

UAB Modus Grupė

Independent Auditor's Report, and
Separate Financial Statements for the year ended
31 December 2023, prepared in accordance with
Lithuanian Financial Reporting Standards

Independent Auditor's Report

To the Shareholders of UAB Modus Grupė

■ Opinion

We have audited the separate financial statements of UAB Modus Grupė ("the Company"). The Company's separate financial statements comprise:

- the separate balance sheet as at 31 December 2023,
- the separate income statement for the year then ended,
- the separate statement of changes in equity for the year then ended, and
- the notes to the separate financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements give a true and fair view of the non-consolidated financial position of the Company as at 31 December 2023, and of its non-consolidated financial performance for the year then ended in accordance with Lithuanian Financial Reporting Standards.

■ Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants and the requirements of the Law on Audit of Financial Statements of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

■ Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with Lithuanian Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.



■ Auditor's Responsibilities for the Audit of the Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the separate 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

On behalf of KPMG Baltics, UAB

Rokas Kasperavičius
Partner
Certified Auditor

Vilnius, the Republic of Lithuania
26 April 2024

The electronic auditor's signature applies only to the Independent Auditor's Report on pages 2 to 3 of this document.

UAB MODUS GRUPĖ, company code 302719143 (legal form, name, code)
Ozo g. 10A, LT-08200 Vilnius (residence (address), register where data about the entity is collected and stored)

SEPARATE INCOME STATEMENT AS AT 31 DECEMBER 2023

26/04/2024
(Reporting date)

01/01/2023 - 31/12/2023

(Reporting period)

EUR

(reporting currency, degree of accuracy)

Row. No.	Items	Note No.	Reporting period	Previous reporting period
1.	Sales	1	478,130	959,998
2.	Cost of sales	2	(454,223)	(916,466)
3.	Changes in fair value of biological assets		-	-
4.	GROSS PROFIT (LOSS)		23,907	43,532
5.	Selling expenses	3	(4,052)	(7,905)
6.	General and administrative expenses	4	(804,214)	(837,584)
7.	Other operating results	5	316	330
8.	Income from investments in the shares of parent, subsidiaries and associated entities	6	9,088,460	9,736,134
9.	Income from other long-term investments and loans	6	-	1,136
10.	Other interest and similar income	6	3,930,394	2,589,184
11.	Impairment of financial assets and short-term investments	6	(669,310)	(3,031,261)
12.	Interest and other similar expenses	6	(3,616,125)	(1,667,478)
13.	PROFIT (LOSS) BEFORE TAXATION		7,949,376	6,826,088
14.	Corporate income tax	7	472,312	7,725
15.	NET PROFIT (LOSS)		8,421,688	6,833,813

Director
(title of the head of entity's administration)

(signature)

Erika Huhtala
(name, surname)

UAB "IMG Numeri", 300602458, authorised person
(title of the chief accountant (accountant) or
Of other person responsible for accounting)

(signature)

Kornelija Dapšytė
(name, surname)

UAB MODUS GRUPĖ, company code 302719143

(legal form, name, code)

Ozo g. 10A, LT-08200 Vilnius

(residence (address), register where data about the entity is collected and stored)

(legal status in case of liquidation, reorganisation or bankruptcy)

SEPARATE BALANCE SHEET AS AT 31 DECEMBER 2023

26/04/2024
(Reporting date)

01/01/2023 - 31/12/2023

(Reporting period)

EUR

(reporting currency, degree of accuracy)

Row No.	Items	Note No.	Reporting period	Previous reporting period
	ASSETS			
A.	NON-CURRENT ASSETS		144,766,248	142,959,241
1.	INTANBIBLE ASSETS		-	-
1.1.	Assets arising from development		-	-
1.2.	Goodwill		-	-
1.3.	Software		-	-
1.4.	Concessions, patents, licenses, trademarks and similar rights		-	-
1.5.	Other intangible assets	8	-	-
1.6.	Advance payments		-	-
2.	TANGIBLE ASSETS		6,923	15,324
2.1.	Land		-	-
2.2.	Buildings and structures		-	-
2.3.	Machinery and plant		-	-
2.4.	Vehicles		-	-
2.5.	Other fixtures, fittings and tools	9	6,923	15,324
2.6.	Investment property		-	-
2.6.1.	Land		-	-
2.6.2.	Buildings		-	-
2.7.	Advance payments and tangible assets under construction (production)		-	-
3.	FINANCIAL ASSETS	10	144,191,726	142,830,149
3.1.	Shares in entities of the entities group		113,338,552	112,857,308
3.2.	Loans to entities of the entities group		3,545,406	5,940,406
3.3.	Amounts receivable from entities of the entities group		-	-
3.4.	Shares in associated entities		2,850,001	2,370,000
3.5.	Loans to associated entities		-	-
3.6.	Amounts receivable from associated entities		18,921,229	17,598,985
3.7.	Long-term investments		5,036,538	4,043,042
3.8.	Amounts receivable within one year		500,000	20,408
3.9.	Other financial assets		-	-
4.	OTHER NON-CURRENT ASSETS	11	567,599	113,768
4.1.	Deferred income tax asset		567,599	113,768
4.2.	Biological assets		-	-
4.3.	Other assets		-	-
B.	CURRENT ASSETS		42,599,012	44,876,180
1.	INVENTORIES	12	1,712	2,134
1.1.	Raw materials, materials and consumables		-	-
1.2.	Unfinished goods and work in progress		-	-
1.3.	Finished goods		-	-
1.4.	Goods for resale		-	-
1.5.	Biological assets		-	-
1.6.	Non-current assets held for sale		-	-
1.7.	Advance payments		1,712	2,134
2.	Amounts receivable within one year	13	42,172,764	44,851,009
2.1.	Trade debtors		169	169
2.2.	Amounts owed by entities of the entities group		42,110,559	44,849,612
2.3.	Amounts owed by associated entities		-	-
2.4.	Other amounts receivable		62,036	1,228
3.	SHORT-TERM INVESTMENTS		-	-
3.1.	Shares in entities of the entities group		-	-
3.2.	Other investments		-	-
4.	CASH AND CASH EQUIVALENTS		424,536	23,037
C.	DEFERRED COSTS AND ACCRUED INCOME	14	60,019	60,817
	TOTAL ASSETS		187,425,279	187,896,238

(continued on the next page)

SEPARATE BALANCE SHEET AS AT 31 DECEMBER 2023 (CONTINUED)

26/04/2024
(Reporting date)

01/01/2023 - 31/12/2023

EUR

(Reporting period)

(reporting currency, degree of accuracy)

Row No.	Items	Note No.	Reporting period	Previous reporting period
	EQUITY AND LIABILITIES			
D.	EQUITY		135,382,388	127,110,700
1.	CAPITAL	15	22,939,783	22,939,783
1.1.	Authorised (subscribed) or primary capital		22,939,783	22,939,783
1.2.	Subscribed capital unpaid (-)		-	-
1.3.	Own shares (-)		-	-
2.	SHARE PREMIUM		7,879,300	7,879,300
3.	REVALUATION RESERVE		-	-
4.	RESERVES	16	2,293,978	2,293,978
4.1.	Compulsory reserve or emergency (reserve) capital		2,293,978	2,293,978
4.2.	Reserve for acquiring own shares		-	-
4.3.	Other reserves		-	-
5.	RETAINED EARNINGS (LOSS)	17	102,269,327	93,997,639
5.1.	Profit (loss) for the reporting year		8,421,688	6,833,813
5.2.	Profit (loss) for the on previous year		93,847,639	87,163,826
E.	GRANTS AND SUBSIDIES		-	-
F.	PROVISIONS		-	-
1.	Provisions for pensions and similar obligations		-	-
2.	Provisions for taxation		-	-
3.	Other provisions		-	-
G.	AMOUNTS PAYABLE AND OTHER LIABILITIES		51,956,002	60,680,319
1.	AMOUNTS PAYABLE AFTER ONE YEAR AND OTHER LONG-TERM LIABILITIES	18	24,849,189	30,936,024
1.1.	Debt obligations		8,000,000	-
1.2.	Amounts owed to credit institutions		-	-
1.3.	Advances received		-	-
1.4.	Trade creditors		-	-
1.5.	Amounts payable under the bills and checks		-	-
1.6.	Amounts payable to the entities of the entities group		16,849,189	30,936,024
1.7.	Amounts payable to the associated entities		-	-
1.8.	Other amounts payable and long-term liabilities		-	-
2.	AMOUNTS PAYABLE WITHIN ONE YEAR AND OTHER SHORT-TERM LIABILITIES	18	27,106,813	29,744,295
2.1.	Debt obligations		66,472	8,000,000
2.2.	Amounts owed to credit institutions		-	29,592
2.3.	Advances received		-	-
2.4.	Trade creditors		14,027	7,458
2.5.	Amounts payable under the bills and checks		-	-
2.6.	Amounts payable to the entities of the entities group		23,075,585	17,872,244
2.7.	Amounts payable to the associated entities		3,742,095	3,539,208
2.8.	Income tax liabilities		-	-
2.9.	Employment related liabilities		207,648	280,303
2.10.	Other amounts payable and short-term liabilities		986	15,490
H.	ACCRUED COSTS AND DEFERRED INCOME	19	86,889	105,219
	TOTAL EQUITY AND LIABILITIES		187,425,279	187,896,238

Director
(title of the head of entity's administration)

(signature)

Erika Huhtala
(name, surname)UAB "IMG Numeri", 300602458, authorised person
(title of the chief accountant (accountant) or
Of other person responsible for accounting)

(signature)

Kornelija Dapšytė
(name, surname)

SEPARATE STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2023

26 April 2024

(Reporting date)

EUR

(reporting currency, degree of accuracy)

01/01/2023 - 31/12/2023
(Reporting period)

	Paid up authorised or primary capital	Share premium	Own shares (-)	Revaluation reserve		Legal reserves		Other reserves	Retained earnings (loss)	Total
				Non-current tangible assets	Financial assets	Compulsory reserve or emergency (reserve) capital	Reserve for acquiring own shares			
1. Balance at the end of the reporting (yearly) period before previous	22,939,783	7,879,300	-	-	-	2,293,978	-	-	87,283,826	120,396,887
2. Result of changes in accounting policies	-	-	-	-	-	-	-	-	-	-
3. Result of correcting material errors	-	-	-	-	-	-	-	-	-	-
4. Recalculated balance at the end of the reporting (yearly) period before previous	22,939,783	7,879,300	-	-	-	2,293,978	-	-	87,283,826	120,396,887
5. Increase (decrease) in the value of non-current tangible assets	-	-	-	-	-	-	-	-	-	-
6. Increase (decrease) in the value of effective hedging instruments	-	-	-	-	-	-	-	-	-	-
7. Acquisition (sale) of own shares	-	-	-	-	-	-	-	-	-	-
8. Profit (loss) not recognised in the income statement	-	-	-	-	-	-	-	-	-	-
9. Net profit (loss) for the reporting period (adjusted)	-	-	-	-	-	-	-	-	6,833,813	6,833,813
10. Dividends	-	-	-	-	-	-	-	-	(120,000)	(120,000)
11. Other payments	-	-	-	-	-	-	-	-	-	-
12. Formed reserves	-	-	-	-	-	-	-	-	-	-
13. Used reserves	-	-	-	-	-	-	-	-	-	-
14. Increase (decrease) of authorised capital or shareholders' contributions (shares' repayment)	-	-	-	-	-	-	-	-	-	-
15. Other increase (decrease) of authorised or primary capital	-	-	-	-	-	-	-	-	-	-
16. Contributions to cover losses	-	-	-	-	-	-	-	-	-	-
17. Balance at the end of the previous reporting (yearly) period (adjusted)	22,939,783	7,879,300	-	-	-	2,293,978	-	-	93,997,639	127,110,700
18. Increase (decrease) in the value of non-current tangible assets	-	-	-	-	-	-	-	-	-	-
19. Increase (decrease) in the value of effective hedging instruments	-	-	-	-	-	-	-	-	-	-
20. Acquisition (sale) of own shares	-	-	-	-	-	-	-	-	-	-
21. Profit (loss) not recognised in the income statement	-	-	-	-	-	-	-	-	-	-
22. Net profit (loss) for the reporting period	-	-	-	-	-	-	-	-	8,421,688	8,421,688
23. Dividends	-	-	-	-	-	-	-	-	(150,000)	(150,000)
24. Other payments	-	-	-	-	-	-	-	-	-	-
25. Formed reserves	-	-	-	-	-	-	-	-	-	-
26. Used reserves	-	-	-	-	-	-	-	-	-	-
27. Increase (decrease) of authorised capital or shareholders' contributions (shares' repayment)	-	-	-	-	-	-	-	-	-	-
28. Other increase (decrease) of authorised or primary capital	-	-	-	-	-	-	-	-	-	-
29. Contributions to cover losses	-	-	-	-	-	-	-	-	-	-
30. Balance at the end of the reporting period	22,939,783	7,879,300	-	-	-	2,293,978	-	-	102,269,327	135,382,388

Director
(title of the head of entity's administration)

(signature)

Erika Huhtala
(name, surname)UAB "IMG Numeri", 300602458, authorised person
(title of the chief accountant (accountant) or
of other person responsible for accounting)

(signature)

Kornelija Dapšytė
(name, surname)

UAB MODUS GRUPĖ, company code 302719143

Ozo g. 10A, LT-08200 Vilnius

Explanatory notes

(All amounts are in euro, if not stated otherwise)

GENERAL INFORMATION

UAB Modus Grupė (hereinafter "the Company") is a joint stock company registered with the Register of Legal Entities on 30 January 2012 under the Law on Register of Companies of the Republic of Lithuania, company code 302719143, legal address: Ozo g. 10A, LT-08200 Vilnius. Data about the Company is collected and stored in the Register of Legal Entities.

All of the Company's shares are held by the parent company MG NL Holding B.V., whose registered office is located at Naritaweg 165, Telestone 8, Teleport, 1043BW Amsterdam, The Netherlands, company code 853264363.

Activities of the company – consulting management activities.

As at 31 December 2023, the Company had seven subsidiaries:

Subsidiary	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Inter Krasta	2013	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Unimodus	2013	100	Ozo g. 10A, Vilnius, 12123769	Lease of premises, administration of real estate
UAB Modus Mobility	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Modus Group Services	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Modus Asset Management	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Management of investment funds, consulting
UAB Inter Krasta Premium	2020	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Inter Krasta Luxury	2020	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues

As at 31 December 2022, the Company had eight subsidiaries:

Subsidiary	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Inter Krasta	2013	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Unimodus	2013	100	Ozo g. 10A, Vilnius, 12123769	Lease of premises, administration of real estate
UAB Modus Mobility	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Modus Group Services	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Modus Asset Management	2017	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Management of investment funds, consulting
UAB Axton Commodities	2018	100	Ozo g. 10A, Vilnius, 12123769	Wholesale of electricity, planning and balancing of renewable electricity production sources
UAB Inter Krasta Premium	2020	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues
UAB Inter Krasta Luxury	2020	100	Vilniaus m. sav. Vilniaus m. Žalgirio g. 112-1	Consulting on business management and other issues

As at 31 December 2023, the Company had three other related companies

Other related company	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Parkdema	2018	30	Jogailos g. 4, LT-01116 Vilnius	Consulting on business management and other issues
Green Genius International B.V.	2020	15	Fred. Roeskestraat 115, 1076 EE Amsterdam, the Netherlands	Consulting on business management and other issues
Udrop LT UAB	2023	30	Konstitucijos pr. 29, LT-08105 Vilnius	Parcel terminal services

As at 31 December 2022, the Company had two other related companies:

Other related company	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Parkdema	2018	30	Jogailos g. 4, LT-01116 Vilnius	Consulting on business management and other issues
Green Genius International B.V.	2020	15	Fred. Roeskestraat 115, 1076 EE Amsterdam, the Netherlands)	Consulting on business management and other issues

As at 31 December 2023, the Company had the following financial assets:

Other financial assets	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Air Lituanica Club	2013	2	Jogailos g. 9, Vilnius, 302941051	Air transport of passengers, freight and parcels. Sale of air tickets

As at 31 December 2022, the Company had the following financial assets:

Other financial assets	Date of establishment / acquisition	Controlled share, %	Head office address, company code	Short description of activity
UAB Air Lituanica Club	2013	2	Jogailos g.9, Vilnius, 302941051	Air transport of passengers, freight and parcels. Sale of air tickets

The consolidated financial statements of the Company have been prepared separately. The consolidated financial statements of the Company are available at the Centre of Registers.

The Company's separate financial statements were approved on 26 April 2024.

In 2023, the average number of employees in the Company was 14 (2022 – 16 employees).

UAB MODUS GRUPĖ, company code 302719143

Ozo g. 10A, LT-08200 Vilnius

Explanatory notes (continued)

(All amounts are in euro, if not stated otherwise)

ACCOUNTING POLICIES

The Group prepares its financial statements in accordance with the Lithuanian regulatory legislation on accounting and financial reporting, and Lithuanian Financial Reporting Standards.

The financial statements have been prepared on an assumption that the Company will be able to continue its operation in the foreseeable future.

The financial year of the Company coincides with the calendar year.

All amounts in these financial statements are presented in the local currency, the euro (EUR) (unless otherwise stated).

The principal accounting policies adopted in the preparation of the Company's financial statements are summarised below.

(a) Intangible assets

Intangible assets are stated at acquisition cost, less subsequent accumulated amortisation and impairment. Amortisation is calculated on a straight-line basis over the useful life of 3-4 years. For the purpose of the income statement, amortisation expenses of intangible assets are included in the general and administrative expenses.

Items of assets with acquisition cost not lower than EUR 300 are classified as non-current intangible assets.

Costs associated with renewal and development of intangible assets incurred following the acquisition, are recognised as expenses as incurred, except for the cases when these costs can be measured reliably, they can be attributed to specific assets and the Company is able to determine reliably that these assets will generate higher economic benefits in the future. When all these criteria are met, these costs are added to the acquisition cost of intangible assets.

(b) Tangible non-current assets

Non-current tangible assets are stated at acquisition cost less subsequent accumulated depreciation and impairment. Depreciation is calculated on a straight-line basis over the useful lives established for non-current tangible assets. For the purpose of the income statement, depreciation expenses of non-current tangible assets are included in the general and administrative expenses.

The Company applies the following useful lives to its non-current tangible assets:

	Years
Buildings and structures	35
Machinery and equipment	5
Vehicles	2-10
Other fixtures, fittings and tools	1.5-6
Other tangible assets	4

Items of assets with an estimated useful life over 1 year and acquisition cost not lower than that specified below are recognised as non-current tangible assets:

	Value
Buildings and structures	EUR 300
Machinery and equipment	EUR 300
Vehicles	EUR 300
Other fixtures, fittings and tools	EUR 150-300
Other tangible assets	EUR 300

Explanatory notes (continued)

(All amounts are in euro, if not stated otherwise)

(b) Tangible non-current assets (continued)

Other tangible assets include repair or reconstruction costs of leased assets, which improve the standard performance of these assets. These costs are recognised as expenses over the remaining lease term.

Current repair costs are expensed during the reporting period when expenditure is incurred. Repair costs are capitalised when the works performed improve the standard performance and extend the useful life of non-current tangible assets.

Gains or losses on disposal of non-current tangible assets are determined by reference to the proceeds from disposal less the carrying amount of the asset concerned and all the expenses related to such disposal. Upon the disposal of non-current tangible assets the result of the transaction is reported in the income statement.

(c) Impairment of non-financial assets

Assets that are subject to amortisation or depreciation (including goodwill) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and the value in use. For the purpose of assessing impairment, assets are grouped to the smallest groups for which largely independent cash inflows (cash generating units) can be identified.

(d) Investments in subsidiaries and associated companies

An associate – an entity over which the Company has a significant influence and which is neither a subsidiary of the Company, nor a jointly controlled entity, nor an entity under common control.

A subsidiary – an entity over which the Company has direct or indirect decisive influence.

In the Company's financial statements, investments in subsidiaries and associated entities are accounted for using the cost method.

When accounting for investments into subsidiaries and associated entities under the cost method they are stated at acquisition cost. When the carrying amount of investments exceeds the amount likely to be received for the investment, impairment of investments is accounting for in accordance with the procedure provided in the Business Accounting Standard 18 *Financial assets and Financial Liabilities*.

Dividends or other direct payments received as a result of a distribution of the investee's profits are recognised as income from financing and investing activities and recognised in profit or loss.

(e) Finance lease – the Company as a lessee

Leases of non-current assets where the lessee takes over substantially all the risks and rewards of ownership are classified as finance leases. Non-current assets under finance lease are accounted for on the basis of the asset's recoverable amount, i.e. at an estimated present value of minimum lease payments. Lease payments, i.e. all minimum contractual lease payments net of interest charges, are included in liabilities. Each lease payment is allocated between the liability and interest charges so as to achieve a constant periodic rate of interest on the remaining balance of the finance lease liability. The interest element of the lease payment is charged to the income statement over the lease period. The non-current tangible assets acquired under finance leases are depreciated over the useful life of the asset.

Explanatory notes (continued)

(All amounts are in euro, if not stated otherwise)

(f) Inventories

Inventories are stated at the lower of acquisition (production) cost or net realisable value. The cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and possible selling expenses. The cost of inventories comprises purchase price, customs duties, transportation costs and other costs attributable to the acquisition of inventories.

(g) Financial assets and financial liabilities

Financial assets include cash and cash equivalents, loans granted and other amounts receivable. Financial assets are recorded when the Company receives or obtains a contractual right to receive cash or any other financial assets. Amounts receivable are stated at acquisition cost, less impairment loss. Cash and cash equivalents are stated at acquisition cost. When it is probable that the Company will not be able to recover the amounts receivable, the impairment loss is recognised, which is determined as the difference between the carrying amount of the assets and the present value of future cash flows discounted using the effective interest rate.

Financial liabilities include amounts payable for goods and services received, and finance lease liabilities. Financial liabilities are recorded when the Company assumes a commitment to pay cash or any other financial assets. Amounts payable for goods and services are measured at acquisition cost.

(h) Provisions

Provisions are recognised as liabilities when the Company has a legal obligation or irrevocable commitment as a result of past events, it is probable that an outflow of resources will be required to settle the obligation or irrevocable commitment, and a reliable estimate of the amount of liabilities can be made.

(i) Foreign currency

All currency items in the balance sheet are estimated in the euro using the exchange rate prevailing at the balance sheet date. Assets purchased for foreign currency and accounted for in the balance sheet at the acquisition cost are estimated in the euro using the exchange rate prevailing at the date of the transaction. Foreign currency transactions are stated in the euro using the exchange rate prevailing at the date of the transaction. Differences resulting from the settlement of amounts recorded in foreign currencies at different exchange rates are recognised as income or expenses of the reporting period.

(j) Sales

Revenue from sales is recognised on an accrual basis. Revenue is measured at fair value, taking account of discounts granted and expected. Revenue from sale of services is recognised when services have been rendered and an amount of revenue can be reliably estimated.

(k) Cost of sale and general and administrative expenses

Expenses are recognised on an accrual basis and following the matching principle during the reporting period when income related to such expenses is earned. Expenses incurred during the reporting period, which cannot be attributed directly to specific income earned and which will not generate any income in subsequent reporting periods, are recognised as expenses during the period when incurred.

(l) Operating lease, the Company as a lessee

Lease payments are charged to the income statement on a straight-line basis over the period of the lease.

Explanatory notes (continued)
(All amounts are in euro, if not stated otherwise)

(m) Corporate income tax

Profit is subject to income tax at a rate of 15 per cent in accordance with the tax laws of the Republic of Lithuania.

Deferred income tax is recognised using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised on all temporary differences to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

(n) Offsetting

Amounts receivable and amounts payable are offset with the same third party when there are sufficient legal grounds for that purpose.

(o) Tax loss carry forward between group companies

Tax losses can be carried forward for indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments. Since 1 January 2014, tax losses carried forward can be used to reduce the taxable income earned during the reporting year by not more than 70%. Such carrying forward is disrupted if the Company changes its activities due to which these losses were incurred except when the Company does not continue its activities due to reasons which do not depend on the Company itself. Losses from a transfer of securities and/or derivatives can be deferred for 5 years and covered only from the profit of the same type of transactions. Tax losses can only be transmitted between such units, which two years without interruption to the transmission of loss (inclusive) are units of the group in which the parent company directly or indirectly holds at least 2/3 (or at least 66.67 per cent) of shares or other

rights to the distributable profits in each subsidiary unit, involved in loss transfer. Transfer of tax loss must be documented with an agreement, transfer-acceptance act or other free-form documents with legal effect.

(P) Contingent assets and liabilities

Contingent assets, liabilities are assets/liabilities which may arise from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are those assets that, through actions beyond the Company's control, may be owned by the Company and provide economic benefits to the Company. Under the precautionary principle, a non-current asset is not recognised in the financial statements and does not appear on the face of the balance sheet until it is virtually certain that it will be received by the company and that it can be measured reliably, otherwise it could result in the recognition of income that will never be received.

(r) Subsequent events

Subsequent events – economic events that occur between the balance sheet date and the date on which financial statements are presented. The date of the financial statements is the date on which the financial statements are approved at the general shareholders' meeting.

Explanatory notes (continued)

(All amounts are in euro, if not stated otherwise)

FINANCIAL RISK MANAGEMENT

When performing its activities, the Company is exposed to a variety of financial risks. Risk management is performed by the Board. The principles for management of risks of general and specific nature, such as credit risk, foreign exchange risk, liquidity risk and interest rate risk, have not yet been prepared in writing.

The Company applies the following key financial risk management procedures in its activities:

Credit risk

The Company's credit risk relates principally to the loans and arises from potential counterparty defaults. The Company has a low concentration of credit risk related to trade receivables.

The Company uses an individual valuation model to determine expected loan losses. The Company uses internal credit rating categories that reflect the credit risk of financial assets. Expected economic developments (country and sector risk) are included in the internal rating model. The Company's management reviews key economic indicators of the markets in which the Company's debtors operate and determines whether there are likely material changes that could affect the expected credit losses.

If management determines that there are no significant changes in expected economic variables, the expected credit losses are used based on historical information. The analysis did not identify any significant expected credit losses.

Foreign exchange risk

The Company has no significant concentration of foreign exchange risk, because the major portion of settlements are conducted in the euro (EUR).

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents necessary to cover the expected expenditures. The Company makes short-term cash flow forecasts.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company earns interest income from loans granted and bonds purchased. Interest expenses are incurred on loans received and bonds issued. The distribution between fixed rate and variable rate instruments depends on actual situation in the market.

NOTE 1: SALES

	Financial year	Previous financial year
Management consulting services	478,130	959,998
Lease of real estate and other related income	-	-
Re-sale of services	-	-
Total	478,130	959,998

NOTE 2: COST OF SALES

Item	Financial year	Previous financial year
Management consulting services	(454,223)	(916,466)
<i>of which are salary costs</i>	<i>(383,989)</i>	<i>(770,273)</i>
<i>of which are non-current assets depreciation costs</i>	<i>(3,085)</i>	<i>(4,262)</i>
Lease of real estate and other related income	-	-
Re-sale of services	-	-
Total	(454,223)	(916,466)

NOTE 3: SELLING EXPENSES

Item	Financial year	Previous financial year
Advertising and promotional expenses	(1,620)	(4,962)
Representation expenses	(2,432)	(2,943)
Total	(4,052)	(7,905)

NOTE 4: GENERAL AND ADMINISTRATIVE EXPENSES

Item	Financial year	Previous financial year
Impairment expense (income) on receivables	38,731	(25,364)
Legal and advisory expenses	(24,119)	(27,120)
Accounting, audit and management expenses	(54,551)	(108,890)
Salaries of employees and related expenses	(632,916)	(558,607)
Bank charges	(443)	(547)
Depreciation and amortisation of non-current assets	(5,032)	(2,670)
Communication expenses	(6,666)	(3,946)
Tax expenses	(31,465)	(46,531)
Operational and maintenance expenses of computer software	(7 343)	(4 493)
Lease expenses	(26,142)	(18,731)
Fuel	(16,776)	(15,735)
Maintenance and lease of cars	(28,304)	(13,601)
Costs of employee training	(1,704)	(2,475)
Stationery	(188)	(81)
Business trip expenses	(1,629)	(707)
Support	(5,000)	-
Other expenses	(667)	(8,086)
Total	(804,214)	(837,584)

In 2023, an impairment of receivables that was created in 2022 for Modus Group Services UAB was reversed as the company paid part of the debt. The reversal of the impairment of receivables resulted in a decrease of expenses of EUR 38,731 in the Company.

NOTE 5: OTHER ACTIVITY

Items	Financial year	Previous financial year
a) OTHER ACTIVITY INCOME	69,636	34,849
Other income from resale of services	69,303	34,519
Gain from disposal of non-current assets	333	330
OTHER ACTIVITY EXPENSES	(69,320)	(34,519)
Other expense from resale of services	(69,320)	(34,519)
Loss from disposal of non-current assets	-	-
Other operating results	316	330

NOTE 6: INTEREST AND OTHER SIMILAR INCOME AND INTEREST AND OTHER SIMILAR

Items	Financial year	Previous financial year
Other interest and similar income	13,018,854	12,305,545
Income from penalties and delay interest	-	-
Gain on disposal from investments in the shares of parent, subsidiaries and associated entities	-	1,136
Other interest and similar income	2,466,100	2,215,320
Gain from foreign currency exchange	-	9,537
Dividend income	9,088,460	9,736,134
Income from increase in the value of investments	1,464,294	343,418
Other income from financing and investing activities	-	-
Interest and other similar expenses	(4,285,435)	(4,677,830)
Penalties and delay interest	(11)	(2)
Impairment of financial assets and short-term investments	(669,310)	(3,031,261)
Interest expenses	(3,605,175)	(1,513,556)
Currency exchange loss	(5,702)	-
Loss from disposal of investments	1	(65,681)
Loss from impairment of the fair value of investments	-	(65,220)
Other expenses from financing and investing activities	(5,238)	(2,110)
Loss from investment in the subsidiary due to a decrease in its share capital	-	-
c) RESULT OF INTEREST AND SIMILAR INCOME AND INTEREST AND SIMILAR EXPENSES (a - b)	8,733,419	7,627,715

In 2023, an impairment that was determined in 2020 for the companies Axton Commodities UAB, as the company was sold in 2023, and for Modus Asset Management UAB were reversed. The reversal of the impairment of the investment in Modus Asset Management UAB resulted in a reduction in the Company's expense of EUR 431,244, and a new impairment of the investment in Udrops LT UAB was established at an amount of EUR 1,278. In addition, an impairment of loans granted and accrued interest of EUR 1,099,276 was recognised in 2023.

NOTE 7: CORPORATE INCOME TAX

Corporate income tax expenses in the income statement include the following:

Items	Financial year	Previous financial year
Current tax expense	-	-
Consideration for tax losses taken over	(18,481)	(135,450)
Expenses on tax losses taken over	-	-
Corrections of corporate income tax of previous reporting periods	-	-
Deferred tax income (expense)	(453,831)	127,725
Total	(472,312)	(7,725)

NOTE 8: INTANBIBLE ASSETS

Items	Software	Other intangible assets	Advance payments	Total
Carrying amount at the end of the previous financial year	-	-	-	-
a) Intangible non-current assets at acquisition cost				
At the end of the previous financial year	-	1,200	-	1,200
Financial year changes:	-	-	-	-
- acquisition of assets	-	-	-	-
- written back (-)	-	-	-	-
- disposals to other persons and written-off assets (-)	-	-	-	-
- reclassified from/to +/-(-)	-	-	-	-
At the end of the financial year	-	1,200	-	1,200
B) Amortisation				
At the end of the previous financial year	-	1,200	-	1,200
Financial year changes:	-	-	-	-
- amortisation of the financial year	-	-	-	-
- written back (-)	-	-	-	-
- of disposals to other persons and written-off assets (-)	-	-	-	-
- reclassified from/to +/-(-)	-	-	-	-
At the end of the financial year	-	1,200	-	1,200
c) Impairment				
At the end of the previous financial year	-	-	-	-
Financial year changes:	-	-	-	-
- impairment for the financial year	-	-	-	-
- written back (-)	-	-	-	-
- of disposals to other persons and written-off assets (-)	-	-	-	-
- reclassified from/to +/-(-)	-	-	-	-
At the end of the financial year	-	-	-	-
d) Carrying amount at the end of the financial year (a)-(b)-(c)	-	-	-	-

The amortisation of the Company's intangible non-current assets amounted to EUR 0 in 2023 (EUR 75 in 2022). The intangible non-current assets were fully amortised in 2022 but are still being used.

NOTE 9: TANGIBLE NON-CURRENT ASSETS

Items	Land	Buildings and structures	Machinery and equipment	Vehicles	Other equipment, fixtures, fittings and tools	Investment property	Advance payments and tangible assets under construction (production)	Total
Carrying amount at the end of the previous financial year				-	15,324	-	-	15,324
a) Acquisition cost								
At the end of the previous financial year				-	25,002	-	-	25,002
Financial year changes:								-
- acquisition of assets				-	-	-	-	-
- written back (-)				-	-	-	-	-
- disposals to other persons and written-off assets (-)				-	(816)	-	-	(816)
- reclassified from/to +/-(-)				-	-	-	-	-
At the end of the financial year				-	24,186	-	-	24,186
b) Revaluation								
At the end of the previous financial year				-	-	-	-	-
Financial year changes:				-	-	-	-	-
- increase (decrease) in value +/-(-)				-	-	-	-	-
- of disposals to other persons and written-off assets (-)				-	-	-	-	-
- reclassified from/to +/-(-)				-	-	-	-	-
At the end of the financial year				-	-	-	-	-
c) Depreciation								
At the end of the previous financial year				-	9,678	-	-	9,678
Financial year changes:								
- depreciation of the financial year				-	8,117	-	-	8,117
- written back (-)				-	-	-	-	-
- of disposals to other persons and written-off assets (-)				-	(532)	-	-	(532)
- reclassified from/to +/-(-)				-	-	-	-	-
At the end of the financial year				-	17,263	-	-	17,263
d) Impairment								
At the end of the previous financial year				-	-	-	-	-
Financial year changes:								
- of disposals to other persons and written-off assets (-)				-	-	-	-	-
- reclassified from/to +/-(-)				-	-	-	-	-
At the end of the financial year				-	-	-	-	-
d) Carrying amount at the end of the financial year (a)-(b)-(c)-(d)				-	6,923	-	-	6,923

Financial assets	Financial year	Previous financial year
Investments in the entities of the entities group	113,338,552	112,857,308
Investments in other related companies	2,850,001	2,370,000
Long-term investments and other financial assets	5,036,538	4,043,042
Long-term loans and other receivables due after one year	22,966,635	23,559,799
Total	144,191,726	142,830,149

Investments in the entities of the entities group

As at 31 December 2023

Company name	Carrying amount of investments	Controlled share	Equity (unaudited)	Net profit (loss) (unaudited)
UAB Inter Krasta	92,440	100	(40,583)	(181,920)
UAB Unimodus	11,400,300	100	11,589,027	673,381
Green Genius International B.V.	80,900,000	15	130,417,174	3,007,497
UAB Modus Group Services	1,251,553	100	(343,114)	23,430
UAB Modus Asset Management	830,256	100	904,154	569,353
UAB Modus Mobility	5,002,945	100	(1,890,200)	(442,032)
UAB Inter Krasta Premium	12,764,274	100	19,276,566	3,576,025
UAB Inter Krasta Luxury	2,348,337	100	9,940,325	6,566,532
Impairment of the investment in UAB Modus Group Services	(1,251,553)	-	-	-
Total	113,338,552	-	169,853,349	13,792,267

As at 31 December 2022

Company name	Carrying amount of investments	Controlled share	Equity (unaudited)	Net profit (loss) (unaudited)
UAB Inter Krasta	92,440	100	141,336	(56,328)
UAB Unimodus	11,400,300	100	10,915,646	(3,882,136)
Green Genius International B.V.	80,900,000	15	127,409,677	48,030,745
UAB Modus Group Services	1,251,553	100	(366,544)	30,662
UAB Modus Asset Management	780,256	100	283,525	(245,137)
UAB Modus Mobility	5,002,945	100	(1448,168)	(64,798)
UAB Axton Commodities	1,224,432	100	127,942	(3,280)
UAB Inter Krasta Premium	12,764,274	100	18,700,542	3,156,281
UAB Inter Krasta Luxury	2,348,337	100	8,873,792	4,845,882
Impairment of the investment in UAB Axton Commodities	(1,224,432)	-	-	-
Impairment of the investment in UAB Modus Group Services	(1,251,553)	-	-	-
Impairment of the investment in UAB Modus Asset Management	(431,244)	-	-	-
Total	112,857,308	-	164,637,748	51,811,891

Investments in other related companies

As at 31 December 2023

Company name	Carrying amount of investments	Controlled share
UAB Parkdema	3,512,185	30
Revaluation of the investment in UAB Parkdema to fair value	(662,185)	-
Udrop LT, UAB	1,279	30
Impairment of the investment in Udrop LT, UAB	(1,278)	-
Total	2,850,001	-

As at 31 December 2022

Company name	Carrying amount of investments	Controlled share
UAB Parkdema	3,512,185	30
Revaluation of the investment in UAB Parkdema to fair value	(1,142,185)	-
Total	2,370,000	-

In 2023, an increase in the value of the investment in Parkdema UAB was recorded based on the value of the shares in Parkdema UAB as determined by external valuers. In 2023, the impairment of the investment in Parkdema UAB of EUR 480,000, which was recognised in 2020, was reversed.

In 2023, an impairment of the investment in UAB Udrop LT was recorded based on the value of the shares in UAB Udrop LT as determined by external valuers.

NOTE 10: FINANCIAL ASSETS (CONTINUED)

Long-term investments and other financial assets

As at 31 December 2023

Company name	Type of investment	Carrying amount of investments
Stichting First Energie Fonds	Investment fund's units	394,777
Air Lithuanica Club UAB	Shares	24,907
BMW AG	Shares	1,869
Modus Renewable Energy Lithuanian Investments subfund	Investment fund's units	1,754,782
Qibus Inc.	Investments	67,873
Genus Technologies LTD	Investments	90,498
Wise Guys Cyber Fund 1	Investments	50,000
Modus Remote Solar Fund I	Investment fund's units	2,522,841
Inchcape PLC	Shares	41
CLEAN ENERGY INFRASTRUCTURE Fund	Investment fund's units	128,950
Total		5,036,538

As at 31 December 2022

Company name	Type of investment	Carrying amount of investments
Stichting First Energie Fonds	Investment fund's units	362,443
Air Lithuanica Club UAB	Shares	24,907
BMW AG	Shares	1,869
Modus Renewable Energy Lithuanian Invest	Investment fund's units	1,556,069
Qibus Inc.	Investments	70,317
Genus Technologies LTD	Investments	93,756
Wise Guys Cyber Fund 1	Investments	50,000
Modus Remote Solar Fund I	Investment fund's units	1,883,640
Inchcape PLC	Shares	41
Total		4,043,042

Long-term loans granted and other receivables due after one year

Items	Financial year	Previous financial year
Bonds and accrued receivable interest of other related companies (a)	18,921,229	17,598,985
Loans issued to Group entities and receivable interest	3,545,406	5,940,406
Bonds and accrued receivable interest of Group entities	-	-
Loans issued to other companies	500,000	20,408
Impairment of loans issued to Group entities	-	-
Total	22,966,635	23,559,799

a) As at 31 December 2023, the Company has acquired bonds issued by UAB Parkdema by the value of EUR 14,878,668. The bonds bear a fixed interest rate of 6% per annum and mature on 5 January 2026. The bonds of UAB Parkdema are subordinated under a subordination agreement until all obligations under the main agreement have been duly performed. Any part of the accrued but unpaid interest on the bonds can be paid at any time up to the maturity date of the bonds. In 2023, the Company purchased bonds issued by Udrop LT UAB by the value of EUR 400,000. The bonds bear a fixed interest rate of 10% per annum and mature on 5 February 2026.

NOTE 11: OTHER NON-CURRENT ASSETS

	Financial year	Previous financial year
Deferred income tax asset	567,599	113,768
Total	567,599	113,768

The following indicators were used to calculate deferred income tax:

Items	Difference between the tax and book value		Deferred tax assets (liabilities)	
	Financial year	Previous financial year	Financial year	Previous financial year
Accrued social security from vacation reserve	1,958	2,604	294	391
Bonus accrual	95,046	149,749	14,257	22,462
Accrued tax loss	3,686,987	606,097	553,048	90,915
Total	3,783,991	758,450	567,599	113,768

NOTE 12: INVENTORIES

	Advance payments	Total
a) Acquisition cost of inventories		
At the end of the previous financial year	2,134	2,134
At the end of the financial year	1,712	1,712
b) Write-down to net realisable value (reversal)		
At the end of the previous financial year	-	-
At the end of the financial year	-	-

NOTE 13: Amounts receivable within one year

Items	Financial year	Previous financial year
Amounts owed by entities of the entities group	42,110,559	44,849,612
Short-term loans granted	45,157,228	44,903,296
Impairment of short-term loans granted	(3,122,062)	(165,411)
Trade debtors	444,457	519,522
Impairment of trade debtors	(383,839)	(422,570)
Prepayments	14,775	14,775
Short-term bonds and accrued interest on bonds	-	-
Impairment of short-term bonds and accrued interest on bonds	-	-
Amounts owed by associated entities	-	-
Short-term loans granted	1,570,984	1,535,242
Impairment of short-term loans granted	(1,570,984)	(1,535,242)
Trade debtors	-	-
OTHER AMOUNTS RECEIVABLE:	62,205	1,397
Short-term loans granted	22,306	-
Impairment of short-term loans granted	-	-
Trade debtors	169	169
Receivable from the budget	39,597	1,228
Income tax prepayment	-	-
Other amounts receivable	133	-
Total	42,172,764	44,851,009

As at 31 December 2023, impairment of loans to related parties was recorded by an amount of EUR 4,693,046 (31 December 2022: EUR 1,700,653).

NOTE 14: DEFERRED COSTS AND ACCRUED INCOME

	Financial year	Previous financial year
Deferred costs	60,019	60,817
Accrued income	-	-
Total	60,019	60,817

15 NOTE 15: STRUCTURE OF AUTHORISED CAPITAL

Items	Number of shares	Amount
Structure of authorised capital at the end of the financial year	-	-
1. As to type of shares	-	-
1.1. Ordinary shares	79,102,700	22,939,783
1.2. Preferred shares	-	-
1.3. Employees' shares	-	-
1.4. Special shares	-	-
1.5. Other shares	-	-
Total	79,102,700	22,939,783
2. Capital owned by the state or municipalities	-	-
Own shares held by the company	-	-
Shares owned by subsidiaries	-	-

All the shares issued by the Company are paid in. The nominal value per share is EUR 0.29. There were no changes in the authorised capital in 2023 and 2022.

NOTE 16: RESERVES**Legal reserve**

The legal reserve is formed from profit for appropriation in accordance with the Law on Companies of the Republic of Lithuania. Annual transfers of 5% of net profit are required until the reserve reaches 10% of the authorised share capital. The reserve can be used only to cover the accumulated loss of the Company. The part of the legal reserve exceeding 10% of the share capital may be redistributed as part of the distribution of profits for the following financial year. In 2021, an amount of EUR 1,862,575 was transferred to the legal reserve.

As at 31 December 2023, the legal reserve has been fully formed.

NOTE 17: DRAFT APPROPRIATION OF PROFIT

Items	Amount
Retained earnings (losses) of the previous financial year	93,997,639
Transfer to legal reserve	-
Dividends paid	(150,000)
Net result for the financial year - profit (loss)	8,421,688
Profit (loss) not recognised in the income statement	-
Profit (loss) to be distributed at the end of the financial year	102,269,327
Shareholders' contributions against losses	-
Transfers from reserves	-
Total distributable profit (loss)	102,269,327
Profit distribution	-
- to legal reserve	-
- to other reserves	-
- dividends	-
- other	-
Retained earnings- profit (loss)- at the end of the financial year	102,269,327

As at the date of the financial statements, the Company's shareholder had not approved the draft appropriation of profit.

NOTE 18: AMOUNTS PAYABLE AND OTHER LIABILITIES

As at 31 December 2023

Items	Amounts or part of amounts payable		
	Within the financial year	After one year but not later than within five years	After five years
Specification of amounts payable per type			
AMOUNTS PAYABLE AND OTHER LIABILITIES	27,106,813	24,849,189	
1. Debt obligations and interest	66,472	8,000,000	
2. Amounts owed to credit institutions	-	-	
3. Trade creditors	14,027	-	
4. Amounts payable to the entities of the entities group	23,075,585	16,849,189	
4.1 Trade payables	35,706	-	
4.2 Loans received	22,737,379	16,849,189	
4.3. Prepayments received	302,500	-	
5. Amounts payable to other related companies	3,742,095	-	
5.1 Trade payables	8	-	
5.2 Loans received	3,742,087	-	
6. Advances received	-	-	
7. Income tax liabilities	-	-	
8. Employment related liabilities	207,648	-	
9. Other amounts payable, of which:	986	-	
9.1 Payable to the budget	118	-	
9.2 Other amounts payable	868	-	
Total	27,106,813	24,849,189	

The Company has issued debt securities - bonds. The amount of the liability under the bonds issued at 31 December 2023 is EUR 8,000,000. The bonds bear interest at an annual rate of 7% + 6-month EURIBOR. Accounting of financial instruments is carried out by AB Šiaulių bankas. The bonds mature on 4 December 2023, and the redemption date is 4 December 2025. The bond emission was used to refinance the EUR 8,000,000 bond emission maturing on 4 December 2023. This bond emission was guaranteed by MG NL holding B.V. The surety shall expire on the bonds redemption date of 4 December 2025.

The borrowings are mainly subject to variable interest of 6-month EURIBOR plus margin.

As at 31 December 2022

Items	Amounts or part of amounts payable		
	Within the financial year	After one year but not later than within five years	After five years
Specification of amounts payable per type			
AMOUNTS PAYABLE AND OTHER LIABILITIES	29,744,295	-	30,936,024
1. Debt obligations and interest	8,000,000	-	-
2. Amounts owed to credit institutions	29,592	-	-
3. Trade creditors	7,458	-	-
4. Amounts payable to the entities of the entities group	17,872,244	-	30,936,024
4.1 Trade payables	16,677	-	-
4.2 Loans received	17,855,567	-	30,936,024
5. Amounts payable to other related companies	3,539,208	-	-
5.1 Trade payables	-	-	-
5.2 Loans received	3,539,208	-	-
6. Advances received	-	-	-
7. Income tax liabilities	-	-	-
8. Employment related liabilities	280,303	-	-
9. Other amounts payable, of which:	15,490	-	-
9.1 Payable to the budget	15,490	-	-
9.2 Other amounts payable	-	-	-
Total	29,744,295	-	30,936,024

The loans received were at fixed interest rates.

NOTE 19: ACCRUED COSTS AND DEFERRED INCOME

	Financial year	Previous financial year
Deferred income	51,649	49,619
Accrued costs	35,240	55,600
Total	86,889	105,219

NOTE 20: FINANCIAL RELATIONS WITH THE COMPANY'S MANAGEMENT AND OTHER RELATED PARTIES

The related parties of the Company include:

Members of the Company's Management Board, Supervisory Board and executives;

The ultimate parent company is MG NL Holding B.V.;

Group entities are entities, in which direct or indirect shareholding held by MG NL Holding B.V. makes more than 50%.

Associated are the companies, which are directly or indirectly controlled by MG NL Holding B.V. (controlled share equals to 21- 50%), and companies controlled by the shareholder of MG NL Holding BV and his family members.

Other related parties are the companies, which are directly or indirectly controlled by MG NL Holding B.V. (controlled share equals to 21-50%), and companies controlled by the shareholder of MG NL Holding BV and his family members, but over which no significant influence is exerted, irrespective of the shareholdings.

Financial relations with the Company's management

Items	Financial year	Previous financial year
Remuneration to managers, including social security	328,736	324,975
Value of assets transferred or services transferred to management free of charge	-	-
Balance of advances paid and loans granted to the management	15,000	20,000
Guarantees issued on behalf of management and other contingent liabilities	-	-
Average number of the management members during the year	1	1

Management of the Company consists of the Director.

Financial relationships with members of the Company's Supervisory Board

Items	Financial year	Previous financial year
Remuneration to members of the Supervisory Board, including social security	4,780	13,833
Value of assets transferred or services transferred to members of the Supervisory Board free of charge	-	-
Other significant amounts (specified)	-	-
Balance of advances paid and loans granted to the members of the Supervisory Board	-	-
Guarantees issued on behalf of members of the Supervisory Board and other contingent liabilities	-	-
Average number of the members of the Supervisory Board during the year	2	3

Financial relationships with other related parties

Items	Financial year	Previous financial year	Financial year	Previous financial year
Sales and receivables	Sales		Receivables	
Parent company	-	-	132	-
Entities of the entities group	587,144	973,340	459,232	534,297
Associated entities	-	-	-	-
Other related companies	-	-	-	-
Total	587,144	973,340	459,364	534,297
Purchases and payables	Purchases		Amounts payable and advances received	
Parent company	-	79,562	782	-
Entities of the entities group	101,808	117,817	337,907	16,677
Associated entities	62	672	8	-
Other related companies	-	-	-	-
Total	101,870	198,051	338,697	16,677
Interest income and loans granted	Interest income		Receivable loans	
Parent company	13,339	1,618	275,242	156,903
Entities of the entities group	1,489,269	1,273,460	48,427,392	53,119,915
Associated entities	33,741	34,415	1,570,984	1,535,242
Other related companies	-	-	-	-
Total	1,536,349	1,309,493	50,273,618	54,812,060
Interest expenses and loans received	Interest expenses		Payable loans	
Parent company	-	-	-	-
Entities of the entities group	2,873,313	958,345	39,586,868	48,791,591
Associated entities	293,894	108,137	5,698,859	3,539,208
Other related companies	-	-	-	-
Total	3,167,207	1,066,482	45,285,727	52,330,799
Accrued interest income on bonds and receivables on investments in bonds	Accrued interest income on bonds		Receivables on investments in bonds	
Parent company	-	-	-	-
Entities of the entities group	-	-	-	-
Associated entities	-	-	-	-
Other related companies	922,244	905,119	18,921,229	17,598,985
Total	922,244	905,119	18,921,229	17,598,985
Impairment of amounts receivable	Amount of doubtful debts recognised during the reporting period		Impairment balance on loans receivable and accrued interest	
Parent company	-	-	-	-
Entities of the entities group	(523,535)	(2,598,527)	(3,122,062)	(2,598,527)
Associated entities	-	-	-	-
Other related companies	(35,742)	(15,734)	(1,570,984)	(1,535,242)
Total	(559,277)	(2,614,261)	(4,693,046)	(4,133,769)

Change in loans issued during 2023: EUR 2,844 thousand of loans were issued, EUR 6,610 thousand of loans were recovered.

Change in loans issued during 2022: EUR 5,406 thousand of loans were issued, EUR 3,662 thousand of loans were recovered.

Change in loans received during 2023: EUR 2,197 thousand of loans were received, EUR 5,751 thousand of loans were repaid.

Change in loans received during 2022: EUR 5,115 thousand of loans were received, EUR 3,942 thousand of loans were repaid.

NOTE 21: CONTINGENT LIABILITIES

The Company has provided guarantee and sureties to UAB Helmont Projects, UAB Mobility Fleet Solutions, UAB Unimodus under the liabilities of these companies to European Bank for Reconstruction, Luminor Bank AS Lithuanian Branch, UAB Ozo g. 10A, the total value of which amounted to EUR 700 thousand as at the end of 2023.

The guarantee expires in 2024 (EUR 700 thousand).

The Company has pledged its shares in UAB Parkdema to BRIDGE Securitisation S.C.A. The pledge expires in 2025.

The Company has pledged the shares in UAB Unimodus to Mundus Bridge Finance with a maturity of 2024. The maximum pledge under the agreement is EUR 1,430 thousand.

The Company has signed an agreement on investment in the Modus Renewable Energy Lithuanian Investments sub-fund with the sub-fund's management company, UAB Modus Asset Management and UAB T Invest, which specifies the Company's conditional obligation with a deferred performance deadline. The value of the conditional obligation is EUR 1,285 thousand and it matures in 2025.

The tax administrator has not performed a full-scope tax investigation in the Company. The Tax Authorities may inspect accounting, transaction and other documents, accounting records and tax returns for the current and previous 3 calendar years at any time, and where appropriate, for the current and previous 5 or 10 calendar years and impose additional taxes and penalties. Management is not aware of any circumstances that could give rise to a potential material liability due to unpaid taxes.

NOTE 22: GOING CONCERN

In the financial statements as at 31 December 2023, the Company's current assets exceed its current liabilities by EUR 15,492 thousand. The financial statements have been prepared on a going concern basis.

Management has a reasonable expectation that the Company has sufficient resources to continue as a going concern for the foreseeable future. These financial statements have been prepared on a going concern basis and do not reflect any adjustments that might be necessary if the Company were not able to continue as a going concern.

NOTE 23: WAR IN UKRAINE

Activity in Belarus

In Belarus, the activities of the Group, to which the Company belongs, include energy and automotive trading. The strategic decision to exit Belarus was taken and publicly announced by the Group in spring 2022. During this period, the Group has made preparations to exit this market as soon as possible. The process has taken longer due to several factors. The Group cannot unilaterally withdraw from Belarus because it is bound by strict agreements with its international partners. The ever-changing situation in Belarus and decisions taken by the regime create additional challenges. Nevertheless, withdrawal from the Belarusian market remains one of the Group's top priorities and the Group will leave this market without any reservations.

The Company has invested in its subsidiary Inter Krasta Premium UAB ("IKP Group") and its subsidiaries. IKP Group is active in the Belarusian market, selling new cars, spare parts, warranties and other services. As a result, it is exposed to the general economic situation on the Belarusian market. In response to the war in Ukraine in 2022 launched by Russia and Belarus' involvement in criminal activities, a number of countries, including the United States of America, the United Kingdom and the members of the European Union, have imposed and/or extended economic sanctions against Belarusian natural and legal persons. Sanctions include asset freezes, restrictions on payment systems and trade and travel bans. The expansion of sanctions has had a detrimental effect on economic stability in Belarus, and this impact will probably persist in the future. These include higher volatility in equity markets, the depreciation of the Belarusian rouble, lower domestic and foreign direct investment flows, the impact on trade flows and trade disruptions with companies operating in the country, and a significant reduction in borrowing capacity.

As there were no contracts in place at 31 December 2023 for the disposal of the automotive business, the Group's assets and liabilities relating to the business in Belarus remained on a going concern basis.

Under current circumstances, the ICP Group would have sufficient resources to continue as a going concern and therefore the going concern assumption applied for the preparation of the financial statements is appropriate for all ICP Group companies. Management does not expect that the previously described situation will have a direct and material adverse effect on the operations of the ICP Group or on its going concern, financial position and results of operations and, therefore, there is no indication of impairment of the Company's investment in the subsidiary. However, the above events and market conditions indicate that the uncertainty in the market may adversely affect the economic environment in which the Group operates. This would have a negative impact on the IKP Group, its financial position and performance in the medium and long term.

Activity in Ukraine

The Company and its subsidiaries have not and do not have material operations in Ukraine.

Activity in the Russian Federation

The Company and its subsidiaries have not carried out and do not carry out activities in the Russian Federation..

Investments in energy sector

The Company holds 15% of B class shares of Green Genius International B.V. which fully grant the right to net profit (loss) of Modus Energy (Note 10). The Company has also granted a loan to Green Genius International B.V. (Note 13).

Modus Energy group

The Green Genius International B.V. group

The management of Green Genius International B.V. Group ("GGI Group") has decided to leave the Belarusian market. The management of GGI Group is working with all parties concerned to complete the withdrawal as soon as possible. As of the beginning of 2022, the business in Belarus is no longer included in the GGI Group's revenue and operating profit. The business in Belarus is reported as discontinued operations in the GGI Group's consolidated financial statements.

On 29 December 2022, an external business valuation of GGI Group's subsidiary Green Genius Baltic AB was carried out, despite the fact that the value of the Belarusian business is set at EUR 0, the number and value of projects being developed in other markets is increasing and the value of the company's business as determined in the valuation is higher than the Company's investment in it. There have been no significant changes in the operations of Green Genius Baltic AB during the year 2023 that would indicate an impairment of the business value of the investment and therefore no impairment of the investment has been determined.

The GGI Group generated a profit and positive cash flow from continuing operations in 2023 and Green Genius International B.V. repaid part of its loan to the Company. There is no indication that the financial position of the GGI Group will deteriorate significantly in the near future. Given the aforementioned points, it may be stated that there is no risk of loan unrecoverability due to the described events.

NOTE 24: SUBSEQUENT EVENTS

After the end of the financial year and until the date of approval of these financial statements, there were no other subsequent events, which would have a material effect on the financial statements or require additional disclosure.

Director
(įmonės vadovo pareigų pavadinimas)

(signature)

Erika Huhtala
(name, surname)

UAB "IMG Numeri". 300602458. authorised person
title of the chief accountant (accountant) or
person responsible for accounting)

(signature)

Kornelija Dapšytė
(name, surname)