



GRUPA AWW

**INFORMATION
ABOUT THE EXECUTION BY
GRUPA AWW SPÓŁKA Z OGRANICZONĄ
ODPOWIEDZIALNOŚCIĄ SP. K. TAX STRATEGY
FOR THE FISCAL YEAR DURING 01.01.2022. TO
30.06.2022**



GRUPA AWW

SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ,
NIEDŹWIADY 45, 62 – 800 KALISZ

TEL. +48 62 332 06 00
FAX. +48 62 332 06 99
AWW@AWW.COM.PL

NIP: 9680980805
REGON: 366214080
KRS: 0000979411

ODDZIAŁ KALISZ: NIEDŹWIADY 45, 62 – 800 KALISZ
ODDZIAŁ ZBIERSK: ZBIERSK CUKROWNIA 61, 62 – 830 ZBIERSK
ODDZIAŁ TURSOKO: TURSOKO 11, 63 – 322 GOŁUCHÓW
ODDZIAŁ LUBCZYNA: LUBCZYNA 1, 98 – 400 WIERUSZÓW

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List of acronyms

Skrót	Nazwa
Company	Grupa AWW Spółka z ograniczoną odpowiedzialnością Sp. K.
Tax Ordinance	Act of 29 sierpnia 1997r. Tax Ordinance (Dz. U. z 2021r. Poz. 1540)
The Act on Cit	Act of 15 lutego 1992r. On corporate income tax (Dz. U. z 2021r. Poz. 1800)
Accounting Act	Act of 29 września 1994r. About accounting (Dz. U. z 2021r. Poz. 217)
Tax CIT or CIT	Corporate income tax
Tax PCC or PCC	Tax on civil law transactions
Tax PIT or PIT	Personal income tax
Tax VAT or VAT	Value added tax
'Monkey' fee	Additional charge for a wholesale licence for alcoholic beverages in individual packages not exceeding 300 ml
Head of KAS	Head of National Fiscal Information
MDR	Laws related to the obligation to provide (report) to the Head of National Fiscal Information information on tax schemes.

I. INFORMATION ABOUT THE COMPANY

Grupa AWW spółka z ograniczoną odpowiedzialnością Sp. K. with its registered office in Niedźwiady 45, Kalisz, entered in the Register of Entrepreneurs of the National Court Register kept by the District Court in Poznań, 9th Commercial Division of the National Court Register under number 0000669482, registered under number NIP 968 098 08 05, REGON 366214080.

The Company's share capital amounts to PLN 82,007,200.00.

The Company's core business is, according to PKD 11.01.Z distilling, rectifying and blending of alcohol, 10.62.Z production of starch and starch products, 46.34.Asp wholesale of alcoholic beverages.

The company has been operating on the Polish market since 1991. Until 01.01.2017, the company operated as a sole proprietorship under the name PHP Wiesław Wawrzyniak.

On 2 January 2017, a company under the name Wiesław Wawrzyniak PHP Spółka z ograniczoną odpowiedzialnością created from the transformation of the sole proprietorship PHP Wiesław Wawrzyniak was entered into the Register of Entrepreneurs of the National Court Register. This was followed by a further transformation of the limited liability company into a limited partnership. On 03.04.2017, the district court in Poznań registered the transformation of the company under the name PHP Wiesław Wawrzyniak Sp. z o.o. into a limited partnership under the name Grupa AWW Spółka z ograniczoną odpowiedzialnością Spółka komandytowa. With effect from 01 August 2022, the company filed a notice with the First Mazovian Tax Office - ZAW-RD - to elect to be taxed on company income in a lump sum.

II. INFORMATION ON THE IMPLEMENTED TAX STRATEGY FOR THE YEAR TAX YEAR 01.01.2022 do 30.06.2022 AT GRUPA AWW SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP.K. - IN ACCORDANCE WITH ART. 27C PAR. 2 OF THE CIT ACT

This information on the realised Tax Strategy constitutes the implementation of the obligation imposed on a specific group of corporate income taxpayers for 01.01.2022 do 30.06.2022, resulting from Article 27c of the Corporate Income Tax Act of 15 February 1992 (i.e. Journal of Laws of 2021, item 1800, as amended, hereinafter: the CIT Act).

1. INFORMATION ON THE TAX PROCESSES AND PROCEDURES IN PLACE CONCERNING THE MANAGEMENT OF COMPLIANCE WITH OBLIGATIONS UNDER TAX LAW AND ENSURING THEIR CORRECT IMPLEMENTATION

The AWW Group's overriding value is to manage tax issues in a way that ensures the compliance of all business activities with tax law, taking into account the interpretation of the law by tax authorities and administrative courts. The Management Board of the general partner is the body responsible for the conduct of business. It is kept informed of the Company's tax situation, which enables it to achieve its business objectives in accordance with the adopted tax strategy. The process of building and implementing the tax strategy involves both the management and employees of Grupa AWW, whose responsibilities include activities and actions related to tax settlement processes.

The Company periodically reviews the main aspects of its operations in order to check the tax consequences of its actions in terms of their compliance with the Company's internal procedures and processes, compliance with the applicable tax law and the Company's tax strategy.

The tax policy applied by the GRUPA AWW assumes care for the timely and correct fulfilment of all obligations imposed by tax law. The correct fulfilment of tax obligations and timely payment of public dues are the overriding values of the Company. The AWW Group does not undertake activities that may increase the tax risk, nor does it carry out activities leading to tax avoidance or so-called tax optimisation. The Company operates in compliance with generally applicable laws. In a situation where the regulations are unclear, the Company chooses the safer solution, even if it involves a higher tax burden for the Company. Often in such a situation, the Company applies for an individual interpretation of tax laws or applies to an external firm of tax advisors for an opinion on a given tax issue. Tax liabilities are calculated on the basis of correctly recorded entries in the books of account reflecting the actual course of economic events and are settled within the deadlines prescribed by the law. In order to ensure the Company's proper fulfilment of its obligations under tax law, employees have the opportunity to use various information services, publications and training dedicated to tax professionals. The company also cooperates with several external entities providing tax advice.

Responsibility for compliance with the tax strategy rests with the Board of Directors of the Comptroller. The Board of Directors then delegates the execution of the management of tax matters to the Chief Financial Officer. The day-to-day management of the GRUPA AWW's tax affairs is further delegated to the accounting department, which is overseen by the Chief Accountant. The Management Board, when making important business decisions, takes into account the Company's tax strategy, aiming to ensure that the actions taken are in compliance with tax law.

In order to guarantee that the Company properly fulfils its obligations under tax law, a division of competences has been made with regard to the management of specific taxes in the Company. The execution of tasks related to a given tax is assigned to a specific department within the internal organisational structure of the entity. Each department is made up of employees with the appropriate knowledge and qualifications to ensure the correct and reliable performance of the tasks assigned to them. The employees dealing with tax settlements have been appropriately assigned tasks to ensure the correct performance of accounting and bookkeeping tasks, which translate into meticulous and correct tax settlements. The allocation of responsibilities means that the risk of errors is minimised due to the close specialisation in a particular area.

2. INFORMATION ON THE COMPANY'S VOLUNTARY FORMS OF COOPERATION WITH NATIONAL TAX ADMINISTRATION AUTHORITIES

During the fiscal year for which this information on the implementation of the tax strategy is submitted The Company did not undertake any formal forms of cooperation with the KAS authorities. The Company did not enter into an agreement on cooperation with the Head of KAS, did not enter into a prior pricing agreement, did not apply for a safeguard opinion, did not apply under the mutual communication procedure.

The Company in 2022 benefited from information provided by employees of the National Tax Information Office. When necessary, the GRUPA AWW uses the contact with the Company's assigned custodian at the IMazovian Tax Office.

The company responds to enquiries from the Tax Authorities in a timely manner, providing all necessary explanations and information within the scope of the enquiry.

3. INFORMATION CONCERNING THE COMPANY'S FULFILMENT OF TAX OBLIGATIONS ON THE TERRITORY OF THE REPUBLIC OF POLAND

a) Income tax

In the year running from 01.01.2022 to 30.06.2022, the Company had the status of a corporate income taxpayer. The company timely calculated and paid the monthly CIT advances, made the annual settlement within the statutory deadline and filed the CIT-8 return. As of 01.07.2022, the company was registered in the KRS as a limited liability company under No.0000979411, as a limited liability company it was also subject to corporate income tax. With effect from 01 August 2022, the company filed a notice with the First Mazovian Tax Office - ZAW-RD - to opt for lump-sum taxation on company income.

b) VAT

In 2022, the company was registered as an active VAT taxpayer, was also registered for EU transactions, submitted VAT-7 and VAT-EU declarations and JPK_VAT files on time, made VAT payments within the statutory deadlines.

c) Company as payer

The Company also acts as a payer of PIT and social security contributions. The Company submits PIT-11, PIT-4R, PIT-8AR tax declarations and settles the required tax obligations within the statutory deadlines.

d) Excise tax

The GRUPA AWW was an excise tax payer in 2022, filed tax returns and made tax payments in accordance with the relevant regulations.

e) Property tax

The Company was a property tax payer for 2022, filed the necessary returns and made tax payments within the statutory deadlines.

f) Agricultural tax, forestry tax

The Company was a taxpayer of agricultural and forestry tax for 2022, filed the necessary declarations and paid the taxes within the statutory deadlines.

g) Tax on means of transport

The Company was a taxpayer of tax on means of transport for 2022, submitted DT-1 declarations and made tax payments within the statutory deadlines.

h) Tax on civil law transactions

In 2022, the company was obliged to pay tax on civil law transactions and file the PCC-3 declaration.

i) Fees for permits to sell alcohol

Due to the nature of its business activities, the Company was required to pay a retail and wholesale alcohol licence fee in 2022. The Company was obliged to calculate, pay and submit the AKL-1 declaration concerning the additional fee for the wholesale licence for alcoholic beverages in unit packages not exceeding 300 ml, the so-called monkey fee.

j) Promotion fund

The Company was obliged to calculate and pay the promotion fund in 2022 in accordance with the Act of 22 May 2009 on promotion funds for agri-food products. The Company was also obliged to submit the relevant declarations.

k) Environmental charges

In 2022, the company was obliged to prepare information on the extent of its use of the environment and the amount of fees due, the information was submitted to the relevant authorities and the payments due were paid within the statutory deadline.

4. INFORMATION ON THE NUMBER OF INFORMATION PROVIDED TO THE HEAD OF NATIONAL FISCAL INFORMATION INFORMATION ON TAX SCHEMES REFERRED TO IN ART. 86A § 1 POINT. 10 OF THE TAX ORDINANCE, WITH A BREAKDOWN BY TAX, TO WHICH THEY RELATE.

In 2022, the Company submitted one MDR-3 information to the Head of National Tax Information. The information submitted related to income tax. The Company also filed information10 MDR-1 related to the sale of shares, conversion, commencement of taxation of ECIT, which also related to income tax CIT.

5. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES WITHIN THE MEANING OF ART. 11a para. 1 POINT. 4 OF THE CIT ACT, THE VALUE OF WHICH EXCEEDS 5% OF THE TOTAL BALANCE SHEET TOTAL OF ASSETS WITHIN THE MEANING OF THE ACCOUNTING REGULATIONS, DETERMINED ON THE BASIS OF THE LAST APPROVED FINANCIAL STATEMENT OF THE COMPANY COMPANY'S FINANCIAL STATEMENTS, INCLUDING WITH ENTITIES WHICH ARE NOT TAX RESIDENTS OF THE TAX RESIDENTS OF THE REPUBLIC OF POLAND.

The Company carried out the following transactions with related parties in 2022, within the meaning of Article 11a(4) para. 4 of the CIT Act, the value of which exceeded 5% of the total balance sheet assets:
- Transaction of purchase of protein fraction, grain and starch from a related party

6. INFORMATION ON THE COMPANY'S PLANNED OR UNDERTAKEN RESTRUCTURING OPERATIONS THAT MAY AFFECT THE AMOUNT OF TAX LIABILITIES OF THE COMPANY OR OF RELATED PARTIES WITHIN THE WITHIN THE MEANING OF ART. 11a UST. 1 POINT. 4 OF THE CIT ACT

In the light of the planned amendments to the CIT Act as part of the so-called 'Polish Deal' and the relaxation of the conditions that an entity must meet in order to be subject to lump-sum taxation on corporate income, the AWW Group has taken measures in 2022 that will allow the Company to benefit from the aforementioned taxation rules. These actions consist, in particular, in changing the legal form of the conducted business activity, namely, as of 01.07.2022r. the company was entered into the National Court Register under the number 0000979411 as GRUPA AWW Spółka z ograniczoną odpowiedzialnością.

7. INFORMATION ON THE COMPANY'S APPLICATIONS FOR:**a) GENERAL TAX INTERPRETATION REFERRED TO IN ART. 14a § 1 OF THE TAX ORDINANCE:**

In the tax year for which this information is submitted, the Company did not apply for a general tax interpretation.

b) INTERPRETATION OF TAX LAWS REFERRED TO IN ART. 14b of the TAXATION ORDINANCE

In the tax year for which this information is submitted, the Company did not apply for an individual interpretation of tax law.

c) BINDING RATE INFORMATION REFERRED TO IN ART. 42a OF THE TAX ON GOODS AND SERVICES

In the tax year for which this information is submitted, the Company did not apply for any binding rate information.

d) BINDING RATE INFORMATION REFERRED TO IN ART. 7d par. 1 OF THE ACT OF 6 DECEMBER 2008 ON CITIZENSHIP TAX (Journal of Laws of 2020, item 722 and 1747)

In the tax year for which this information is submitted, the Company did not apply for binding excise tax information.

8. INFORMATION ON THE COMPANY'S TAX TREATMENT IN TERRITORIES OR COUNTRIES APPLYING HARMFUL TAX COMPETITION TAXATION INDICATED IN IMPLEMENTING ACTS PURSUANT TO ART. 11j UST. 2 OF THE CIT ACT AND PURSUANT TO ART. 23v UST. 2 OF THE ACT OF 26 JULY 1991r. ON INCOME TAX FROM NATURAL PERSONS AND IN THE NOTICE OF THE BY THE MINISTER COMPETENT FOR PUBLIC FINANCE ISSUED ON THE BASIS OF ART. 86a § 10 OF THE TAX ORDINANCE.12

The Company did not make tax settlements in territories or countries applying harmful tax competition and was not a registered taxpayer in any of these territories or countries.