Annual Report and Consolidated Financial Statements

for the year ended 30 April 2022 in accordance with the International Financial Reporting Standards as endorsed by the European Union

About Rohlik Group

The Rohlik Group is a European technology leader in e-grocery, bringing about a digital revolution whilst accelerating and redefining the retail food industry. The company's unique customer experience is a combination of fast and precise delivery, a large assortment, and great value for money. Orders are delivered within 60 minutes or within 15-minute same-day time windows, with over 17 000 items to choose from and prices in line with brick-and-mortar competition. Rohlik Group operates in the online retail market for the sale and delivery of food and other products, such as drugstores and household goods. Rohlik Group a.s. is a parent company of subsidiaries already operating or in the pre-launch phases of grocery e-shops in several European markets.

History of Rohlik Group

In 2014, the Czech entity VELKÁ PECKA s.r.o. under the brand Rohlik.cz was founded by current Group CEO Tomáš Čupr and commenced services in Prague. Subsequent milestones included the opening of the first warehouse in May 2015, launching a mobile app, and deliveries outside of Prague in March 2017. In January 2018, the Group achieved its first positive EBITDA. Expansion to foreign markets began in 2019 with the launch of Kifli.hu in Budapest, and the opening of the first international operation. The Group also launched its first private label, opened its third warehouse in the Czech Republic, and acquired new customers during the COVID-19 pandemic. In June 2021, the Group raised €121 million in a fundraising round and reached a valuation above €1 billion. The same month, the Group reached the milestone of delivering its one-millionth order to customers in Hungary.

In the summer of 2021, the Group expanded to Germany, Romania and Italy, and opened its second location on the German market in Frankfurt. In December 2021, the Group delivered over 900,000 orders in one month, another major milestone. In June 2022, the Group successfully raised €220 million in a Series D funding round led by new investor Sofina. To support its expansion plans, the Group was restructured and a new group organization Rohlik Group a.s. was established as a parent company. With the adoption of an agile management approach, the Group was able to develop faster systems and customer propositions, as well as forming uniform systems and processes for all foreign subsidiaries.

Rohlik Group takes care of the environment by introducing reusable bags and investing in electric vehicles, bikes, and charging stations. As Group continues to expand to foreign markets and make further success in the Czech Republic, more investors are attracted. The Group shows no signs of slowing down, and is making plans for greater expansion and faster development of services and technologies. With the support of investors, Rohlik Group is sure to reach even greater heights in the future.

Management commentary and outlook for the fiscal year 2022

Rohlik Group's growth is showing no signs of slowing down, ending its fiscal year with over 1 million active customers, almost 10 million orders, and €500 million in net revenues, and rapid 53% YoY growth over the last 12 months (05/21-04/22). This growth and performance-to-date positions Rohlik Group to become mainland Europe's largest full-basket pure online supermarket.

Significant investments are taking place in technology and people. Rohlik Group is massively upgrading its fulfillment centers as part of its goal of becoming Europe's largest and preferred e-grocery delivery service. The first automated solution was launched by Knuspr.de in Munich, and the second automated solution was launched by Rohlik.cz in Prague, to be followed by a gradual roll-out across all existing and new European markets. Approximately €45 million will be invested in automation in the first phase, with a total of upwards of 10 further FCs to be upgraded in 2022-2025.

The outlook for the fiscal year 2022 was influenced by the Russian-Ukrainian conflict, which could have a negative impact on the Company's business activities, including the risk of supply chain constraints. The Company has no subsidiaries or equity investments in Ukraine or in Russia and does not operate any business activities in these two countries. The direct impacts are, therefore, limited. However, the situation has a negative impact on the global economy, including prices and availability of certain commodities and the business environment in general. The management, therefore, decided to take a cautious approach to plan for the upcoming years. Despite this approach, the management expects the Group will turn profitable in the mid-term horizon of three to five years. In the longer term, Rohlik Group will become a fully pan-European business with operations in cities such as London and Paris and a market valuation of at least 20 billion euros. Rohlik Group management has concluded that there is no material uncertainty that the Group would not be able to continue in its activities for at least the following 12 months. Therefore, these consolidated financial statements were prepared on a going-concern basis.

Other information for disclosure

The Group discloses no information under special legislation.

Subsequent events

Apart from the events described in the Notes to the Consolidated financial statements, no other significant events occurred after the balance sheet date.

In Prague 17 January 2023

Tomáš Čupr

Statutory Director of the Company

Consolidated Financial Statements

in accordance with the International Financial Reporting Standards as endorsed by the European Union

30 April 2022

Content

Consolidated statement of profit or loss and other comprehensive income ... 5
Consolidated statement of financial position ... 6
Consolidated statement of changes in equity ... 7
Consolidated statement of cash flow ... 8
1 Corporate information ... 9
2 Significant accounting policies ... 9
2.1 Basis of preparation ... 9
2.2 Group restructuring and basis of consolidation ... 9
2.3 Summary of significant accounting policies ... 10
2.4 First-time adoption of IFRS ... 21
3 Significant accounting judgements, estimates and assumptions ... 25
4 Revenue from contracts with customers ... 27
4.1 Disaggregated revenue information ... 27
4.2 Contract balances ... 27
4.3 Refund liabilities ... 28
5 Capital management ... 29
6 Group information ... 29
7 Business combinations ... 32
8 Other income/expenses ... 34
8.1 Other operating income ... 34
8.2 Other operating expenses ... 34
8.3 Finance income ... 34
8.4 Finance costs ... 34
8.5 Employee benefits expense ... 34
8.6 Selling and distribution expenses ... 35
8.7 Administrative expenses ... 35
9 Income tax ... 36
10 Deferred tax ... 37
11 Earnings per share ... 38
12 Property, plant and equipment ... 39
13 Intangible assets and goodwill ... 40
14 Financial assets and financial liabilities ... 41
14.1 Financial assets ... 41
14.2 Financial liabilities ... 41
14.3 Fair values ... 42
14.4 Financial instruments risk management objectives and policies ... 42
15 Inventories ... 45
16 Trade and other receivables ... 45
17 Cash and short-term deposits ... 45
18 Issued capital and reserves ... 46
19 Provisions ... 47
20 Contract liabilities and refund liabilities ... 47
21 Trade and other payables ... 47
22 Leases ... 48
23 Share-based payments ... 49
24 Commitments and contingencies ... 50
25 Related party disclosures ... 51
26 Standards issued but not yet effective ... 52
27 Events after the reporting period ... 54

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 April 2022

	Notes	1 May 2021 - 30 April 2022 €000	1 May 2020 – 30 April 2021 €000
Revenue	4	498,263	326,461
Cost of sales		(340,556)	(219,613)
Gross profit		**157,707**	**106,848**
Other operating income	9.1	7,408	1,209
Selling and distribution expenses	9.6	(172,834)	(84,196)
Administrative expenses	9.7	(84,672)	(44,498)
Other operating expenses	9.2	(15,615)	(1,321)
Operating profit		**(108,006)**	**(21,958)**
Finance costs	9.4	(2,125)	(1,067)
Finance income	9.3	7	8
Share of profit of an associate and a joint venture		(90)	(75)
Profit before tax		**(110,214)**	**(23,092)**
Income tax expense	10	(1,411)	(381)
Profit for the year		**(111,625)**	**(23,473)**
Attributable to:			
Equity holders of Rohlik Group a.s.		(111,625)	(23,473)
Non-controlling interests		-	-
		(111,625)	**(23,473)**
Earnings per share	12		
Basic earnings per share		(0.24)	(0.31)
Diluted earnings per share		(0.23)	(0.30)
Profit for the year		**(111,625)**	**(23,473)**
Other comprehensive income			
Exchange differences on translation of foreign operations		7,970	7,04
Other comprehensive income/(loss) for the year, net of tax		**7,970**	**7,04**
Total comprehensive income for the year, net of tax		**(103,655)**	**(22,769)**
Attributable to:			
Equity holders of the parent		(103,655)	(22,769)
Non-controlling interests		-	-

Consolidated statement of financial position
as at 30 April 2022

	Notes	30 April 2022 €000	30 April 2021 €000 (Note 2.4)	As at 1 May 2020 €000 (Note 2.4)
Assets				
Non-current assets				
Intangible assets and goodwill	14	11,685	6,083	2,178
Property, plant, and equipment	13	68,329	29,057	6,943
Right-of-use assets	23	45,700	18,379	11,286
Investment in an associate and a joint venture	8	651	639	469
Non-current financial assets	15	6,384	3,430	610
Deferred tax assets	11	-	-	-
		132,749	**57,588**	**21,486**
Current assets				
Inventories	16	23,988	10,776	9,672
Trade and other receivables	17	27,893	10,474	5,463
Other current financial assets	15	7,686	350	796
Cash and short-term deposits	18	53,711	93,175	4,741
		113,278	**114,775**	**20,672**
Total assets		**246,027**	**172,363**	**42,158**
Equity and liabilities				
Equity				
Issued capital	19	182	163	13
Share premium	19	99,982	-	-
Other reserves	19	146,129	142,261	18,383
Retained earnings		(151,180)	(39,555)	(16,082)
Foreign currency translation reserve		8,674	704	-
Equity attributable to equity holders of the parent		**103,787**	**103,573**	**2,314**
Non-controlling interests		-	-	-
Total equity		103,787	103,573	2,314
Non-current liabilities				
Interest-bearing loans and borrowings	15	11,431	6,046	461
Lease liabilities	23	40,654	14,766	8,774
Provisions	20	769	-	-
Contract liabilities	21	-	-	-
Deferred tax liabilities	11	-	-	-
		52,854	**20,812**	**9,235**
Current liabilities				
Trade and other payables	22	77,184	41,221	27,384
Contract liabilities	21	1,402	533	524
Interest-bearing loans and borrowings	15	3,981	1,987	187
Lease liabilities	23	6,341	3,995	2,497
Provisions	20	-	-	-
Income tax payable		478	242	17
		89,386	**47,978**	**30,609**
Total liabilities		**142,240**	**68,790**	**39,844**
Total equity and liabilities		**246,027**	**172,363**	**42,158**

Consolidated statement of changes in equity

for the year ended 30 April 2022

	Attributable to the equity holders of the parent							
	Issued capital	Share premium	Other reserves	Retained earnings	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	€000	€000	€000	€000	€000	€000	€000	
Balance as at 1 May 2020	13	-	18,383	(16,082)	-	2,314	-	2,314
Profit for the period	-	-	-	(23,473)	-	(23,473)	-	(23,473)
Other comprehensive income	-	-	-	-	7,04	7,04	-	7,04
Total comprehensive income	-	-	-	(23,473)	7,04	(22,769)	-	(22,769)
Issue of share capital & other capital funds contribution	150	-	121,056	-	-	121,206	-	121,206
Share-based payments	0	-	2,822	-	-	2,822	-	2,822
Balance as at 30 April 2021	163	-	142,261	(39,555)	7,04	103,573	-	103,573
As at 1 May 2021	163	-	142,261	(39,555)	7,04	103,573	-	103,573
Profit for the period	-	-	-	(111,625)	-	(111,625)	-	(111,625)
Other comprehensive income	-	-	-	0	7,970	7,970	-	7,970
Total comprehensive income	-	-	-	(111,625)	7,970	(103,655)	-	(103,655)
Issue of share capital & other capital funds contribution	18	99,982	425	-	-	100,425	-	100,425
Share-based payments	-	-	3,444	-	-	3,444	-	3,444
Balance as at 30 April 2022	182	99,982	146,129	(151,180)	8,674	103,787	-	103,787

Consolidated statement of cash flow

for the year ended 30 April 2022

	1 May 2021 - 30 April 2022 €000	1 May 2020 - 30 April 2021 €000
Operating activities		
Profit/(loss) before tax	(111,625)	(23,473)
Adjustments to reconcile profit before tax to net cash flows:		
• Depreciation and impairment of property, plant, and equipment, and right-of-use assets	14,199	7,808
• Amortization and impairment of intangible assets	2,696	1,547
• Share-based payment expense	3,365	2,760
• Net foreign exchange differences	8,064	208
• Gain on disposal of property, plant, and equipment	(121)	(85)
• Finance income	(7)	(8)
• Finance costs	2,125	1,067
• Movements in provisions, pensions, and government grants	31	-
Working capital changes:		
• Decrease/(increase) in trade receivablesdeposits, and prepayments	(17,419)	(5,011)
• Decrease/(increase) in restricted cash on bank account classified within Other financial assets	(7,336)	446
• Decrease/(increase) in inventories and right of return assets	(13,212)	(1,104)
• Increase (decrease) in trade and other payables, contract liabilities, and refund liabilities	36,832	13,846
	(82,409)	**(1,999)**
Interest paid	(2,321)	(1,434)
Income tax paid	(1,192)	(161)
Net cash flows from operating activities	**(85,922)**	**(3,594)**
Investing activities		
Proceeds from sale of property, plant, and equipment	1,517	91
Purchase of property, plant, and equipment	(44,988)	(25,271)
Purchase of intangible assets	(7,862)	(5,267)
Purchase of investments in joint ventures and associates	21	(146)
Proceeds from sale of financial instruments	-	-
Acquisition of a subsidiary, net of cash acquired	-	(1,030)
Receipt of government grants	-	-
Interest received	6	8
Net cash flows used in investing activities	**(51,311)**	**(31,623)**
Financing activities		
Proceeds from issue of ordinary share capital, net of transaction costs	100,000	150
Contributions outside of the share capital	425	121,056
Payment of principal portion of lease liabilities	(4,252)	(2,999)
Proceeds from borrowings	7,026	5,658
Repayment of borrowings	(222)	(189)
Net cash flows from/(used in) financing activities	**102,977**	**123,676**
Net increase in cash and cash equivalents	**(34,257)**	**88,460**
Net foreign exchange difference	(5,207)	(26)
Cash and cash equivalents at the beginning of the period	93,175	4,741
Cash and cash equivalents at the end of the period	**53,711**	**93,175**

Notes to the consolidated financial statements

1 Corporate information

Rohlik Group a.s. (hereafter "the Company") is a joint-stock company incorporated and domiciled in the Czech Republic (identification number: 09960678). The Company is the parent of the Rohlik Group. The address of its registered office is Karolinská 654/2, Karlín, 186 00 Praha 8, Czech Republic. The financial statements comprise the results of the Company and its subsidiaries (hereafter "the Group" or "the Rohlik Group. Information on the Group's structure is provided in Note 6. Information on other related party relationships of the Group is provided in Note 26.

The financial period represents the fiscal year ended 30 April 2022 (hereafter "FY21" or "FY 2021"). The prior financial period represents the fiscal year ended 30 April 2021 (hereafter "FY20" or "FY 2020").

The principal activity of the Rohlik Group is the online grocery shop, providing customers with full service starting with online selection from a wide range of quality products, including fast and comfortable delivery and easygoing customer support. Rohlik Group is focused on constant innovation, with opportunities to use our know-how to drive better efficiencies and growth.

In order to develop the Group on a global scale and support international expansion, the Group has made a group legal restructuring on 1 May 2021. Until the restructuring took place, the parent company of the Group was company VELKÁ PECKA s.r.o., which at the same time was the holding company, as well as the operating entity of the grocery shop in the Czech Republic. Rohlik Group a.s. was established on 26 February 2021 with the same shareholding structure as VELKÁ PECKA s.r.o., with the purpose of becoming the new holding company of the Group. On 1 May 2021, the investments in the foreign subsidiaries were spinned-off and merged into Rohlik Group a.s. Afterward, on 10 June 2021, the project of group legal restructuring was finalized when the shareholders contributed their shares in VELKÁ PECKA s.r.o. into Rohlik Group as a contribution outside of the share capital. The structure of the Group before and after the restructuring in presented in Note 6.

2 Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in euros, and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous period.In addition, the Group presents an additional statement of financial position at the beginning of the preceding period because of the first-time adoption of IFRS (see Note 2.4 below).

2.2 Group restructuring and basis of consolidation

Transactions that occur between entities under common control are commonly referred to as 'common control transaction'. IFRS 3 Business Combinations specifically scopes out common control transactions and, therefore not prescriptive as to what method should be used in business combinations between entities under common control. Accordingly, an entity may choose the book-value method or acquisition method in accounting for business combinations involving entities under common control.

Management has selected the accounting policy under which the legal restructuring of 2021 (see description in Note 1 above) has been accounted for using the book-value method. Under the book-value method of accounting, the consideration given by the Company is eliminated against the Group's share of the equity of the combined subsidiaries as of the date that the original acquisition of subsidiaries took place by VELKÁ PECKA s.r.o. (original parent) with any resulting difference to be recognized as consolidation restructuring reserve in equity. Full-year 2021 income statement results as well as comparatives being presented as if the Company and combined subsidiaries had always been combined since the date VELKÁ PECKA s.r.o. had initially obtained control over the subsidiaries. Any post-acquisition equity items which were generated since the original acquisition date of the subsidiaries by VELKÁ PECKA s.r.o. had been recognized in the opening comparative financial position (1 May 2020). The underlying assets and liabilities acquired through a common control transaction / legal restructuring have been recognized at their pre-existing IFRS-based carrying amounts, which were recognized in the IFRS Consolidated Financial Statements of the parent of the Company, being VELKÁ PECKA s.r.o. as of the date of the Group restructuring (1 May 2021). No fair value recognition under IFRS 3 has been applied. All intergroup transactions and balances are eliminated, and uniform accounting policies are applied.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 April 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevantactivities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognized in profit or loss.

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at theacquisition date. Contingent consideration classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. Contingent consideration, classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date, with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in excess of the fair value of netassets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unitis disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed under these circumstances is measured based on the relative values of the disposed

operation, and the portion of the cash-generating unitretained.

b) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power toparticipate in the financial and operating policy decisions of the investee but is not control or joint controlover those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of the operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of the profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the calendar year.

After the application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and then recognizes the loss within 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

c) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, if recognized.

d) Revenue from contracts with customers

Revenue represents the transaction prices to which the Group expects to be entitled in return for delivering goods or services to its customers. The amount recognized in any period is based on a judgement of when the customer is able to benefit from the goods or services provided and an assessment of the progress made towards completely satisfying each performance obligation according to the contract with customer. The revenue is recognized for the particular performance obligation in the appropriate amount either at a certain point in time, or the revenue is deferred as a contract liability and afterward allocated over a certain time. The following provides information about the nature and timing of the satisfaction of performance obligations in contracts and the related revenue recognition policies:

i. Sale of grocery and delivery fee

The principal revenue stream is represented by the sale and delivery of grocery goods, which are picked in the Group's fulfillment centers and delivered to the customer by the Group's couriers. A delivery fee is charged for deliveries below the minimum amount set for free delivery.

Customers pay in full at the point of sale, and the transaction price consists of all order values, shown net of any material adjustment in accordance with guidance on variable consideration in IFRS 15. Standard delivery charges are included in transaction prices. Each contract has a single performance obligation, and so the whole transaction price is assigned to that single obligation, except for the case of payment for a premium account fee, which is recognized as a separate obligation and recognized in line with the policy described in the following point. The revenue is recognized on the delivery of the products to the customer.

ii. Premium account fee

Revenue arising from the premium fee is a performance obligation recognized over the duration period. Initially, Group recognizes a contract liability arising from the consideration received from a customer. The respective revenue is recognized over the duration of the premium fee subscription.

iii. Commissions from pharmacy sales

The Group acts as an agent in the mediation of sales of pharmacy products. The revenue is recorded in the amount of commission from the pharmacy and is recognized at the time of delivery of the products to the customer, which is the point when the performance obligation is recorded.

iv. Data and marketing revenues and other service revenues

Revenue from data and marketing sales and other service revenue is recognized when the control is transferred to the customer, depending on the particular contractual terms where the amount of the revenue is agreed upon or can be reliably determined, and the collection of the consideration is probable. This generally corresponds to the point when products are transferred to the customers.

Financing components

The vast majority of sales transactions are made by customers' debit or credit cards either online or at the payment terminal during delivery. As the payment of the consideration from the customer by a card is authorized at the time the revenue is recognized, the group concluded there is no significant financing component related to revenue.

Cost to obtain a contract

The Group provides the customers with marketing credits that can be applied by customers in the next purchase. The credits have limited expiration date and the cost only occurs once the customer makes the purchase.

Trade receivables

A receivable is recognized 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 recognized 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 recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer). Group recognizes two types of contract liabilities i) prepaid premium fee and ii) customer credits that are used to settle future purchases.

Refund liabilities

The Group recognizes refund liabilities arising from the payments from customers for the use of reusable bags. The customer selects whether the delivery should be packed into paper bags or reusable bags. If the option of reusable bags is selected, the customer pays a security deposit during the first purchase. Group is obliged to return the security to customers when the customer opts out of the use of reusable packaging. Due to the fact that it is not possible to determine the maturity of the refund liabilities, the refund liabilities are not discounted.

e) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset.

f) Taxes

i. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all temporary taxable differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of temporary taxable differences associated with investments in subsidiaries, associates, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the temporary deductible difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of temporary deductible differences associated with investments in subsidiaries, associates, and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination but not satisfying the criteria for separate recognition at that date are recognized subsequently if new information about facts and circumstances changes. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

iii. Value added tax

Expenses and assets are recognized net of the amount of value added tax, except when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

g) Foreign currencies

The Group's consolidated financial statements are presented in Euros. The functional currency of the parent company is the Czech crown. For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation, and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

The table below presents the overview of currencies used by individual entities within the Group and currencies used for purposes of preparation of the consolidated financial statements of the Group:

Entity name	Country of incorporation	Local company functional currency	Group's functional currency	Presentation currency
Rohlik Group a.s.	Czech Republic	CZK	CZK	EUR
Rohlik skillz s.r.o.	Czech Republic	CZK	CZK	EUR
VELKÁ PECKA s.r.o.	Czech Republic	CZK	CZK	EUR
Kifli.hu Shop Kft.	Hungary	HUF	CZK	EUR
MY FOOD WHOLESALES s.r.o.	Czech Republic	CZK	CZK	EUR
Gurkerl.at GmbH	Austria	EUR	CZK	EUR
Grosser Kern GmbH	Germany	EUR	CZK	EUR
Autoexpert spol. s.r.o.	Czech Republic	CZK	CZK	EUR
bitte-holen.de GmbH	Germany	EUR	CZK	EUR
Covrig Crocant SRL	Romania	RON	CZK	EUR
Sezamo Iberia, S.L.U.	Spain	EUR	CZK	EUR
sezamo.it S.R.L.	Italy	EUR	CZK	EUR

i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration. The Group presents the foreign exchange gains and losses separately.

ii. Consolidation

On consolidation, the assets and liabilities of foreign operations are translated into Czech crowns at the rate of exchange prevailing at the reporting date, and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. Group uses European central bank foreign exchange rates for purposes of the consolidation. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

For presentation purposes, consolidated balances in Czech crowns are translated into Euros at the rate of exchange prevailing at the reporting date for the assets and liabilities and translated at average exchange rates of the fiscal year for transactions for profit or loss transactions. Group is using the exchange rates published by European Central Bank for consolidation purposes.

h) Property, plant, and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment are stated at cost, net of accumulated depreciation, and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Notes to the consolidated financial statements

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Buildings 5 to 12 years
- Plant and machinery 3 to 10 years
- Motor vehicles and other equipment 3 to 5 years

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety, and environmental legislation in its assessment of expected useful lives and estimated residual values.

An item of property, plant, and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant, and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) **Leases**

The Group assesses at contract inception whether a contract is or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. **Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. The present value of the expected cost for the restoration of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates, and assumptions (Note 3) and provisions (Note 20) for further information about the recognized restoration provision. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 5 to 12 year
- Plant and machinery 3 to 5 years
- Motor vehicles and other equipment 3 to 5 years

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (n) Impairment of non-financial assets.

ii. **Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease if the lease term reflects the Group exercise the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the paymentoccurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are reported separately from Interest-bearing loans and borrowings.

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

The group as a lessor

Leases in which the Group does not substantially transfer all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

j) Borrowing costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are generally not capitalized, and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The such policy excludes capitalized development costs and the appreciation of the software.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The Group did not report any intangible assets with indefinite useful life as at 30 April 2022 and 30 April 2021.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Research and development costs

Research costs are expensed as incurred. Relevant development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate the following:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure the expenditure reliably during the development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Software

The software acquired separately is measured on initial recognition at cost. The cost of the internally developed software is capitalized if the recognition conditions are met. The Group develops new features of used software, resulting in a technical appreciation of the software. The expected useful life of software is reassessed on a regular basis.

Trademarks and domains

The Group made upfront payments to acquire trademarks and domains. The trademarks have been granted for a period of 10 years by the relevant government agency, with the option of renewal at the end of this period. Domains have been granted for a period of time, depending on the provider.

A summary of the policies applied to the Group's intangible assets is as follows:

	Software	Trademarks	Domains
Useful lives	Finite (3 years)	Finite (10 years)	Finite (3-10 years)
Amortization method used	Amortized on a straight-line basis over the period of the software	Amortized on a straight-line basis over the period of the trademark	Amortized on a straight-line basis over the period of the domain
Internally generated or acquired	Acquired & Internally generated	Acquired	Acquired

* The Group regularly recognizes the development and improvements of software. At the moment of the recognition, the Group performs re-assessement of the useful life.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

For purposes of subsequent measurement, financial assets are classified at initial recognition in the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through other comprehensive income (OCI), or
- Financial assets at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified by the Group in the following categories:

Financial assets at amortized cost

The Group's financial assets at amortized cost include trade receivables and loans to external counterparties under other financial assets. The Group measures financial assets at amortized cost if the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

Debt instruments designated at fair value through OCI

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation, and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group classified financial assets at fair value through OCI provided that the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and to sell, and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding ("SPPI criterion")

The Group did not report any financial assets at fair value through OCI as at 30 April 2022 and 2021.

Equity instruments designated at fair value through OCI

Upon initial recognition, the Group can elect to classify its equity investments irrevocably as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

This category includes a non-listed equity investment in Convenience AD.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value, with net changes in fair value recognized in the statement of profit or loss.

The Group did not report any financial assets designated at fair value through OCI as at 30 April 2022 and 2021.

Derecognition

A financial asset is derecognized (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred all the risks and rewards of the asset substantially, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract, and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Group records a provision for estimated unrecoverable trade receivables. For trade receivables, the Group applies a simplified approach to calculating ECLs. The Group recognizes a charge for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss). The Group reviews the aging of outstanding trade receivables and a provision matrix by type of customer that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, the Group may consider a financial asset to be impaired when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or loans and borrowings, including lease liabilities, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, lease liabilities, and loans and borrowings, including bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

The Group has not designated any financial liabilities as at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

m) Inventories

Inventories are valued at the lower of the cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Goods: purchase cost on a first-in/first-out basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The materials include the reusable bags used for the delivery of the products to the customers. The cost of reusable bags is amortized into expenses over the estimated useful life of 12 months. Costs related to washing the bags are recorded directly in expenses as they occur.

n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on the most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For the purpose of the analysis, a long-term growth rate is not applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only in case there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

o) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

p) Provisions

General

Provisions are recognized when the Group 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when

appropriate, the risks specific to the liability. When discounting is used, the increase inthe provision due to the passage of time is recognized as a finance cost.

Restoration liability

The Group records a provision for restoration costs of warehouses used as fulfillment centers. Restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit or loss as a finance cost. The estimated future costs of restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of cost of fulfilling it and any compensation or penalties arising from failure to fulfill it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

The Group did not report any onerous contract as at 30 April 2022 and 30 April 2021.

q) Share-based payments

Selected employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for share options. Depending on the conditions, the share options can be considered either as equity instruments (equity-settled transactions) or as instruments settled in cash (cash-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 24.

That cost is recognized in employee benefits expense (Note 9.5), together with a corresponding increase inequity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee. Where an award is canceled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

A liability is recognized for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognized in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

Consideration at the reporting date

As at the reporting date, the Group considered the conditions and assessed the share-based payments are classified as equity-settled transactions.

2.4 First-time adoption of IFRS

These financial statements for the year ended 30 April 2022 are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 30 April 2020, the Group prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP). Accordingly, the Group has prepared financial statements that comply with IFRS applicable as at 30 April 2022, together with the comparative period data for the year ended 30 April 2021, as described in the summary of significant accounting policies. In preparing the financial statements, the Group's opening statement of financial position was prepared as at 1 May 2020, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its Local GAAP financial statements, including the statement of financial position as at 1 May 2020 and the financial statements as of and for the year ended 30 April 2021.

Exemptions applied

IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IFRS.

The Group applied the following exemptions:

- IFRS 3 Business Combinations has not been applied to either the acquisition of subsidiaries that are considered businesses under IFRS or the acquisition of interests in associates and joint ventures that occurred before 1 May 2020. Use of this exemption means that the Local GAAP carrying amounts of assets and liabilities that are required to be recognized under IFRS, are their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with IFRS. Assets and liabilities that do not qualify for recognition under IFRS are excluded from the opening IFRS statement of financial position. The Group did not recognize any assets or liabilities that were not recognized under the Local GAAP or exclude any previously recognized amounts as a result of IFRS recognition requirements.
- IFRS 1 also requires that the Local GAAP carrying amount of goodwill must be used in the opening IFRS statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with IFRS 1, the Group has tested goodwill for impairment at the date of transition to IFRS. There was an impairment recognized on goodwill at 1 May 2020. See the reconciliation below.
- The Group has not applied IAS 21 The Effects of Changes in Foreign Exchange Rates retrospectively to fair value adjustments and goodwill from business combinations that occurred before the date of transition to IFRS. Such fair value adjustments and goodwill are treated as assets and liabilities of the parent rather than as assets and liabilities of the acquiree. Therefore, those assets and liabilities are already expressed in the functional currency of the parent or are non-monetary foreign currency items, and no further translation differences occur.
- Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 May 2020.
- IFRS 2 Share-based Payment has not been applied to equity instruments in share-based payment transactions that were granted on or before 7 November 2002, nor has it been applied to equity instruments granted after 7 November 2002 that vested before 1 May 2020. For cash-settled share-based payment transactions, the Group has not applied IFRS 2 to liabilities that were settled before 1 May 2020.
- The Group assessed all contracts existing at 1 May 2020 to determine whether a contract contains a lease based upon the conditions in place as at 1 May 2020.
- Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 May 2020. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before 1 May 2020. The lease payments associated with leases for which the lease term ends within 12 months of the date of transition to IFRS and leases for which the underlying asset is of low value have been recognized as an expense on either a straight-line basis over the lease term or another systematic basis.
- The Group has applied the transitional provisions in IAS 23 Borrowing Costs and capitalized borrowing costs relating to all qualifying assets after the date of transition. Similarly, the Group has not restated for borrowing costs capitalized under Local GAAP on qualifying assets prior to the date of transition to IFRS.

Estimates

The estimates at 1 May 2020 and at 30 April 2021 are consistent with those made for the same dates in accordance with Local GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Group to present these amounts in accordance with IFRS reflect conditions at 1 May 2020, the date of transition to IFRS, and as at 30 April 2021.

Group reconciliation of equity as at 1 May 2020

	Notes	Local GAAP €000	Reclassification and remeasurements €000	IFRS as at 1 May 2020 €000
Assets			(Note 2.4)	(Note 2.4)
Non-current assets				
Intangible assets and goodwill	b)	7,389	(5,211)	2,178
Property, plant, and equipment		6,943	-	6,943
Right-of-use assets	f)	-	11,286	11,286
Investment in an associate		469	-	469
Non-current financial assets		610	-	610
Deferred tax assets		-	-	-
		15,412	**6,074**	**21,486**
Current assets				
Inventories		9,628	44	9,672
Trade and other receivables	a)	5,480	(17)	5,463
Other financial assets		796	-	796
Cash and short-term deposits		4,785	(44)	4,741
		20,689	**(17)**	**20,672**
Total assets		**36,101**	**6,057**	**42,158**
Equity and liabilities				
Equity				
Share capital		13	-	13
Share premium		-	-	-
Other reserves		18,383	-	18,383
Retained earnings		(10,854)	(5,228)	(16,082)
Foreign currency translation reserve	d)	(14)	14	-
Equity attributable to equity holders of the parent		**7,528**	**(5,214)**	**2,314**
Non-controlling interests		-	-	-
Total equity		**7,528**	**(5,214)**	**2,314**
Non-current liabilities				
Borrowings		461	-	461
Lease liabilities	f)	-	8,774	8,774
Provisions		-	-	-
Contract liabilities and refund liabilities		-	-	-
Deferred tax liabilities		-	-	-
		461	**8,774**	**9,235**
Current liabilities				
Trade and other payables	h), g)	27,513	(129)	27,384
Contract liabilities and refund liabilities	h)	-	524	524
Borrowings		187	-	187
Lease liabilities	f)	-	2,497	2,497
Provisions	g)	395	(395)	-
Income tax payable		17	-	17
		28,112	**2,497**	**30,609**
Total liabilities		**28,572**	**11,272**	**39,844**
Total equity and liabilities		**36,101**	**6,057**	**42,158**

Notes to the reconciliation of equity as at 1 May 2020 and 30 April 2021 and total comprehensive income for the year ended 30 April 2021:

a) Trade and other receivables

The adoption of IFRS has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing incurred loss approach under Local GAAP with a forward-looking expected credit loss (ECL) approach. IFRS requires the Group to recognize an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets. At the date of transition to IFRS, the Group recognized additional impairment on its Trade receivables of €3 thousand (31 December 2018: €6), which resulted in a decrease in retained earnings by the same amount.

b) Intangible assets

Under Local GAAP, the Group recognized goodwill in the amount of €5,211 thousand. The goodwill has been fully impaired under IFRS at 1 May 2020.

c) Deferred tax

The various transitional adjustments resulted in various temporary differences. According to the accounting policies in Note 2.3, the Group has to recognize the tax effects of such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction, either in retained earnings or a separate component of equity, to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. For reasons of prudence and uncertainly involved, the Group decided not to account for the deferred tax asset. Therefore, no impact to profit or loss or retained earnings.

d) Foreign currency translation

Under Local GAAP, the Group recognized translation differences on foreign operations in a separate component of equity. Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 May 2020. The resulting adjustment was recognized against retained earnings.

e) Impairment of property, plant, and equipment

Under Local GAAP, long-lived assets were reviewed for impairment when events or changes in circumstances indicated that their carrying value might exceed the sum of the undiscounted future cash flows expected from use and eventual disposal. For the purposes of assessing impairment, assets were grouped at the lowest level for which identifiable cash flows were largely independent of the cash flows of other assets. If the estimated undiscounted cash flows for the asset group were less than the asset group's carrying amount, the impairment loss was measured as the excess of the carrying value over fair value. Under IFRS, as explained in Note 2.3.p), impairment of assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets is assessed at the CGU level based on the CGU's recoverable amount. At the date of transition to IFRS, no adjustment was recorded.

f) Leases

Under Local GAAP, a lease is classified as a finance lease or an operating lease. Both operating and finance lease payments are recognized as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under IFRS, as explained in Note 2.3.j), a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. At the date of transition to IFRS, the Group applied the transitional provision and measured lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to IFRS. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments. As a result, the Group recognized an increase of €11,286 thousand (30 April 2021: €18,379 thousand) and an increase of lease liabilities presented under Lease liabilities of €11,272 thousand (30 April 2021: €18,761 thousand) of right-of-use assets. The difference between lease liabilities and right-of-use assets has been recognized in retained earnings.

g) Provisions

Under Local GAAP, there are several balances classified as provisions. Under IFRS, the obligations should be recognized as other payables. Therefore, at the date of transition to IFRS, the Group reclassified €395 (30 April 2021: €1,134 thousand) from provisions to Trade and other payables.

h) Contract liabilities

Under Local GAAP, the Group recognized deferred revenue as an obligation to provide services to customers for which the entity has received consideration or the amount is due from the customers. Under IFRS, the obligation should be recognized as a contract liability rather than deferred revenue. Therefore, on the date of transition to IFRS, the Group reclassified €533 (30 April 2021: €287 thousand) from deferred revenue to contract liabilities.

Notes to the consolidated financial statements

i) Statement of cash flows

Under Local GAAP, a lease is classified as a finance lease or an operating lease. Cash flows arising from operating lease payments are classified as operating activities. Under IFRS, a lessee generally applies a single recognition and measurement approach for all leases and recognizes lease liabilities. Cash flows arising from payments of a principal portion of lease liabilities are classified as financing activities. Therefore, cash outflows from operating activities decreased by €103,612 thousand, and cash outflows from financing activities increased by the same amount for the year ended 30 April 2021.

3 Significant accounting judgements, estimates, and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements,which have the most significant effect on the amounts recognized in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that are within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group did not include the renewal period as part of the lease term for leases of plant and machinery, where the Group is not reasonably certain that the option to renew these leases will be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal, and its value in use. The fair value less costs of disposal calculation are based on available data from binding sales transactions, conducted at arm'slength, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 14.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type, and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) is expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated, and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasts of economic conditions, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 17.

Share-based payments

Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model,

which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model, including the expected life of the share option or appreciation right and volatility and making assumptions about them. The Group applies the probability approach, where the cost of equity-settled transactions is measured at a fair value of the share options determined at the grant date. The Group recognizes an expense and corresponding increase in equity at the amount of the fair value of share options granted gradually over the vesting period of 5 years. The fair value of the options is not re-measured after the grant date.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profitwill be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

There are subsidiaries that have a history of losses, which expire after a period of time, and may not be used to offset taxable income elsewhere in the Group. For reasons of prudence and uncertainly involved, the Group decided not to account for the deferred tax asset.

Provision for restoration

As part of the identification and measurement of assets and liabilities arising from the leases, the Group has recognized a provision for restoration obligations associated with rented warehouses. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site, and the expected timing of those costs. The carrying amount of the provision as at 30 April 2022 was €769 thousand (30 April 2021: €Nil). The Group estimates that the costs would be realized at the end of the lease period and calculates the provision using the DCF method.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

4 Revenue from contracts with customers

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

For the year ended 30 April 2022

Segments	**Austria**	**Czech Republic**	**Germany**	**Hungary**	**Italy**	**Romania**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**	**€000**	**€000**
Type of goods or service							
Sale of grocery (incl. delivery fee and pharmacy)	44,601	358,146	20,433	63,184	129	21	486,514
Premium fee	-	2,030	-	232	-	-	2,262
Other service revenues	351	6,704	238	2,194	-	-	9,487
Total revenue from contracts with customers	**44,952**	**366,880**	**20,671**	**65 610**	**129**	**21**	**498,263**
Timing of revenue recognition							
Goods and services transferred at a point in time	44,952	364,849	20,671	65,378	129	21	496,001
Goods and services transferred over time	-	2,030	-	232	-	-	2,263
Total revenue from contracts with customers	**44,952**	**366,880**	**20,671**	**65,610**	**129**	**21**	**498,263**

For the year ended 30 April 2021

Segments	**Austria**	**Czech Republic**	**Germany**	**Hungary**	**Italy**	**Romania**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**	**€000**	**€000**
Type of goods or service							
Sale of grocery (incl. delivery fee and pharmacy)	6,307	275,134	-	38,432	-	-	319,873
Premium fee	-	1,279	-	-	-	-	1,279
Other service revenues	9	4,513	-	787	-	-	5,309
Total revenue from contracts with customers	**6,316**	**280,926**	**-**	**39,219**	**-**	**-**	**326,461**
Timing of revenue recognition							
Goods and services transferred at a point in time	6,316	279,647	-	39,219	-	-	325,182
Goods and services transferred over time	-	1,279	-	-	-	-	1,279
Total revenue from contracts with customers	**6,316**	**280,926**	**-**	**39,219**	**-**	**-**	**326,461**

4.2 Contract balances

	30 April 2022	30 April 2021	1 May 2020
	€000	€000	€000
Trade and other receivables	27,893	10,474	5,463
Contract liabilities	(867)	(533)	(524)
Refund liabilities	(535)	-	-

In 2021, €287 thousand (2020: €205) was recognized as a provision for expected credit losses on trade receivables.

Contract liabilities consist of prepaid premium account fees and customer credits. The outstanding balances of these accounts increased in 2021 and 2020 due to the continuous increase in the Group's customer base.

Set out below is the development of contract liabilities:

	FY 2021	FY 2020
	€000	€000
Contract liabilities at the beginning of the year	533	524
Contract liabilities open at the beginning of the year satisfied during the year	(533)	(524)
Contract liabilities raised during the year	1,402	533
Contract liabilities at the end of the year	**1,402**	**533**
Within one year	1,402	533
More than one year	-	-

4.3 Refund liabilities

	FY 2021	FY 2020
	€000	€000
Refund liabilities – customer deposits for the use of reusable bags	535	-

5 Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Management of the Group defines the capital as the equity presented in these financial statements.

The main areas of capital management revolve around working capital and compliance with externally imposed financial covenants. The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to allow the Group to grow. The components of working capital management include monitoring inventory turnover, age of inventory, age of receivables, receivables days, payables days, Balance Sheet re-forecasting, period projected profit or loss, monthly cash flow forecasts, and daily cash balances. Major investment decisions are based on reviewing the expected future cash flows, and all major capital expenditure requires approval by the Board. There were no changes in the Group's approach to capital management during the period. The Group reviews its financing arrangements regularly.

Given the Group's commitment to expanding the business and the investment required to complete future CFCs, the declaration and payment of a dividend is not part of the short-term capital management strategy of the Group.

6 Group information

Subsidiaries

The consolidated financial statements of the Group include the following:

Name	Principal activities	Country	% equity interest	
			30 Apr 2022	30 Apr 2021
Rohlik skillz s.r.o.	Group service organization	Czech Republic	100	100
VELKÁ PECKA s.r.o.	Online grocery shop	Czech Republic	100	100
Kifli.hu Shop Kft.	Online grocery shop	Hungary	100	100
MY FOOD WHOLESALES s.r.o.	Wholesale with food	Czech Republic	100	100
Gurkerl.at GmbH	Online grocery shop	Austria	100	100
Grosser Kern GmbH	Online grocery shop	Germany	100	100
Autoexpert spol. s.r.o.	Delivery company and short-term car rental provider	Czech Republic	100	100
bitte-holen.de GmbH	Online grocery shop	Germany	100	100
Covrig Crocant SRL	Online grocery shop	Romania	100	-
Sezamo Iberia, S.L.U.	Online grocery shop	Spain	100	-
Sezamo.it S.R.L.	Online grocery shop	Italy	100	-

The holding company

The immediate and ultimate holding company of the Rohlik Group a.s. is Rohlik.cz investment a.s., which owns 50.59% (2020: 56.05%) of its ordinary shares. Rohlik.cz investment a.s. is based in the Czech Republic.

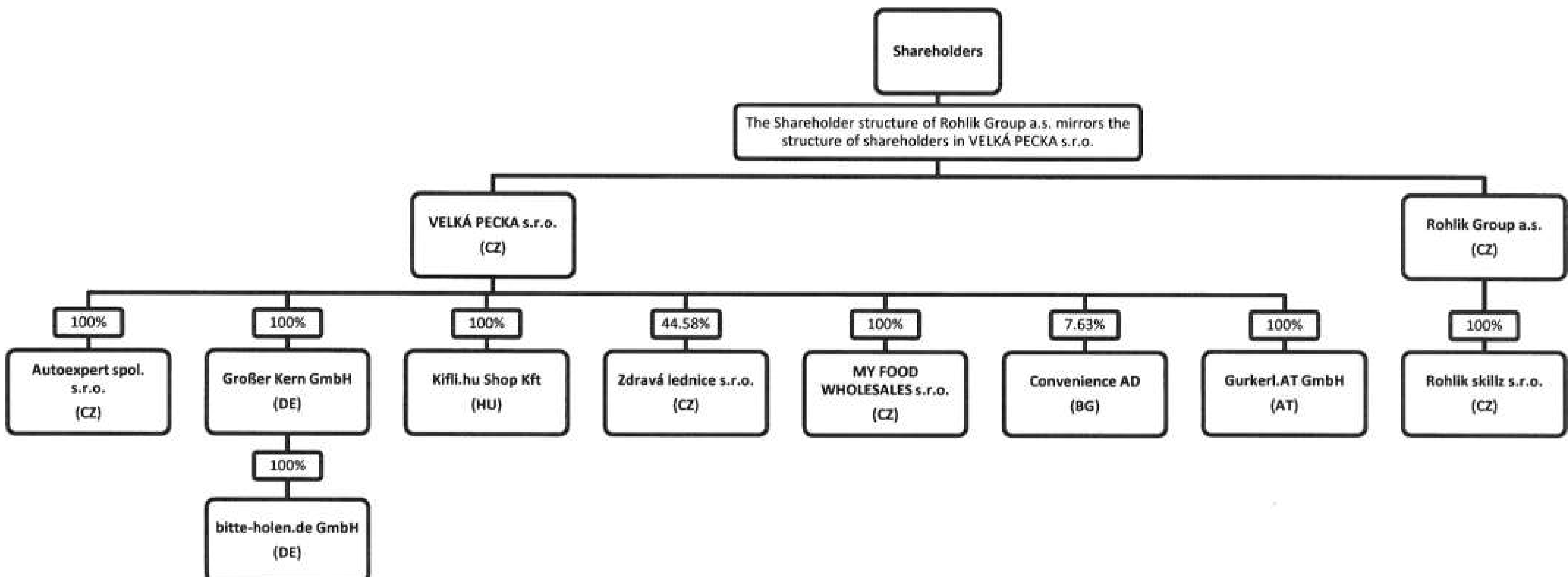
Associate

The Group has a 45,18% interest in Zdravá lednice s.r.o. (2020: 44,58%).

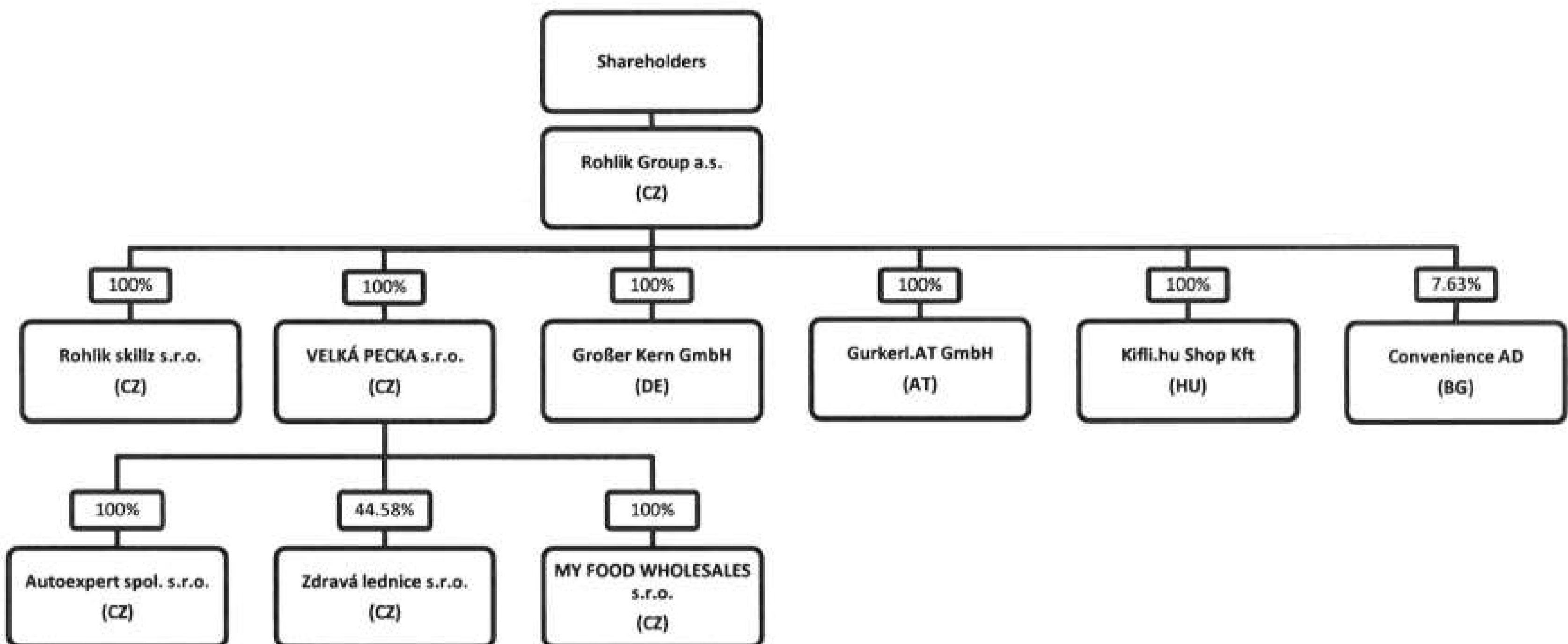
Group restructuring

As described in Note 1 above, there was a restructuring of the Group, resulting in establishing the Rohlik Group a.s. as the new parent company of the Group and transferring the remaining companies under the control of Rohlik Group a.s. For an overview of the changes, please refer to the Group structure before the restructuring and the Group structure after the restructuring

Group structure before the restructuring



Group structure after the restructuring



7 Business combinations

Acquisitions in 2020

Großer Kern GmbH

On 2 June 2020, the Group acquired 100% of the voting shares of Großer Kern GmbH (the name of the company on the date of the transaction was INOS 20-006 GmbH), a non-listed company based in Germany, in exchange for cash consideration. The Group acquired Großer Kern GmbH in order to expand the Group's business into Germany.

Assets acquired, and liabilities assumed

The values of the identifiable assets and liabilities of Großer Kern GmbH. as at the date of acquisition were:

Assets	Value recognized on the acquisition €000
Cash and cash equivalents	25
Total identifiable net assets	**25**
Goodwill arising on acquisition (Note 19)	3
Purchase consideration transferred	**28**

Purchase consideration	€000
Cash and cash equivalents	28
Total consideration	**28**
Analysis of cash flows on the acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	25
Net cash flow on the acquisition	**(3)**

Autoexpert spol. s.r.o.

On 1 February 2021, the Group acquired 100% of the voting shares of Autoexpert spol. s.r.o., a non-listed company based in the Czech Republic and specializing in the rental of cars in exchange for cash consideration. The Group acquired Autoexpert spol. s.r.o. because it was a key supplier in terms of the car fleet in the Czech Republic.

Assets acquired, and liabilities assumed

The values of the identifiable assets and liabilities of Autoexpert spol. s.r.o. as at the date of acquisition were:

Assets	Value recognized on acquisition €000
Property, plant, and equipment	5,580
Intangible assets	25
Cash and cash equivalents	1,218
Trade and other receivables	467
Inventories	15
	7,303
Liabilities	
Trade payables	(341)
Borrowings	(7,109)
	(7,450)
Total identifiable net assets	**(147)**
Goodwill arising from the acquisition	2,411
Purchase consideration transferred	**2,265**

The fair value of the trade receivables amounts to €467 thousand. The gross amount of trade receivables is €467 thousand, and it is expected that the full contractual amounts can be collected.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favorable terms of the lease relative to market terms.

The goodwill of €2,231 thousand comprises the value of expected synergies arising from the acquisition. Goodwill is allocated entirely to the retail segment, specifically relating to the delivery of the products sold. None of the goodwill recognized is expected to be deductible for income tax purposes.

Purchase consideration:	**€000**
Cash	2,265
Total consideration	**2,265**
Analysis of cash flows on the acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	1,218
Net cash flow on the acquisition	**(1,047)**

8 Investment in an associate

The Group has a 45.18% interest in Zdravá lednice s.r.o. (30 April 2021 44.58%), which supplies and operates refrigerators with food and drinks provided to companies and public spaces (e.g., shopping malls or offices) in the Czech Republic. Zdravá lednice s.r.o. is a private entity that is not listed on any public exchange, and the Group's interest in Zdravá lednice s.r.o. is accounted for using the equity method in the consolidated financial statements.

The carrying amount of the investment is €651 thousand (30 April 2021: €639 thousand). For the year 2021, Zdravá lednice made a loss after tax of €199 thousand (2020: €169 thousand), of which €90 thousand (2020: €75 thousand) is attributable to the Group. Besides the share on profit or loss, the Group increased the contribution in Zdravá lednice s.r.o. in FY 2021 by €70 thousand (2020: €226 thousand).

9 Other income/expenses

9.1 Other operating income

	FY 2021 €000	FY 2020 €000
Foreign exchange gains	6,511	942
Gains on non-current assets disposal	121	88
Other	776	179
Total other operating income	**7,408**	**1,209**

9.2 Other operating expenses

	FY 2021 €000	FY 2020 €000
Foreign exchange losses	14,574	1,150
Receivables write-offs and impairments	118	63
Other	923	107
Total other operating expenses	**15,615**	**1,321**

9.3 Finance income

	FY 2021 €000	FY 2020 €000
Interest income on loans to external partners	7	8
Total finance income	**7**	**8**

9.4 Finance costs

	FY 2021 €000	FY 2020 €000
Interest on debts and borrowings	462	620
Interest on lease liabilities	1,662	446
Total finance costs	**2,125**	**1,067**

9.5 Employee benefits expense

	FY 2021 €000	FY 2020 €000
Included in selling and distribution expenses:		
Wages and salaries	37,879	10,615
Social security costs	8,023	2,394
Share-based payment expense	-	-
Other employee-related expenses	845	182
Included in the cost of administrative expenses:		
Wages and salaries	30,408	16,568
Social security costs	7,115	3,693
Share-based payment expense	3,365	2,760
Other employee-related expenses	984	371
Total employee benefits expense	**88,620**	**36,582**

9.6 Selling and distribution expenses

	FY 2021 €000	FY 2020 €000
Employee benefits expense	46,747	13,191
Couriers' and agency workers' fee	72,063	39,418
Car fleet repairs, maintenance, insurance, fuel, and other fleet-related costs	12,055	5,309
Depreciation	11,407	5,411
Warehouse utilities and related services	1,440	3,651
Payment gate and cash handling fees	4,964	1,999
Other selling and distribution expenses	24,158	15,217
Total selling and distribution expenses	**172,834**	**84,196**

Other selling and distribution expenses include expenses like the cost of packaging, SMS notification of customers, and other purchased services.

9.7 Administrative expenses

	FY 2021 €000	FY 2020 €000
Employee benefits expense	41,873	23,392
Depreciation	3,685	1,839
Impairment of property, plant, and equipment	46	-
Amortization and impairment of intangible assets	3,097	1,500
Marketing and advertisement expenses	13,663	1,777
Expected credit losses of trade receivables and contract assets	155	155
Expenses relating to leases of low-value assets	1,129	3,589
Other administrative expenses	21,025	12,247
Total administrative expenses	**84,672**	**44,498**

Other administrative expenses include expenses like professional consulting fees, external accounting services, IT systems subscription fees, utilities, and other purchased services.

10 Income tax

The major components of income tax expense for the years ended 30 April 2022 and 2021 are:

Consolidated profit or loss	FY 2021 €000	FY 2020 €000
Current income tax:		
Current income tax charge	1,042	1,462
Adjustments recognised in the period for current tax of prior periods	372	-
Benefit arising from a previously unrecognised tax loss, that is used to reduce current tax expense	(3)	(1,081)
Deferred tax:		
Relating to the origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	**1,411**	**381**

Reconciliation of tax expense and the accounting profit multiplied by the Czech Republic's domestic tax rate for 2021 and 2020:

	FY 2021 €000	FY 2020 €000
Accounting profit before tax from continuing operations	(110,214)	(23,092)
At the Czech Republic's statutory income tax rate of 19% (2020: 19%)	**(20,941)**	**(4,387)**
Tax effects of items that are not deductible or assessable for taxation purposes:		
Unrecognized deferred tax	19,719	2,847
Tax non-deductible expenses	1,716	1,911
Lump sum tax payments *	545	364
Adjustments recognised in the period for current tax of prior periods	372	-354
Income tax expense reported in the statement of profit or loss	**1,411**	**381**
The effective income tax rate	(1%)	(2%)

*In Hungary and Austria, there are certain minimum taxes that has to be paid even if the company is loss-making.

11 Deferred tax

Deferred tax relates to the following:

	Consolidated statement of financial position	
	FY 2021	FY 2020
	€000	€000
Deferred tax from tax losses carry-forward	23,196	3,835
Deductible temporary differences	217	118
Net deferred tax assets/(liabilities)	**23,413**	**3,953**

	Consolidated statement of profit or loss	
	FY 2021	FY 2020
	€000	€000
Deferred tax from tax losses carry-forward	19,361	2,560
Deductible temporary differences	99	113
Net deferred tax expense/(benefit)	**19,460**	**2,673**

The Group has tax losses that arose in European countries that are available for offset against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognized with respect to the fact that they may not be used to offset taxable profits elsewhere in the Group. They have arisen in subsidiaries that have been loss-making during the ramp-up period. For reasons of prudence and uncertainly involved, the Group decided not to account for the deferred tax asset.

12 Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	FY 2021	FY 2020
	€000	€000
Loss attributable to ordinary equity holders of the parent:	(111,625)	(23,473)
	2021	**2020**
	Units	**Units**
The weighted average number of ordinary shares for basic EPS	465,396	363,584
Effects of dilution from:		
Share options	27 850	4,795
The weighted average number of ordinary shares adjusted for the effect of dilution	493,246	368,379

There has been an issue of ordinary shares in the period between the reporting date and the date of authorization of these financial statements. Details are described in note 28 Events after the reporting period.

13 Property, plant, and equipment

	Buildings	Vehicles	Warehouse equipment	Furniture and office equipment	Asset under construction	Total
	€000	€000	€000	€000	€000	€000
Cost or valuation						
At 1 May 2020	**648**	**69**	**4,064**	**2,426**	**1,917**	**9,123**
Additions	3,104	2,105	11,120	1,648	2,250	20,227
Acquisition of a subsidiary	-	5,580	-	-	-	5,580
Translation Gain / (Loss)	30	33	191	114	90	457
At 30 April 2021	**3,782**	**7,786**	**15,374**	**4,188**	**4,257**	**35,387**
Additions	12,041	11,024	12,803	4,330	5,840	46,039
Acquisition of a subsidiary	-	-	-	-	-	-
Translation Gain / (Loss)	196	404	799	218	221	1,838
At 30 April 2022	**16,019**	**19,214**	**28,976**	**8,736**	**10,318**	**83,263**
Depreciation and impairment						
At 1 May 2020	**(92)**	**(69)**	**(1,041)**	**(979)**	**-**	**(2,180)**
Depreciation charge for the year	(252)	(1,307)	(1,452)	(948)	-	(3,959)
Impairment	-	-	-	-	-	-
Translation Gain / (Loss)	(10)	(32)	(81)	(67)	-	(191)
At 30 April 2021	**(354)**	**(1,408)**	**(2,574)**	**(1,994)**	**-**	**(6,330)**
Depreciation charge for the year	(925)	(2,357)	(2,630)	(1,952)	-	(7,865)
Impairment	(15)	(176)	(31)	-	-	(222)
Translation Gain / (Loss)	(40)	(132)	(196)	(149)	-	(518)
At 30 April 2022	**(1,335)**	**(4,073)**	**(5,431)**	**(4,095)**	**-**	**(14,934)**
Net book value						
At 30 April 2021	3,428	6,378	12,800	2,194	4,257	29,057
At 30 April 2022	14,684	15,141	23,545	4,641	10,318	68,329

Assets under construction

The balance at 30 April 2022 is mostly related to expenditure for warehouse automation in the Czech Republic and Germany, which is in the course of construction.

14 Intangible assets and goodwill

	Software	Trademarks, domains, and other intangible assets with a definite useful life	Goodwill	Total
	€000	€000	€000	€000
Cost				
At 1 May 2020	**4,301**	-	-	**4,301**
Additions	2,924	9	-	2,933
Acquisition of a subsidiary	-	-	2,411	2,411
Disposals	-	-	-	0
Translation Gain / (Loss)	227	-	16	242
At 30 April 2021	**7,452**	**9**	**2,427**	**9,888**
Additions	7,304	741	-	8,045
Acquisition of a subsidiary	-	-	-	-
Disposals	-	-	-	-
Translation Gain / (Loss)	388	-	126	514
At 30 April 2022	**15,144**	**750**	**2,553**	**18,447**
Amortization and impairment				
At 1 May 2020	**(2,124)**	-	-	**(2,124)**
Amortization	(1,547)	-	-	(1,547)
Disposals	-	-	-	-
Translation Gain / (Loss)	(134)	-	-	(134)
At 30 April 2021	**(3,805)**	-	-	**(3,805)**
Amortization	(2,689)	(7)	-	(2,696)
Disposals	-	0	-	-
Translation Gain / (Loss)	(261)	0	-	(261)
At 30 April 2022	**(6,755)**	**(7)**	-	**(6,762)**
Net book value				
At 30 April 2021	3,647	9	2,427	6,083
At 30 April 2022	8,388	743	2,553	11,685

Additions during the year

The majority of the additions in the period relate to the ongoing development and improvements of the Rohlik platform software and other software for internal use.

Goodwill

Goodwill is allocated to its respective Cash Generating Units (CGUs), which in the case of the goodwill reported as at 30 April 2022 and 30 April 2021, consists of goodwill allocated to CGUs Autoexpert spol. s.r.o. and Großer Kern GmbH. The acquisitions occurred in FY 2020. There were no acquisitions during FY 2021. The consequent changes in the carrying amount of goodwill in FY 2021 were attributable solely to the effects of foreign currency rate changes.

The Group performed its annual impairment test as at 30 April 2022 and 30 April 2021. The management did not identify any impairment. In determining the value in use as of 30 April 2022, the Group used the following parameters:

- Projected 2022-2026 cash flow based on the most current financial plan of the Group. For the periods after 2026, no growth rate has been considered.
- A pre-tax discount interest rate used was 15%, assessed as the Weighted Average Cost of Capital ("WACC") of the Group.

The recoverable amount of goodwill exceeds its carrying value. As the Group's management is not aware of any other indications of impairment and given the results of the impairment tests, no impairment was recorded.

Changes in the parameters used in the impairment test would have varying impacts on the value in use. However, no reasonable possible change in the assumptions would lead to an impairment.

15 Financial assets and financial liabilities

15.1 Financial assets

	FY 2021 €000	FY 2020 €000
Non-listed equity investments	1,627	1,027
Debt instruments at amortized cost	-	85
Trade and other receivables (Note 17)	25,023	9,291
Restricted cash with an initial restriction of more than three months	7,686	265
Deposits	4,757	2,403
Total financial assets*	**39,093**	**13,071**
Total current	32,709	9,640
Total non-current	6,384	3,430

* Financial assets other than cash and short-term deposits

The non-listed equity investments comprise the Group's share Convenience AG ("eBag"), a Bulgarian grocery shop, where the Group holds a minority interest.

Debt instruments at amortized cost include loans provided to 3rd party debtors.

Restricted cash with an initial restriction of more than three months consists of the company's current bank accounts secured in order to fulfill collateral requirements arising from the bank guarantees issued by the bank to selected suppliers of the Group.

Deposits comprise security in the form of cash deposits provided to the suppliers, mostly landlords of the rented premises.

15.2 Financial liabilities

	Interest rate %	Maturity	FY 2021 €000	FY 2020 €000
Current interest-bearing loans and borrowings				
Lease liabilities (Note 23)	6,5%		6,341	3,995
Bank loan	3-months PRIBOR + 1,75%	2023	203	193
Loan Mercedes	5,9%	2023	29	28
Loans Škofin	3,99%-5,9%	2023-2027	2,755	1,678
Bank overdrafts and credit cards	1-month PRIBOR + 1,5%	On-demand	1,984	88
Total current interest-bearing loans and borrowings			**11,311**	**5,981**
Non-current interest-bearing loans and borrowings				
Lease liabilities (Note 23)	6,5%	2023-2034	40,654	14,766
Bank loan	3-months PRIBOR + 1,75%	2023-2028	102	290
Loan Mercedes	5,9%	2023	-	23
Loan Škofin	3,99%-5,9%	2023-2027	10,340	5,734
Total non-current interest-bearing loans and borrowings			51,095	20,812
Total interest-bearing loans and borrowings			**62,406**	**26,794**

Bank overdraft and credit cards

The bank overdraft and credit cards are used to cover temporary needs of cash and are repayable on demand.

Bank loan

This loan is unsecured and is repayable in quarterly payments and will be fully repaid on 30 June 2023.

Loan Mercedes

The loan is repayable in monthly payments and will be fully repaid on 1 May 2023.

Loans Škofin

The loans are used for the acquisition of delivery cars. There is a framework agreement and an individual contract for each car. Loans are repayable in monthly installments.

15.3 Fair values

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	FY 2021		FY 2020	
	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
Financial assets				
Equity instruments	2,278	2,278	1,666	1,666
Debt instruments at amortized cost	-	-	85	85
Trade receivables	7,875	7,875	4,769	4,769
Restricted cash with an initial restriction of more than three months	7,686	7,686	265	265
Deposits	4,757	4,757	2,403	2,403
Total	**22,596**	**22,596**	**9,188**	**9,188**

	FY 2021	FY 2020	FY 2021	FY 2020
	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
Financial liabilities				
Bank loan	305	305	483	483
Loan Mercedes	29	29	50	50
Loans Škofin	13,094	13,094	7,412	7,412
Bank overdrafts and credit cards	1,984	1,984	88	88
Total	**62,406**	**62,406**	**26,794**	**26,794**

The following methods and assumptions were used to estimate the fair value

- Long-term fixed and variable rate receivables and borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the counterparty, and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for estimated losses of these receivables.
- The fair values of the non-listed equity investment have been estimated using the market approach based on an indicative transaction price. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these non-listed equity investments.
- The fair value of the Group's interest-bearing loans and borrowings are determined by using the DCF method using a discount rate that reflects the issuer's borrowing rate at the end of the reporting period. The own non-performance risk as at 30 April 2022 was assessed to be insignificant.

15.4 Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and cash and short-term deposits that derive directly from its operations and from funding from investors. The Group also holds investments in debt and equity instruments.

The Group is exposed to market risk, credit risk, and liquidity risk. The Group identifies, measures, and manages the financial risks in accordance with the Group's policies and risk objectives. The risks are summarized below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt, and equity investments.

The sensitivity analyses in the following sections relate to the position as at 30 April in 2022 and 2021.

The analyses exclude the impact of movements in market variables on provisions and the non-financial assets and liabilities of foreign operations.

The following assumption has been made in calculating the sensitivity analyses: The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 April 2022 and 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term overdraft and minor bank loan with floating interest rates. The Group manages to limit the interest rate risk by having a portfolio of rather fixed-rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points €000	Effect on profit before tax €000
2021		
Czech Crown	+100	(23)
Czech Crown	-100	23
2020		
Czech Crown	+100	(5)
Czech Crown	-100	5

Foreign currency risk

Currency risk is the risk that the fair value of future cash flows from a financial instrument will change as a result of changes in exchange rates.

It is due to the fact that assets and liabilities of a monetary nature denominated in a foreign currency are converted into functional currency at the balance sheet date and converted into cash at a future date. The current value of these items depends on the spot exchange rates of the functional currency against the foreign currency and their fluctuation. The main sources of currency risk for the Group are purchases of services and goods made with external parties in currencies other than the functional currency.

The Group recognizes the vast majority of the sales in the local entity's functional currency. Therefore there is no currency risk on the sales side. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the purchases denominated in a foreign currency (EUR for non-euro countries, other currency transactions are not significant).

Foreign currency sensitivity

The table below shows the Group's sensitivity to a 10% appreciation or depreciation of the EUR against their respective foreign currencies. The sensitivity analysis includes only outstanding monetary items denominated in foreign currency and adjusts their conversion at the end of the accounting period by a 10% change in exchange rates. The sensitivity analysis includes receivables and payables. A sensitivity analysis is prepared under the assumption that other variables remain constant.

The following tables present the impact on profit before tax as at 30 April (in EUR thousand):

	Change in EUR rate	Effect on profit before tax €000
2021	+10%	1,909
	-10%	(1,909)
2020	+10%	1,395
	–10%	(1,395)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions, and other financial instruments.

Cash and cash equivalents

The Group's exposure to credit risk on cash and cash equivalents is managed by investing in well-established banks and financial institutions and by regular review of counterparty risk.

Trade and other receivables

Trade and other receivables at the reporting date comprise mainly monies due from payment gate and payment terminals providers, which are considered of good credit quality, as well as VAT receivable, monies from the supplier. The Group provides for doubtful receivables in respect of monies due from suppliers.

The Group has elected to apply the IFRS 9 "Financial Instruments" simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risks and aging.

The expected loss rates are based on the Group's historical credit losses, adjusted for reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions.

The Group provides for 50% of amounts due from suppliers, which are between 180 and 365 days overdue, and 100.0% of amounts more than 365 days overdue. It provides for 100.0% of amounts due from retail customers, which are more than 30 days overdue.

The Group has very low retail credit risk due to transactions being principal of a high volume, low value, and short maturity. Therefore, it also has a very low concentration risk. The Group has effective control over this area.

The Group's definition of default differs between suppliers and customers. A supplier is deemed to have defaulted if they have not paid an amount due within 365 days of the due date. A retail customer is deemed to have defaulted if they have not paid an amount due within 30 days of the due date.

Receivables are written off when there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have sufficient assets or sources of income to repay the relevant amounts. However, receivables that have been written off may still be subject to enforcement activity. The recovery of an amount previously written off is recognized as a gain in the Consolidated Income Statement.

Movements in the provision for the impairment of trade and other receivables are as follows:

	Notes	FY 2021	FY 2020
		€000	€000
Balance at the beginning of the period		**(205)**	**(25)**
Provision for impairment of receivables		(200)	(230)
Uncollectable amounts written-off		118	49
Balance at the end of the period	17	**(287)**	**(205)**

Liquidity risk

The Group has adequate cash resources to manage the short-term working capital needs of the business. The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the Group's financial liabilities based on the period remaining to the contractual maturity dates at the reporting date, summarizing the maturity profile of the Group's financial liabilities based on undiscounted contractual payments:

Year ended 30 April 2022	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**
Interest-bearing loans and borrowings	2,640	1,398	13,319	278	17,634
Lease liabilities	2,255	6,918	31,015	18,999	59,187
Trade and other payables	77,185	-	-	-	77,185
	82,080	**8,315**	**44,334**	**19,277**	**154,006**

Year ended 30 April 2021	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**
Interest-bearing loans and borrowings	707	1,279	6,046	-	8,033
Lease liabilities	1,269	3,814	12,454	5,289	22,826
Trade and other payables	41,223	-	-	-	41,223
	43,199	**5,093**	**18,500**	**5,289**	**72,082**

16 Inventories

	FY 2021 €000	FY 2020 €000
Materials (at cost / amortized value)	6,195	1,370
Work in progress (at cost)	2	1
Finished products and goods (at lower of cost and net realizable value)	17,791	9,405
Total inventories at the lower of cost and net realizable value	**23,988**	**10,776**

Materials balance includes the reusable bags in the amount of €3,803 thousand (30 April 2021: €483 thousand)

17 Trade and other receivables

	2021 €000	2020 €000
Receivables from third-party customers	11,331	5,713
Receivables from third-party suppliers	5,501	2,545
Receivables from an associate	58	119
Prepaid expenses	2,870	1,183
Tax receivables	8,420	1,120
	28,180	**10,680**
Allowance for expected credit losses	(287)	(206)
	28,893	**10,474**

Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days. Balance of receivables from third-party customers includes receivables collected by providers of payment gate and payment terminals, and receivables from non-e-shop sales.
Receivables from suppliers are non-interest bearing and are generally on terms of 30 days. The balance mostly consists of advances paid, receivables for turnover and marketing bonuses, and receivables from couriers for use of cars and fuel consumption.
For terms and conditions relating to related party receivables, refer to Note 26.
Tax receivables comprise claimable value added tax balance.

18 Cash and short-term deposits

	FY 2021 €000	FY 2020 €000
Cash at banks and on hand	53,711	93,175
	53,711	**93,175**

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The Group has pledged a part of its current bank accounts to fulfill collateral requirements arising from the bank guarantees provided by the bank to selected suppliers of the Group. At 30 April 2022, the restricted cash accounts totaled €7,686 thousand (30 April 2021: €350 thousand). Restricted cash is classified as Other financial assets in the financial statements.

19 Issued capital and reserves

The issued share capital consists of 473,103 ordinary shares at a par value of CZK 10 per share.

	FY 2021 Units	FY 2020 Units
Ordinary shares of CZK 10 each	473,103	426,988
	473,103	**426,988**

During the year, the share capital was increased by €461,150 by the issue of 46,115 ordinary shares of CZK 10 each.

Ordinary shares issued and fully paid	**Units**
At 1 May 2020	**344,878**
Issuance of share capital series B on 26 January 2021	46,481
Issuance of share capital series B on 20 February 2021	35,629
At 30 April 2021	**426,988**
Issuance of share capital series C on 30 June 2021	46,115
At 30 April 2022	**473,103**

As part of the share capital issue during the year, Company also recognized the share capital premium arising from the issue price and the nominal value of the issued shares.

Share premium	**€000**
At 1 May 2020	-
At 30 April 2021	-
Issuance of share capital series C	99,982
At 30 April 2022	**99,982**

Other reserves

Share option scheme

The Group has a share option scheme under which options to subscribe to the Group's shares have been granted to certain senior executives and certain other employees. Refer to Note 24 for further details. No share options have been exercised as of 30.4.2022.

Contributions outside of share capital

The Group received contributions from shareholders outside of share capital. Movement in contributions outside of share capital:

Movement in other reserves:

Other reserves	**Share-based payments €000**	**Contributions outside of share capital €000**	**Total €000**
As at 1 May 2020	-	**18,383**	**18,383**
Share-based payments expense during the year	2,822	-	2,822
Contribution of shareholders outside of share capital	-	121,056	121,056
At 30 April 2021	**2,822**	**139,439**	**142,261**
Share-based payments expense during the year	3,444	-	3,444
Contribution of shareholders outside of share capital	-	425	425
At 30 April 2022	**6,266**	**139,863**	**146,129**

20 Provisions

	Restoration €000	Total €000
At 1 May 2020	-	-
Arising during the year	-	-
At 30 April 2021	-	-
Current	-	-
Non-current	-	-
At 1 May 2021	-	-
Arising during the year	769	769
At 30 April 2022	769	769
Current	-	-
Non-current	769	769

Restoration

A provision has been recognized for restoration costs associated with leased warehouses used as fulfillment centers. The Group is committed to restoration the site in line with the conditions agreed in the lease contract. The related cash outflow will occur after the end of the lease contract.

21 Contract liabilities and refund liabilities

	FY 2021 €000	FY 2020 €000
Prepaid premium account fees	635	288
Customer credits	231	245
Refund liabilities	535	-
Total contract liabilities and refund liabilities	**1,402**	**533**
Current	1,402	533
Non-current	-	-

22 Trade and other payables

	FY 2021 €000	FY 2020 €000
Trade payables	47,569	23,248
Other payables	29,523	17,973
Related parties	92	-
	77,184	**41,221**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 15-30-day terms
- Other payables are non-interest bearing and are normally settled on 30-day terms
- Related party payables are non-interest bearing and are normally settled on 30-day terms

23 Leases

The group as a lessee

The Group has lease contracts for various items of fulfillment centers and offices, motor vehicles, and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 10 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	Fulfillment centers and offices	Motor vehicles	Other equipment	Total
	€000	€000	€000	€000
As at 1 May 2020	8,612	2,344	330	11,286
Additions	9,048	2,025	455	11,528
Depreciation expense	(2,472)	(1,311)	(152)	(3,935)
Disposals	-	(1,029)	-	(1,029)
Translation Gain / (Loss)	450	60	19	529
As at 30 April 2021	15,638	2,089	652	18,379
Additions	31,200	2,127	75	33,403
Depreciation expense	(5,174)	(900)	(209)	(6,255)
Disposals	-	(780)	-	(780)
Translation Gain / (Loss)	890	54	11	955
As at 30 April 2022	42,582	2,589	529	45,700

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	FY 2021	FY 2020
	€000	€000
As at 1 May	**18,761**	**11,271**
Additions	31,052	8,590
Accretion of interest	2,115	951
Payments	(6,320)	(3,068)
Gain / (Loss) from disposal	(1)	(6)
Foreign exchange translation Gain / (Loss)	1,388	1,024
As at 30 April	**46,995**	**18,761**
Current	6,341	3,995
Non-current	40,654	14,766

The following are the amounts recognized in profit or loss:

	2021	2020
	€000	€000
Depreciation expense of right-of-use assets	6,255	3,935
Interest expense on lease liabilities	2,115	951
The expense relating to short-term leases & leases of low-value assets	1,155	3,669
The total amount recognized in profit or loss	**9,526**	**8,554**

The Group had total cash outflows for leases of €7,476 thousand in 2021 (€6,737 thousand in 2020). The Group also had non-cash additions to right-of-use assets and lease liabilities of €31,052 thousand in 2021 (€8,590 thousand in 2020).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extensionand termination options are reasonably certain to be exercised.

24 Share-based payments

Stock Option Plan

Under the Stock Option Plan (SOP), the Group, at its discretion, may grant share options of the parent to employees or similar participants. Vesting of the share options is dependent on the Group's policy, and the granted share options are allocated to annual vesting period tranches. Employees or similar participants must remain in service for a period according to each tranche vesting date. The fair value of the share options granted is estimated at the date of the grant. The fair value calculation takes into account the terms and conditions on which the share options were granted. The exercise price of the share options is equal to the strike price prescribed in the stock option plan.

The Participants are entitled to exercise the options:

- In case of an IPO (Initial public offering), 50% of his/her vested Options immediately upon the IPO and the remaining vested Options earliest twelve (12) months after the IPO.
- In case of a Change of Control, 100% of his/her vested immediately upon the Change of Control.

In case no Liquidity event occurs before 30 April 2031, participants have the right to exercise their vested stock options by purchasing shares in the Company at the predefined strike price. The conversion of the options must be completed between 1 May 2031 and 31 October 2031. Unexercised options will expire after 31 October 2031 (or will be forfeited on the participant's bad leave termination of employment if before 31 October 2031).

The fair value of the share options is estimated at the grant date using a share price paid by the investors for newly issued shares, taking into account the terms and conditions on which the share options were granted.

As at the reporting date, the Group considered the conditions and assessed the share-based payments are classified as equity-settled transactions.

The expense recognized for employees and similar participants' services received during the year is shown in the following table and is presented within the Admininistrative expenses:

	FY 2021 €000	FY 2020 €000
Expenses arising from equity-settled share-based payment transactions	3,444	2,822
Total expense arising from share-based payment transactions	3,444	2,822

Movements during the year:

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	2021 Units	2021 WAEP
Outstanding at 1 May 2021	4,795	€1,403.35
Granted during the year	23,055	€1,403.35
Outstanding at 30 April 2022	27,850	€1,403.35
Exercisable at 30 April 2022	-	-

25 Commitments and contingencies

Guarantees

As of 30 April 2022, the parent company Rohlik Group a.s. had open credit facilities in the amount of EUR 4,000 thousand and. EUR 10,500 thousand. The Company drew on these facilities for the purpose of providing bank guarantees for the obligations of its subsidiaries to suppliers, mainly for rent and for the acquisition of fixed assets. Bank guarantees are secured by restricted cash located in the company's bank accounts. Bank guarantees granted as at 30 April 2022:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
CTPark Theta SRL	Bank Guarantee	Covrig Crocant SRL	274	EUR
Prologis Germany CCXIV (A) B.V.	Bank Guarantee	Großer Kern GmbH	819	EUR
KRYALOS SGR S.p.a.	Bank Guarantee	Sezamo.it S.R.L.	290	EUR
RCP Delta, s.r.o.	Bank Guarantee	Rohlik Skillz s.r.o.	214	EUR
RIALTO SpA	Bank Guarantee	Sezamo.it S.R.L.	1	EUR
USAL Liegenschaftsverwertungs- Leasing- und Beteiligungsgesellschaft m.b.H.,	Bank Guarantee	Gurkerl.at GmbH	100	EUR
Swisslog GmbH	Bank Guarantee	VELKÁ PECKA s.r.o.	5,782	EUR

As of 30 April 2022, the company VELKÁ PECKA s.r.o. had open credit facilities in the amount of EUR 2,000 thousand and CZK 10,000 thousand. The Company drew on these facilities for the purpose of providing bank guarantees for its obligations to suppliers, mainly for rent. Bank guarantees are secured by restricted cash located in the company's bank accounts. Bank guarantees granted as at 30 April 2022:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
CTPark Brno Líšeň West, spol. s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	347	EUR
Spielberk Business Park, spol. s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	38	EUR
P3 Prague Horní Počernice 2 s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	511	EUR
Prologis Czech Republic LXX s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	714	EUR
P3 Olomouc Park s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	19	EUR
CTPark Ostrava Poruba, spol. s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	346	EUR

As at 30 April 2022, the parent company Rohlik Group a.s. provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided as of April 30, 2022:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
Trade Group Europe Kft.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	2,000	HUF
Hungerit Baromfifeldogozó Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	2,000	HUF
Foodnet Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	5,000	HUF
Mastergood Kft.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	10,000	HUF
Saga Foods Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	3,000	HUF
ALD Automotive Magyarország Kft.	Parent Company Guarantee (Anyavállalati Garancia)	Kifli.hu Shop Kft.	51,207	HUF
LeasePlan Hungária ZRt.	Parent Company Guarantee	Kifli.hu Shop Kft.	8,761	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	62,730	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	140,253	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	86,200	HUF
UP! Personalagentur GmbH	Payment Guarantee on Demand	Gurkerl.at GmbH	500	EUR
Top Spirit Vertriebsgesellschafts	Payment Guarantee on Demand	Gurkerl.at GmbH	20	EUR
Porsche bank AG	Binding Letter of Comfort	Gurkerl.at GmbH	41	EUR
LeasePlan Österreich Fuhrparkmanagement GmbH	Statement of Guarantee	Gurkerl.at GmbH	2,500	EUR
Westcore Geneva B.V.	Letter of Comfort (Patronatserklärung)	Gurkerl.at GmbH	444	EUR
Bartels-Langness Handelsgesellschaft mbH & Co. KG	Payment Guarantee on Demand	Großer Kern GmbH	80	EUR
Trinks Süd GmbH	Payment Guarantee on Demand	Großer Kern GmbH	10	EUR
Bacardi GmbH	Payment Guarantee on Demand	Großer Kern GmbH	10	EUR
Greyfield Essen III Oblekt GmbH	Letter of Comfort (Patronatserklärung)	Großer Kern GmbH	3,562	EUR
BVK EUROPA IMMOBILIEN-SPEZIALFONDS	Corporate Gurantee Deed (Póliza de Garantía Corporativa)	Sezamo Iberia S.L.U.	7,905	EUR

As at 30 April 2022, the company Velká Pecka provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided as of April 30, 2022:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
ŠkoFIN s.r.o.	Parent Company Guarantee	Autoexpert spol. s r.o	400,000	CZK

26 Related party disclosures

Note 6 provides information about the Group's structure, including details of the subsidiaries and the equity holders of the Group. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

		Sales to related parties €000	Purchases from related parties €000	Amounts owed by related parties* €000	Amounts owed to related parties* €000
Entity with control over the Group:					
Rohlik.cz Investment s.r.o.	2021	-	92	-	92
	2020	-	-	-	-
Associates:					
Zdravá lednice	2021	644	110	58	-
	2020	164	66	119	-

* Amounts are classified as trade receivables and trade payables, respectively.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free, and settlement occurs in cash. There have been no guarantees provided or received for any receivables or payables of a related party, except for the consolidated fully consolidated entities. For the year ended 30 April 2022, the Group did not recognize a provision for expected credit losses relating to amounts owed by related parties (2020: €0).

27 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new andamended standards and interpretations, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 *Insurance Contracts* (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 *Insurance Contracts* (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 May 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In May 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements forclassifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the termsof a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 May 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Reference to the Conceptual Framework – *Amendments to IFRS 3*

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 May 2022 and apply prospectively.

Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 May 2022 and must be applied retrospectively to items of property, plant, and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Group.

Onerous Contracts – Costs of Fulfilling a Contract – *Amendments to IAS 37*

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 May 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-timeadopter

As part of its 2018-2020 annual improvements to the IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 May 2022, with earlier adoption permitted.

IFRS 9 *Financial Instruments* – Fees in the '10 percent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to the IFRS standards process, the IASB issued an amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 May 2022, with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Group.

IAS 41 Agriculture – Taxation in fair value measurements

As part of its 2018-2020 annual improvements to the IFRS standards process, the IASB issued an amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 May 2022, with earlier adoption permitted.

The amendments are not expected to have a material impact on the Group.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 May 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 May 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and temporary taxable differences associated with leases and restoration obligations.

The Group is currently assessing the impact of the amendments.

28 Events after the reporting period

The impact of events that occurred between the balance sheet date and the date of the financial statements is recognized in the financial statements if those events provided additional information about the facts that existed at the balance sheet date.

On 1 May 2022, the subsidiaries VELKÁ PECKA s.r.o. and My Food Wholesale s.r.o. merged into the successor compnany VELKÁ PECKA s.r.o.

On 16 June 2022, the Company raised capital through the issue of 85,845 new shares of series D. The total amount raised was EUR 220,001 thousand, of which the increase of share capital was EUR 35 thousand, and the share capital premium was EUR 219,966 thousand.

On 1 October 2022, the Company's registered office changed from Sokolovská 100/94, Karlín, 186 00 Praha 8 to Karolinská 654/2, 186 00 Karlín, Praha 8.

On 26 October 2022, the Group sold it's subsidiary bitte-holen.de GmbH, which never performed any activity.

After the reporting period. the parent company Rohlik Group a.s. drew from open credit facilities for the purpose of providing bank guarantees for the obligations of its subsidiaries to suppliers, mainly for rent and for the acquisition of fixed assets. Bank guarantees are secured by restricted cash located in the company's bank accounts. Bank guarantees granted after 30 April 2022 till the date of this report:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
Swisslog GmbH	Bank Guarantee	VELKÁ PECKA s.r.o.	2,711	EUR
CTPark Sixteen Limited Liability Partnership	Bank Guarantee	Kifli.hu Shop Kft.	993	EUR
Volkswagen Leasing GmbH	Bank Guarantee	Großer Kern GmbH	976	EUR

After the reporting period, the parent company Rohlik Group a.s. provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided after April 30, 2022 till the date of this report:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	401,500	HUF
Silko&Co Kft	Direct suretyship agreement (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	15,000	HUF
VIQR BERLIN 1 S.À R.L.	Patronatserklärung (Letter of Comfort)	Großer Kern GmbH	3,734	EUR

As at the preparation date of the Financial Statements, there is a risk that developments of the Russian-Ukrainian conflict could have a negative impact on the Company's business activities, including the risk of supply chain constraints. The Company has no subsidiaries or equity investments in Ukraine or in Russia and does not operate any business activities in these two countries. The direct impacts are, therefore, limited. As at the preparation date of the Financial Statements, it is not possible to predict with a sufficient degree of certainty the extent to which further escalation of the Russian-Ukrainian conflict will affect the global economy in 2022, and at the same time, an adverse effect on the Company's results of operations, financial position and net assets cannot be ruled out.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of

Rohlik Group a.s.

Registered Address: Karolinská 654/2, Karlín, 186 00 Praha 8
Company Identification Number (IČ): 099 60 678

Auditor's Opinion

We have audited the accompanying consolidated financial statements of Rohlik Group a.s. (hereinafter also the "Company") and its subsidiaries (hereinafter also the "Group") prepared in accordance with International Financial Reporting Standards adopted by the European Union, showing a consolidated balance sheet total of 246 027 thds. EUR and a consolidated loss of 111 625 thds. EUR. These consolidated financial statements comprise:

the consolidated statement of profit or loss for the year ended 30 April 2022
the consolidated statement of financial position as at 30 April 2022
the consolidated statement of comprehensive income for the year ended 30 April 2022
the consolidated statement of changes in equity for the year ended 30 April 2022
the consolidated statement of cash flows for the year then ended
the related notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Group information are disclosed in section 6 of the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 30 April 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under these laws and regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The electronic version of this document can be deemed as reliable and legally binding only if accompanied by a qualified auditor's certificate.
This is a translation of the original Czech Auditor's Report on the accompanying financial statements. Therefore, in the event of any inconsistency between the English and the Czech version, the Czech version shall prevail.

Grant Thornton

Other Information presented in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, other information comprises the information included in the consolidated Annual Report other than the financial statements and auditor's report thereon. The Member of the Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the consolidated financial statements or with our knowledge obtained in the audit of consolidated financial statements or whether the information appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material aspects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material aspects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, that the other information does not contain any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Member of the Board of Directors (hereinafter also "Company's statutory body") for the Consolidated Financial Statements

Company's statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards adopted by the European Union and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's statutory body is responsible for assessing the Group's ability to continue as a going concern, disclosing in the notes to the consolidated financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The electronic version of this document can be deemed as reliable and legally binding only if accompanied by a qualified auditor's certificate. This is a translation of the original Czech Auditor's Report on the accompanying financial statements. Therefore, in the event of any inconsistency between the English and the Czech version, the Czech version shall prevail.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit of consolidated financial statements conducted in accordance with the above mentioned regulations will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control by the statutory body of the Group.
- Obtain an understanding of internal Group control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting during preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions regarding the Group's ability to continue as going concern are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures. Evaluate whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The electronic version of this document can be deemed as reliable and legally binding only if accompanied by a qualified auditor's certificate. This is a translation of the original Czech Auditor's Report on the accompanying financial statements. Therefore, in the event of any inconsistency between the English and the Czech version, the Czech version shall prevail.

- To obtain sufficient and appropriate evidence on the financial information of the entities included in the Group and on the Group's business activity in order to express an opinion on the consolidated financial statements. We are responsible for the Group audit management, its supervision and its performance. The auditor's opinion on the consolidated financial statement is our sole responsibility.

We communicate with the Company's statutory body regarding, among other matters, the planned scope and timing of the audit and our significant audit findings, including any significant deficiencies identified in the internal controls.

Prague, 17 January 2023

Grant Thornton Audit s.r.o.

Pujmanové 1753/10a, 140 00 Praha 4 - Nusle

Licence No. 603

Ing. Milan Pašek
Executive Director

Ing. Petra Kopsová
Auditor, Licence No. 2459

The electronic version of this document can be deemed as reliable and legally binding only if accompanied by a qualified auditor's certificate. This is a translation of the original Czech Auditor's Report on the accompanying financial statements. Therefore, in the event of any inconsistency between the English and the Czech version, the Czech version shall prevail.