

Information on the implemented tax strategy for 2023

Juki Central Europe Sp. z o. o. (" **Company** ", JCE), fulfilling the obligations arising from art. 27c of the Act of February 15, 1992 on corporate income tax (Journal of Laws of 2021, item 1800), implements a formalized version of the tax strategy. The tax strategy document is generally available to all employees involved in processes related to tax settlements.

In the light of the implemented tax strategy, in 2023 the Company applied a number of processes and procedures related to managing the performance of obligations under the tax law and ensuring their proper performance, in particular regarding:

- a. preparing tax returns, including the rules for controlling the correctness of their submission to the relevant authorities and making timely payments of tax liabilities,
- b. issuing sales invoices, with a description of the methods of proper verification of contractors,
- c. making purchases, making payments and settling purchase documents,
- d. proceedings in the field of warehouse inventory and approval of its results,
- e. settlement of personal income tax, including the correct preparation of tax returns and timely payment of tax,
- f. resolving any tax doubts, including in particular the admissibility of recognizing tax costs and deducting input VAT,
- g. principles of cooperation with external tax advisors as part of ongoing cooperation and in the implementation of individual projects related to tax issues,
- h. fulfillment of obligations related to the need to pay withholding tax, including in particular the procedure of verifying whether the conditions for applying a reduced rate or exemption from withholding tax are met,
- i. implementation of statutory obligations in the field of transfer pricing, including the preparation of relevant documentation and submission of the required declarations,
- j. constant monitoring of amendments to the tax law and the rules for the implementation of new statutory obligations,
- k. participation in tax proceedings, including the rules of cooperation with the tax authority in the case of verification activities or tax audits,
- l. reporting violations in the field of tax and legal matters and proceeding in the event of confirmation of a violation,
- m. archiving documents, including, above all, documents that are important from the perspective of tax settlements.

The processes and procedures applied by the Company take into account the specificity of the company's operation and ensure reliable and timely fulfillment of tax obligations, as well as minimize the risk of tax irregularities. As part of the indicated processes and procedures, the Company complied with the scope of responsibility of individual employees, as defined in the tax strategy, for the proper performance of duties related to tax settlements.

The Company fulfills its tax obligations in the territory of the Republic of Poland, in particular by timely submission of relevant tax returns, making tax payments, paying any other due public law liabilities, keeping relevant documentation related to tax settlements and archiving it for the required period of time, as well as fulfilling obligations related to withholding tax and keeping transfer pricing documentation.

In 2023, the Company did not use voluntary forms of cooperation with the authorities of the National Revenue Administration.

In 2023, the Company was a taxpayer in respect of:

- a. corporate income tax ;
- b. goods and services tax.

In 2023, the Company was the payer for:

- a. personal income tax,
- b. flat-rate tax levied on certain revenues obtained in the territory of Poland by taxpayers subject to limited tax liability .

In 2023, the Company carried out the following transactions with related parties (including entities that are not tax residents of the Republic of Poland), the value of which exceeded 5% of the balance sheet total of assets, determined on the basis of the most recent approved financial statements of the Company:

1. Juki Corporation (a Japanese company):
 - purchase of goods - PLN 231.554.154,73,
 - given JCE rebates and bonuses PLN 2.236.550,44
 - goods sales transactions - PLN 3.206.441,08,
 - commercial commissions paid for the sale of parts and machines on a specific market - PLN 978.006,07,
 - fees received for bank loan guarantees - PLN 91.650,65,
 - re-invoicing of services from JCE - PLN 1.461.698,59,
 - re-invoicing the remuneration of employees delegating to JCE- PLN 1.066.853,88,
 - other sale transactions - PLN 579.594,34,
 - other purchase transactions – PLN 119.897,98.
2. Juki Italia SPA (company under Italian law):
 - sales of goods - PLN 43.923.451,74.

In 2023, the Company carried out the following transactions in the territories or countries applying harmful tax competition indicated in the Regulation of the Minister of Finance of March 28, 2019 on determining countries and territories applying harmful tax competition in the field of corporate income tax (Journal of Laws 2019.600):

1. Alfa Star Company Limited based in Hong Kong :
 - transactions of parts and machines - PLN 7.029.935,82,
2. Sivek International Limited based in Hong Kong:
 - purchase transactions of parts and machines - PLN 1.450.496,54,

In 2023, the Company did not apply for a general tax ruling, individual tax ruling, binding rate information or binding excise information.

In 2023, the Company did not provide the Head of the National Revenue Administration with any information on tax schemes within the meaning of Art. 86a § 1 point 10 of the Act of August 29, 1997. Tax Ordinance (Journal of Laws of 2021, item 1540). At the same time, the Company fulfills its obligations related to preventing failure to comply with the obligation to provide information on tax schemes (MDR) by carrying out ongoing verification of events occurring in the Company that could potentially result in the obligation to provide information on tax schemes.

In 2023, the Company did not undertake or plan any restructuring activities that could affect the amount of its tax liabilities or tax liabilities of related parties.