issued and outstanding at year-end:

	December 31, 2023		December 31, 2022	
	Issued	Treasury	Issued	Treasury
Registered shares	1,449,876	43,986	1,449,876	43,986
Total	**1,449,876**	**43,986**	**1,449,876**	**43,986**

The number of shares issued by the Company is 14,794,650 of which par value is HUF 98 per share.

14 Treasury shares

Number of treasury shares held by the Company on 31st December 2023 is 448,842 which were purchased at an average price of HUF 1,014 per share.

15 Retained earnings, non-controlling interest

Retained earnings available for distribution are based on the unconsolidated financial statements of the Company prepared in accordance with IFRS as adopted by EU and related Hungarian Accounting and Civil Law. The amount of the retained earnings in the Company's IFRS financial statement is HUF 7,738,702 thousands of which not distributable HUF 3,395,377 thousands. Retained earnings available for distribution is HUF 4,343,324 thousands.

Non-controlling interest is a part of the Shareholders' equity, which belongs to the owners of the subsidiaries other than the parent Company in the proportion of their ownership.

Non-controlling interest in HUF thousands	FY 2023	FY 2022
Opening balance	**1,229,879**	**1,048,010**
Dividend paid to minority shareholders (after FY 2022 income)	(1,654)	(498,738)
Profit after tax attributable to non-controlling interests	430,348	450,257
Effect of revaluation based on IAS 21	(57,571)	67,094
Changes connected to Atlas transaction	-	163,256
Closing balance	**1,601,002**	**1,229,879**

16 Net sales

Sales	2023	2022
Sales revenue from customer contracts	55,475,269	43,179,930
Total sales	**55,475,269**	**43,179,930**

Sales segments	2023	2022
Security products and solutions	29,060,715	15,292,099
Card production and personalization	12,163,248	13,302,257
Form production and personalization. data processing	11,151,497	11,366,285
Traditional printing products	1,991,933	2,106,850
Other	1,107,876	1,112,439
Total net sales	**55,475,269**	**43,179,930**

The Group does not separate different segments based on IFRS 8 – Segment reporting, but revenue is separated into five different product segment. The management of the Group considers these product segments strategically important. These segments are monitored and these are the basis of evaluating the performance. However, classification of turnover by product segments do not mean that these products can be produced in a clearly separable way in terms of assets and liabilities.

Total revenue in 2023 by countries:

Revenue by Countries	2023	2022
Hungary	25,182,912	27,095,453
Africa	13,116,997	2,894,648
Romania	9,723,433	10,369,121
Iraq	2,528,120	531
Germany	2,236,590	410,551
Turkey	743,156	532,657
Austria	421,463	279,714
Slovakia	413,118	448,457
Moldova	279,407	165,207
Poland	166,032	129,547
Other European countries	334,026	689,991
Other countries of the world	330,015	164,053
Total:	**55,475,269**	**43,179,930**

17 Other expenses, net

Other incomes and expenses	**2023**	**2022**
Received subsidy	40,171	38,415
Other items	62,047	27,058
Received discount	6,869	22,857
Reversed loss in value for inventories	2,545	20,257
Reversed loss in value for trade receivables	14,445	5,419
Total other incomes	***126,077***	***114,006***
Loss in value for inventories (*)	521,984	186,849
Permanent cash contribution	200,273	81,316
Fines, penalties	6,905	36,423
Building tax, land tax	33,427	29,985
Loss in value for trade receivables	8,777	24,508
Other items	210,769	113,600
Total other expenses	***982,135***	***472,681***
Total	***(856,058)***	***(358,675)***

The customers' and inventories' impairment haven't been occurred in one company so the presentation of current years' impairment and impairment reversal on a net basis is not possible.

(*) Inventory impairment is calculated on stocks item by item after judgement of the inventory item based on its physical status and future usage and selling opportunities.

18 Interest income / expenditure

	2023 (thHUF)	**2022 (thHUF)**
Interest income	158,677	45,994
Interest expenditure	(698,442)	(246,169)
Net profit on interest	**(539,765)**	**(200,175)**

19 Cost of sales and selling general and administration costs

Breakdown of cost of sales and selling general and administration cost is the following:

	2023 (thHUF)	2022 (thHUF)
Material type expenditures	34,151,407	28,199,935
Personal type expenditures	12,716,902	9,739,651
Depreciation and amortization	2,372,518	2,047,169
Changes in inventory and own performance	(1,202,099)	(601,527)
Total cost and expenditures	**48,038,728**	**39,385,228**
Cost of sales	37,790,901	30,555,068
Selling general and administration	10,247,827	8,830,160
Total direct and indirect cost of sales	**48,038,728**	**39,385,228**

During the year 2023, 2,373 million depreciation was accounted for, which is 325 million (16%) higher than the base period value.
Cost of sales amounted to 37,791 million, compared to the last year's figure 30,555 million.
Personal type expenditures amounted to 12,717 million, compared to the last year's figure 9,740 million.
Selling general and administration amounted to 10,248 million, compared to the last year's figure 8,830 million.
The average number of employees of the Group during the year was 1,075 (2022: 1,082).

20 Taxation

	December 31, 2023	December 31, 2022
Current year local business tax	549,852	325,380
Current year corporate income tax	430,409	199,427
Innovation contribution	82,713	49,055
Current year tax expense	**1,062,974**	**573,862**
Deferred tax (income) / expense	101,779	117,722
Total tax expense	**1,164,753**	**691,584**

Based on the decision of the Hungarian Parliament, 9% corporate tax rate has to be applied for the Hungarian companies from the calendar year of 2017. In case of the domestic subsidiaries we applied the new 9% corporate tax rate when calculating deferred tax. The tax liability of the foreign companies of the Group is taken into consideration with the effective tax legislation of their country of incorporation.

Under the tax legislation the Group is allowed to establish a tax-deductible development reserve. Assets acquired using this reserve then do not qualify for tax depreciation up to the value of the reserve. Therefore this is effectively a form of accelerated depreciation. Development reserves have been established based on the Group's current year and previous years pre-tax profit and a deferred tax liability has been recognized on the deferred tax effect of the accounting and tax depreciation difference of the assets. The Group decreased its deferred tax liabilities by the valuation difference for treasury shares based on the Hungarian Accounting Standards.

Tax losses can be carried forward up to the next years offset future taxable profits (until its 50% and 5 years). Deferred tax assets relating to tax losses are netted off against deferred tax liabilities.

ANY PLC and its subsidiaries are subject to periodic audits by the Hungarian Tax Authority (NAV). Since the application of tax laws and regulations may be susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities. In 2020 the Parent Company was subject to a comprehensive audit by NAV (National Tax and Customs Administration) for the years 2017 and 2018 to all kind of taxes. No material misstatement was explored by the Tax Authority.

	December 31, 2023	December 31, 2022
Opening deferred tax liability	**852,368**	**682,477**
Deferred tax liability due to development reserve	98,225	127,405
Deferred tax on accounting and tax depreciation difference of assets not connected to development reserve	19,738	3,979
Financial leasing	171	-
ANY Ingatlanhasznosító Kft. revaluation reserve opening balance 2016	-	-
Depreciation accounted on ANY Ingatlanhasznosító Kft. revaluation reserve between 2017 and 2021	-	-
Depreciation accounted on ANY Ingatlanhasznosító Kft. revaluation reserve in 2022	(1,556)	(1,556)
Deferred tax liability arising from ATLAS transaction	(14,611)	40,063
Closing deferred tax liability	**954,337**	**852,368**
	December 31, 2023	**December 31, 2022**
Opening deferred tax assets	**12,385**	**13,484**
Deferred tax asset on write-off for bad debts	1,227	448
Deferred tax asset on deferred yearly losses	(1,038)	(1,796)
Deferred tax asset arising from ATLAS transaction	-	249
Closing deferred tax assets	**12,574**	**12,385**
	December 31, 2023	**December 31, 2022**
Opening deferred tax liability net	**839,984**	**668,993**
Closing deferred tax liability net	**941,763**	**839,984**

The effective income tax rate defers from the statutory income tax rate due to the following items:

	December 31, 2023	December 31, 2022
Profit before tax and non-controlling interest	**5,862,390**	**3,385,883**
Tax at statutory rate of 9%(*)	527,615	304,729
Effect of the development reserve raised	(181,350)	(162,000)
Other permanent differences(**)	84,144	56,698
Corporate income tax expense	**430,409**	**199,427**

* The foreign tax rules were not considered in this calculation. The differences from that method can be find in row of Other permanent differences (net). In this calculation 9% tax rate valid in 2023 has been applied.
** Other permanent differences are coming from tax base modification items, and from the different tax rates used abroad.

21 Other comprehensive income for the year

Other comprehensive income for the year	31 December, 2023	31 December, 2022
Revaluation effect of non-monetary SOFP items in other currency than HUF based on IAS 21 (*)	(65,291)	137,932
Total other comprehensive income for the year	**(65,291)**	**137,932**

* Revaluation effect of increasing RON fx exchange rate from consolidation

22 Earnings per share

Weighted average shares outstanding, net income used in the calculation of earnings per share and calculated earning per share details are set out below: (number of weighted average shares and net income is the same both at 'Basic' and 'Fully diluted' EPS calculation)

	December 31, 2023	December 31, 2022
Weighted average shares outstanding for:	14,345,808	14,345,808
Net income used in the calculation	4,267,289	2,244,042
Basic and diluted earnings per share:		
Basic (HUF per share)	298	156
Fully diluted (HUF per share)	298	156

23 Contingent liabilities and provisions

The Company has arranged bank guarantees. The guarantees largely relate to commitments under Government and corporate tenders. Guarantees are provided up to a maximum limit of HUF 2,500 million. The Company uses HUF 862 million from its guarantee limit which is connected to tenders.

The Group reclassified HUF 3,731 million to the restricted reserves, which has not been utilised yet. Corporate tax base was decreased by this amount in line with the relevant Hungarian regulations under the condition, that this amount will be spent for capital expenditures in the following six years, otherwise the deducted corporate tax has to be repaid to the Hungarian Tax Authority grossed up with its fines and interests.

The Group does not have any provisions.

24 Short term and long term part of lease liabilities

Leasing liabilities expiry analysis as at 31.12.2023 (in thHUF)	Leasing liabilities related to real estates	Leasing liabilities related to machinery and equipment	Leasing liabilities related to vehicles	Total
Expired leasing liabilities in 2023:	-	88,825	45,394	134,219
Expired leasing liabilities in 2024:	-	11,515	38,357	49,872
Expired leasing liabilities in 2025:	-	8,616	38,231	46,847
Expired leasing liabilities in 2026:	-	2,216	5,950	8,166
Expired leasing liabilities in 2027:	-	-	-	-
Total:	**-**	**111,172**	**127,932**	**239,105**

Leasing liabilities expiry analysis as at 31.12.2022 (in thHUF)	Leasing liabilities related to real estates	Leasing liabilities related to machinery and equipment	Leasing liabilities related to vehicles	Total
Expired leasing liabilities in 2022:	-	229,871	57,935	287,807
Expired leasing liabilities in 2023:	-	53,007	4,875	57,882
Expired leasing liabilities in 2024:	-	24,938	1,403	26,341
Expired leasing liabilities in 2025:	-	25,616	391	26,007
Expired leasing liabilities in 2026:	-	2,166	-	2,166
Total:	**-**	**335,599**	**64,604**	**400,203**

Leasing interest analysis (in thHUF)	Leasing interest relating to real estates	Leasing interest relating to machinery and equipment	Leasing interest relating to vehicles	Total
Leasing interest in 2023	-	-	1,960	**1,960**
Leasing interest in 2022	-	12,031	3,630	**15,661**

Leasing obligation movement table (values in thousands of HUF)	Leasing liabilities related to real estates	Leasing liabilities related to machinery and equipment	Leasing liabilities related to vehicles	Total
January 1, 2022	**-**	**575,333**	**62,635**	**637,967**
Additions	-	-	96,630	96,630
Disposals	-	239,734	94,661	334,395
December 31, 2022	**-**	**335,599**	**64,604**	**400,203**
January 1, 2023	**-**	**335,599**	**64,604**	**400,203**
Additions	-	-	139,275	139,275
Disposals	-	224,426	75,946	300,372
December 31, 2023	**-**	**112,383**	**127,576**	**239,958**
Long term part of closing balance	**-**	**22,770**	**84,573**	**107,343**
Short term part of closing balance	**-**	**88,825**	**45,394**	**134,219**

SPLOCI items connected to leasing transaction (in HUF thousands)	2023.12.31	2022.12.31
Depreciation charged of leased assets:	228,000	502,198
Interest expenses of lease liabilities:	1,969	15,661
Total costs / expenditures:	**229,969**	**517,859**

25 Related party transactions

The Group has no other partner considered to be be related party based on IAS 24 than members of the Board of Directors, members of the Supervisory Board and management personnel. The Group purchased management services from EG Capital in value of HUF 183 million in 2023 (HUF 190 million in 2022).

26 Remuneration of the members of the Supervisory Board and the Board of Directors

HUF 11,436 thousands remuneration was paid to the Supervisory Board, while HUF 4,760 thousands to the Board of Directors in 2023.
The following table presents the beginning and the end of the assignment of the members of the Board of Directors, the members of the Supervisory Board and the senior officers. The number of shares hold in ANY Security Printing Company PLC is also presented as at 31 December 2023.

Type [1]	Name	Position	Assignment started	Assignment ends	ANY shares owned (no.)**
BD	Dr. Ákos Erdős[2]	Chairman of Board of Directors	1993*	May 1, 2028	2,297,987
BD	Gábor Zsámboki	Deputy chairman of Board of Directors**	August 11, 2005*	May 1, 2028	143,923
BD	Robert Elton Brooker III.	Member of Board of Directors	May 1, 2023	May 1, 2028	12,285
BD	Dr. Gábor Kepecs	Member of Board of Directors	May 31, 2018	May 1, 2028	-
BD	Tamás Erdős[3]	Member of Board of Directors	May 31, 2014	May 1, 2028	1,020,001
BD	Erwin Fidelis Reisch	Member of Board of Directors	May 31, 2014	May 1, 2028	-
SB	Prof. Dr. István Stumpf	Chairman of Supervisory Board	April 27, 2021***	May 31, 2024	-
SB, AC	Dr. Istvánné Gömöri[4]	Deputy chairman of Supervisory Board and member of Audit Committee	August 11, 2005*	May 31, 2024	536,703
SB, AC	Ferenc Berkesi	Member of Supervisory Board and Audit Committee	August 11, 2005*	May 31, 2024	-
SB, AC	Dr. Imre Repa	Member of Supervisory Board and Audit Committee	March 30, 2007*	May 31, 2024	-
SB	Katalin Hegedűs	Member of Supervisory Board	May 31,2020	May 31, 2024	-
SB	László Hanzsek	Member of Supervisory Board	May 31,2020	May 31, 2024	-
SB	Gábor Kun	Member of Supervisory Board	May 31,2020	May 31, 2024	-
Number of ANY shares hold, TOTAL:					**4,010,899**

[1] Board of Directors member (BD), Supervisory Board member (SB), Audit Committee member (AC)
[2] Dr. Ákos Erdős controls ANY shares indirectly through EG Capital LLC and Fortunarum Kft.
[3] Tamás Erdős controls ANY shares indirectly through Digital Forest LLC.
[4] Dr. Istvánné Gömöri controls ANY shares indirectly through BELU S.A.R.L.
* Re-elected by the Annual General Meeting held on 31st March, 2014
** Gábor Zsámboki has been the deputy chairman of the Board of Directors since 11th August, 2014.
*** Elected by the Board of Directors entitled with AGM rights on 27th April. 2020

27 Risk management

Foreign currency risk

Among foreign currency transactions of the Group EURO based transactions are the most important ones. Foreign currency liabilities mainly occur from raw material purchases, which are hedged by the receivables from the export sales in foreign currency as a natural hedge. Due to the balance of foreign currency receivables and liabilities the foreign currency risk of the Group is moderate.

ANY Group	Currency	December 31, 2023		December 31, 2022	
		in original currency	in HUF thousands	in original currency	in HUF thousands
Foreign currency receivables	EUR	16,149,990	6,182,216	2,395,050	958,619
	BGN	-	-	-	-
	RON	37,833,671	2,911,301	35,250,377	2,851,050
	MDL	942,600	18,635	4,027,770	79,065
	GBP	-	-	2,167	979
	USD	825	304	117,889	44,289
Total (in HUF thousands)			**9,112,457**		**3,934,002**
Foreign currency cash	EUR	2,446,428	936,493	7,295,995	2,920,222
	USD	586,314	216,209	6,034,117	2,266,897
	GBP	1,300	587	3,236	1,463
	RON	9,998,883	769,414	9,103,299	736,275
	MDL	6,725,968	132,972	12,681,411	248,936
Total (in HUF thousands)			**2,055,675**		**6,173,793**
Foreign currency liabilities	EUR	20,021,782	7,664,338	20,376,217	8,155,581
	USD	81,100	29,906	156,062	58,629
	CHF	-	-	16,062	6,536
	SEK	-	-	44	12
	RON	28,482,231	2,192,015	34,745,978	2,810,255
	MDL	488,717	9,662	4,817,695	94,571
	GBP	15,476	6,983	-	-
	BGN	101,539	19,872	-	-
Total (in HUF thousands)			**9,922,778**		**11,125,585**
Impact of a possible 1% foreign exchange rate decrease in each foreign currency (in HUF thousands)*		**December 31, 2023**	**December 31, 2023**	**December 31, 2022**	**December 31, 2022**
Impact on foreign currency assets			1,116,813		1,010,780
Impact on foreign currency liabilities			(992,278)		(1,112,559)
Total impact of possible foreign exchange rate change			124,535		(101,779)

In case of a same percentage forint exchange rate increase the same numbers apply like in the table up, only with opposite sign.

The fair value of the financial instruments equals the book value. The Group holds no financial assets held to maturity or available for sale.

Interest rate risk

Due to the moderate level of debts in the Group potential interest rate changes would not influence significantly the amount of interests to be paid by the Group. Based on the balance of Credits of the Group a potential interest rate increase of 100 basis points relevant to our credits would increase our interest expenses by approximately HUF 125,345 thousands in the year 2023. (This was HUF 68,754 thousands in the year 2022.)

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash-flows and by matching the maturity profiles of financial assets and liabilities.
Liquidity risk of the Group, due to the high balance of net working capital, is low.
The maturity of trade payables, lease liabilities and credits is shown in the next table (not discounted values):

ANY Group FY 2023	**In 1 month**	**1 - 3 months**	**3 months - 1 year**	**1 - 5 years**	**Over 5 years**	**Total:**
Trade payables	5,646,661	261,877	-	-	-	**5,908,538**
Lease liabilities	22,010	22,103	88,502	106,478	-	**239,105**
Credits	771,477	1,462,495	6,240,218	4,049,259	-	**12,523,449**
Other liabilities and accruals (without taxes)	6,795,647	23,299	440,408	-	-	**7,259,354**
Current tax liabilities	1,659,570	27,950	-	-	-	**1,687,520**
Total	**14,895,365**	**1,797,724**	**6,769,129**	**4,155,749**	**-**	**27,617,967**

ANY Group FY 2022	**In 1 month**	**1 - 3 months**	**3 months - 1 year**	**1 - 5 years**	**Over 5 years**	**Total:**
Trade payables	4,269,702	30,242	26,230	26	-	**4,326,200**
Lease liabilities	23,982	47,784	215,838	112,599	-	**400,203**
Credits	199,006	398,012	1,943,502	4,357,787	-	**6,898,307**
Other liabilities and accruals (without taxes)	9,774,926	13,374	120,462	822	-	**9,909,584**
Current tax liabilities	1,142,028	514	-	-	-	**1,142,542**
Total	**15,409,644**	**489,926**	**2,306,032**	**4,471,234**	**-**	**22,676,836**

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of costumers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The financial discipline of the debtors of the Group is really good, which is also represented by the low portion of cumulated provision on trade receivables compared to the gross amount of trade receivables: 0.95%. (This was 0.15% in 2022.) (For further details see page 16.) The more than 90 days overdue receivables out of total aged receivables of the Group is 0,1%.

28 Significant events after the reporting period

Decisions of the 8th March 2024 Board of Directors' meeting

The Consolidated Financial Statements were authorized for issue by the Board of Directors of ANY Nyrt. on 8th March, 2024. The Board of Directors proposes HUF 250 dividend per share to the shareholders on the annual general meeting to be held in April 2024.

Budapest, 8th March 2024 ....

Chief Executive Officer

ANY Security Printing Company Public Limited Company by Shares

Consolidated business report

for the year ended 31 December, 2023

ANY BIZTONSÁGI NYOMDA NYRT.
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General information on the Group

Parent company name:	ANY Security Printing Company Limited by Shares
Abbreviate parent company name:	ANY Plc.
Tax registration number:	10793509-2-44
Seat:	1102 Budapest, Halom u. 5.
Premises of the parent company:	1106 Budapest, Fátyolka utca 1-5.
	3060 Pásztó, Fő utca 141.

Subsidiaries

Gyomai Kner Nyomda Zrt., Seat: 5500 Gyomaendrőd, Kossuth Lajos u. 10-12.
Specimen Zrt., Seat: 1102 Budapest, Halom u. 5.
ANY Ingatlanhasznosító Kft., Seat: 1102 Budapest, Halom u. 5.
Techno-Progress Kft., Seat: 1102 Budapest, Halom u. 5.
Zipper Services s.r.l., Seat: Bucuresti, Bd 1 Decembrie 1918, Nr. 1G, Sect. 3
ATLAS Trade Distribution SRL., Seat: Str. Valea Cascadelor nr. 21, cladirea 4 Sector 6, Bucuresti
Slovak Direct s.r.o., Seat: Nové Záhrady I/11, 821 05 Bratislava
Tipo Direct Serv SRL, Seat: Chişinău 2001, str. Tighina 49/3, ap. 41C

Analysis of the Group's performance in FY 2023

Net sales of ANY PLC for 2023 amounted to HUF 55.5 billion which is higher by HUF 12.3 billion (28%) than in the previous year. Changes in case of strategic product segments were as follows: sales of security products, solutions were HUF 29.1 billion, which is HUF 13.8 billion (90%) higher than the figure in the basis period; data processing were HUF 11.2 billion, which is HUF 0.2 billion (9%) lower than the figure in the basis period, whilst sales of card production, personalisation were HUF 12.2 billion, which is HUF 1.1 billion (9%) lower than the figure in the basis period. Ratio of strategic products segments in total net sales was 94% in 2023.

Export sales amounted to HUF 30.3 billion as at December 31, 2023, which is HUF 14.2 billion higher than in the previous year, representing 55% export sales ratio.

Consolidated EBITDA is HUF 8,774 million.

Consolidated operating income is HUF 6,402 million.

Consolidated net income after interest income, taxation and non-controlling interest is HUF 4,267 million.

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Income statement analysis

The breakdown of net sales by segment is presented in the table below:

1. Table: Net sales by segments

Sales segments	2022 HUF millions	2023 HUF millions	Change	Change %
Security products and solutions	15,292	29,061	13,769	90.04%
Card production and personalization	13,302	12,163	(1,139)	-8.56%
Form production and personalization, data processing	11,367	11,151	(216)	-1.90%
Traditional printing products	2,107	1,992	(115)	-5.46%
Other	1,113	1,108	(5)	-0.45%
Total net sales	**43,181**	**55,475**	**12,294**	**28.47%**

ANY PLC had consolidated net sales of 55,475 million in Q1-Q4 2023, which is HUF 12,294 million (28%) higher than the sales for the base period.

Sales of **security products and solutions** came to HUF 29,061 million in Q1-Q4 2023 which means an increase of HUF 13,769 million (90%) compared to the base period. The increase was mainly driven by the export projects, higher tax stamps turnover, and invoiced revenue from the roll-out of passport issuing systems.

The Company's revenues from **card production and personalisation** totalled HUF 12,163 million in the period of reference, a HUF 1,139 million (9%) decrease compared to similar period of year 2022. The main reason for the change is the declining turnover of other document cards.

The Company's revenues from **form production, personalisation and data processing** came to HUF 11,151 million in Q1-Q4 2023, HUF 216 million (2%) lower than the sales for the base period. The main reason for the change is the decrease in turnover from export form production and personalization.

Sales of **traditional printing products** amounted to HUF 1,992 million in the period of reference, which means a HUF 115 million (5%) decrease compared to the previous year's similar period. Lower volume of book orders is behind the change.

Other sales totalled HUF 1,108 million in Q1-Q4 2023, which is a decrease of HUF 5 million compared to the correspondent period of the last year. This segment mainly comprises revenues from the sale of commercial materials and goods.

Operating income came to HUF 6,402 million, an increase of HUF 2,815 million compared to the previous period.

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Gross profit totalled HUF 17,684 million, which means a 32% gross margin. General (SG&A) expenses amounted to HUF 10,248 million in Q1-Q4 2023, which equals to 18% of net sales.

Material expenses amounted to HUF 34,151 million, higher by HUF 5,951 million (21%) in the current period due to increased raw material prices and due to services used and consignment services connected to export projects.

The capitalized value of own performance line shows the capitalized value of assets produced and the change in inventories manufactured. These figures were driven mainly by the change in inventories in both periods presented; the most significant of these is the value of work-in-production (WIP) connected to security and card products.

Personnel expenses totalled HUF 12,717 million, which is HUF 2,977 million higher than in the base period, due to the increase in staffing levels, the wage increase implemented and to the achievement based salaries connected to higher turnover and its contributions.

EBITDA amounted to HUF 8,774 million due to the change in operating income and depreciation, which represents an increase of HUF 3,141 million compared to previous period's EBITDA. Therefore EBITDA margin is 16%.

Net interest income amounted to -540 million HUF in Q1-Q4 2023, due to higher interest rates. The foreign currency gain is HUF -178 million, which is the result of the favourable change in the foreign exchange rates. Net income – after financial operations, taxation and minority interest – came to HUF 4,269 million in Q1-Q4 2023, which is HUF 2,025 million higher in the base period.

Balance sheet analysis

The Company had total assets of HUF 41,478 million on 31 December 2023, which increased by HUF 7,351 million compared to the previous year-end.

Receivables amounted to HUF 12,675 million which represents a HUF 7,068 million increase compared to the 2022 year-end, due to increased turnover and to the invoices of big projects issued at the end of the year.

Cash and bank totalled HUF 6,056 million which represents a HUF 337 million decrease compared to the 2022 year-end balance.

Inventories totalled HUF 6,626 million, which is a HUF 138 million (2%) increase compared to the 31 December 2022 figure mainly due to increased work-in progress and semi-finished products.

Other current assets and prepayments amounted to HUF 1,964 million, which is increased by HUF 821 million compared to previous year-end mainly due to the increase in the paid advances related to the Angolan projects.

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The balance of property, plant and equipment at the end of December 2023 was HUF 12,839 million, a decrease of HUF 245 million compared to the end of 2022.

Goodwill amounted to HUF 639 million which is the same as last year's balance.

Accounts payable totalled HUF 5,909 million, HUF 1,582 million (37%) higher compared to the end of December 2022, mainly due to the increase in accounts payable related to the Angolan projects.

Other payables and accruals amounted to 8,944 million, which is decreased by HUF 2,105 million (23%) compared to the 31 December 2022 figure mainly due to a decrease in advances received from customers related to the Angolan projects.

Lease liabilities relating to the purchase of fixed assets have a balance of HUF 239 million, from which HUF 105 million is long-term part, HUF 134 million is short-term liability.

Balance of long-term loans totalled HUF 4,049 million which represents a HUF 309 million decrease compared to the 2022 year-end. The Company's operation is financed by short term loans, which reached HUF 8,474 million on 31 December, 2023, out of which short term part of long term loan is HUF 4,930 million.

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Risk management

Foreign currency risk

Among foreign currency transactions of the Group EURO based transactions are the most important ones. Foreign currency liabilities mainly occur from raw material purchases, which are hedged by the receivables from the export sales in foreign currency as a natural hedge. The balance of foreign currency receivables and liabilities are almost the same within the Group, therefore the foreign currency risk of the Group is not significant.

Interest rate risk

Due to the moderate level of debts in the Group. potential interest rate changes would not influence significantly the amount of interests to be paid by the Group. Based on the balance of Credits of the Group a potential interest rate increase of 100 basis points relevant to our credits would increase our interest expenses by approximately HUF 125,345 thousands in the year 2023. (This was HUF 68,754 thousands in the year 2022.)

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash-flows and by matching the maturity profiles of financial assets and liabilities.
Liquidity risk of the Group, due to the high balance of net working capital, is low.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of costumers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.
The financial discipline of the debtors of the Group is really good, which is also represented by the low portion of cumulated provision on trade receivables compared to the gross amount of trade receivables: 0.95%. (This was 0.15% in 2022.) The more than 90 days overdue receivables out of total aged receivables of the Group is 0.1%.

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Supplementary information for the business report of ANY Group

The Company’s employment policy

ANY Group places high priority on keeping labour law, labour safety, employment, tax and social insurance regulations connected to working. The Group considers the employees’ continuous training and education as of strategic importance in order to ensure the renewal of professional knowledge within the Group and the adaptability of employees. ANY Group gives wide scale of social benefits to its employees, helping to create the balance between private life and the workplace. The principles of benefits and wages are set out in the Collective Agreement. Besides keeping the regulations, the Group is trying to create a workplace with proper working relations, taking the family obligations into consideration which increases the Group’s profitability on the long term as well.

Environment protection

The parent company has ISO 14000:2015 Environmental Control System certificate audited by Det-Norske Veritas. The expiry date of the certification is January 11, 2025. The environmental certificate covers the following fields: printed products, security products, documents, development, production and personalization of plastic cards and bankcards. Research and development and production of security materials. Electronic reprocessing and delivering of printed forms. Chip embedding and encoding at smart cards. Research and development of traditional/general and mobile information technology solutions, operation and support of connected services. Electronic archiving of data, data processing, database management, setting up archives, storing of documents for fee.
Dangerous waste is continuously eliminated after leaving the company sites. In 2023, 20,829 kg dangerous waste was transported and eliminated. The parent company has being awarded Green Printing House Award for thirteen consecutive years this year.

Research and development

The parent company has two significant R&D areas:
1, R&D projects included in the activity of the Document Security Laboratory. The nanotechnology project has a key importance in this area. Using nanotechnology in security inks may contribute to drawing back forgeries and the fight against black economy.

2, The development of products has a significant role related to new tenders.
The direct cost of basic research, applied research and experimental development incurred in the current year is HUF 110 million.

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Significant events after the reporting period

The Consolidated Financial Statements were accepted by the Board of Directors of ANY Group on 8th March, 2024.

Treasury shares in FY2023

2. Table: Treasury shares

Description	Number of shares	Nominal value (HUF thousands)	Purchase value (HUF thousands)
Opening balance as at 1 January, 2023	**448,842**	**43,987**	**455,048**
Closing balance as at 31 December, 2023	**448,842**	**43,987**	**455,048**

Number of treasury shares held by the Group on 31st December 2023 is 448,842 which were purchased at an average price of HUF 1,014 per share.

The Group's total share equity was HUF 1,449,876 thousands on 31 December 2023 which consists of 14,794,650 pieces of series 'A' registered, dematerialized ordinary shares with a nominal value of HUF 98 each.

Competence, election and removal of corporate officers

Statutes effective from 31st March 2014 of ANY Security Printing Company PLC point 10.10 prescribes the competence of the General Meeting, of which point 'd' regulates the election (simple majority of the votes of the shareholders present) and the removal (three-quarters of the votes of the shareholders present) of the corporate officers (Members of the Board of Directors, Members of the Supervisory Board or Members of the Audit Committee).

Competence and operation is regulated in point 12 of the Statutes for the Board of Directors is, while point 14 for the Supervisory Board and point 15 for the Audit Committee.

Purchase of treasury shares is regulated by point 9.3 of Statutes, according to which General Meeting authorises the Board of Directors for purchasing treasury shares of the Company by simple majority of the votes of the shareholders present. The Board of Directors authorises the management for purchasing treasury shares of the Company by simple majority of the votes of the Board members present. The regulation effective at present in connection with purchasing treasury shares is the General Meeting Resolution No 11/2015 (20th April).

Statutes effective of the ANY Security Printing Company PLC can be found on the website of the Company under the link of Investors.

(https://www.any.hu/wp-content/files_mf/1557324630ANY_Statutes_20200408.pdf)

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Modification of the Statutes

Statutes effective from 31st March 2014 of ANY Security Printing Company PLC point 10.10 prescribes the competence of the General Meeting, of which point ‘a’ regulates the modification of the Statutes, which is connected to three-quarters of the votes of the shareholders present.
Statutes effective of the ANY Security Printing Company PLC can be found on the website of the Company under the link of Investors.
(https://www.any.hu/wp-content/files_mf/1557324630ANY_Statutes_20200408.pdf)

Structure of shareholders over 5% share

3. Table: Structure of shareholders

Investor	Voting right (%)	Ownership (%)
Owners above 5% share		
EG CAPITAL LLC(*)	11.98%	11.62%
DIGITAL FOREST LLC(**)	7.11%	6.89%
AEGON ALFA SZÁRMAZTATOTT ALAP	5.20%	5.04%
Owners below 5% share		
Domestic Institutional Investors	30.15%	29.23%
Foreign Institutional Investors	10.83%	10.50%
Foreign Individual Investors	0.57%	0.55%
Domestic Individual Investors	31.70%	30.75%
Management, employees	1.46%	1.42%
Treasury shares	0.00%	3.03%
Other	1.00%	0.97%

(*) The Chairman of the Board of Directors of ANY Security Printing Company PLC as owner of EG Capital LLC has a further indirect ownership through Fortunarum Kft (3.70%).
(**) Indirect ownership of Tamás Erdős, member of the Board of Directors of ANY Security Printing Company PLC based on the AGM held on 31st March, 2014.

Budapest, 8th March 2024 ....

Chief Executive Officer

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STATEMENT OF RESPONSIBILITY

Gábor Zsámboki, as the CEO of ANY Security Printing Company Plc., I hereby declare that the consolidated annual report based on the applicable accounting rules and on our best knowledge gives a true and fair view about the assets, liabilities, financial position, profit and loss of the issuer and the legal entities involved into the consolidation, furthermore the consolidated management report gives a true and fair view about the position, development, and achievement of the issuer and the legal entities involved into the consolidation while reviewing the main risks and uncertainty factors.

Budapest, 8th March 2024 ....

Chief Executive Officer

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