

UAB Modus Grupė

Independent Auditor's Report,
Consolidated Management Report and Consolidated
Financial Statements for the Year Ended 31 December
2024, Prepared in Accordance with International Financial
Reporting Standards as Adopted by the European Union

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Independent Auditor's Report

To the Shareholders of UAB Modus Grupė

■ Opinion

We have audited the consolidated financial statements of UAB Modus Grupė and its subsidiaries ("the Group"). The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as of 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended, and
- the notes to the consolidated financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards, as adopted by the European Union.

■ 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 and Other Assurance Services 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 and Other Assurance Services 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.

■ Other Information

The other information comprises the information included in the consolidated management report but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



In addition, our responsibility is to consider whether information included in the consolidated management report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements and whether consolidated management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of consolidated financial statements, in our opinion, in all material respects:

- The information given in the consolidated management report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- The consolidated management report, has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

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

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards, as adopted by the European Union, and for such internal control as management 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, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

■ Auditor's Responsibilities for the Audit of the Consolidated 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 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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.
- 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 Group'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 Group's ability to continue as a going concern. If we conclude that 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 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, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the Group audit. We remain solely responsible for our audit opinion.

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

Klaipėda, the Republic of Lithuania
24 April 2025

The electronic auditor's signature applies only to the Independent Auditor's Report on pages 3 to 5 of this document.

UAB Modus Grupė

Company code: 302719143, address: Ozo g. 10A, LT-08200 Vilnius

Consolidated management report for the year ended 31 December 2024

Consolidated management report

General information about the Group:

Name	UAB Modus Grupė
Legal form	Limited liability company
Code	302719143
VAT payer's code	LT100007287918
Authorized capital	Authorized capital of EUR 22,939,783 is divided into 79,102,700 ordinary registered shares with the par value of EUR 0.29 each.
Shareholder (100%)	MG NL holding B.V. (company code: 58978976, address: Fred. Roeskestraat 115, 1076 EE Amsterdam, the Netherlands)
Registered address:	Ozo g. 10A, LT-08200 Vilnius
Telephone	+370 5 235 6080
E-mail	info@modus.group
Website	www.modus.group
Date and place of registration	30 January 2012, Vilnius branch of the State Enterprise Centre of Registers
Register where the data about the Company is filed and stored	Register of Legal Entities
Type of main activities	Consulting management activities

I. Objective overview of the position, activity and development of the group of companies, characterization of the main types of risks and uncertainties faced by the Company

Priority activity areas of the group of companies

Group of companies (the Group) comprises the Company and its 7 subsidiaries (as of 31 December 2023: 7), 46 secondary subsidiaries (as of 31 December 2023: 50). The main activities of the Group include trade in cars and motorcycles (managing a network of dealerships for 17 brands, including Porsche, Bentley, Fiat, Maserati, Cupra, SEAT, etc.), mobility services (CityBee, MyBee) and investment fund management (Modus Asset Management). The Group markets include Lithuania, Latvia, and Estonia; the Group operates in 5 European markets.

100% of the shares of UAB Modus Grupė are owned by MG NL Holding B.V., a company incorporated and operating in the Netherlands.

Due to the internal structural changes implemented within the Group, the financial results of the companies operating in the renewable energy business, as well as of the companies (not) directly controlled by MG NL holding B.V., are not consolidated at the level of UAB Modus Grupė as of January 2020 and are not reflected in the management report and financial statements.

In 2024, EBITDA of the entities group amounted to EUR 35,102 thousand (2023: EUR 29,792 thousand) and decreased by 17.8%. EBITDA consists of EUR 34,093 thousand (2023: EUR 29,919 thousand) from the operating activities of the entities of the group and EUR 1,009 thousand (2023: EUR -127 thousand) from other transactions¹.

Main risks of the Group

The Group is (can be) exposed to several significant risks, including (1) the possibility of the introduction of new taxes and legislation, (2) a general downturn in economic conditions in the country, which may affect purchasing power, and volatile interest rates.

These factors may adversely affect the demand for and pricing of the Company's products. (3) The EU's implementation of stricter sustainability regulations, such as the EU Green Deal, Taxonomy, and CSRD, alongside evolving demands and expectations from customers and investors for the gradual elimination of fossil fuels, create potential business risks, but, at the same time, provide business opportunities.

¹The common practice of a holding company is sale, acquisition and merger of companies and assets. The results of these transactions are included in the group of Transactions and other.

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Consolidated management report for the year ended 31 December 2024

In addition, (4) the lack of skilled personnel poses additional risks. The Company also must address risks related to (5) fraud, (6) debtor management, (7) disruptions in the automotive market and their impact on vehicle prices, decisions by automotive manufacturers to increase prices, (8) competition, (9) operating costs, and (10) external factors such as pandemics, wars, and other unforeseen events.

Uncertainties facing the Group

The automotive industry has faced various challenges over the last years, including the COVID-19 pandemic and the restrictions imposed as a result, the semiconductor crisis which has led to disruptions in the supply of new cars worldwide. The war in Ukraine has led to soaring energy prices. Despite these challenges, demand for cars and alternative mobility services continued to grow steadily.

Most significant events

Note 1 in the consolidated financial statements contains the most important information regarding the acquisition, sale and liquidation of subsidiaries.

II. Analysis of the financial and non-financial operating results of the Group; information on environmental and personnel issues

During 2024, consolidated sales revenue amounted to EUR 454,968 thousand which shows an increase by 23.5% compared to 2023 (2023: EUR 368,450 thousand). In 2024, the cost of sales amounted to EUR 394,911 thousand (2023: EUR 311,055 thousand), and the gross profit amounted to EUR 60,057 thousand (2023: EUR 57,395 thousand).

Consolidated profit before taxation amounted to EUR 19,248 thousand in 2024 and showed an increase by 260.5% compared to the previous reporting period when profit before taxation amounted to EUR 5,340 thousand. In 2024, increase of the consolidated net profit was recorded: the profit earned in 2024 amounted to EUR 19,894 thousand, the loss incurred in 2023 amounted to EUR 923 thousand.

The Group's consolidated assets amounted to EUR 359,023 thousand as of 31 December 2024 (31 December 2023 – EUR 348,896 thousand).

Ratios characterizing the Group's activities

Ratio	2024	2023
Gross profitability = gross profit/sales	13.20%	15.58%
Profitability of earnings before tax (EBT) = EBT/sales	4.23%	1.45%
Debt ratio = liabilities/total assets	0.48	0.52
Asset turnover = sales/total assets	1.27	1.06
General liquidity ratio = current assets/current liabilities	1.33	2.01

**For the purpose of calculating the group's general liquidity ratio, current asset position includes automotive asset class of mobility business companies, which is recorded in non-current assets, because, by the nature of the group's business, it is the group's liquid asset that can be disposed of quickly.*

Employees

In 2024, the average number of employees at the Group was 686 (2023 – 651 employee).

Information on the Head

Other managing positions held by the Director of UAB Modus Grupė Erika Huhtala:

Person	Legal form	Name	Code	Address	Position
Erika Huhtala	UAB	Modus Grupė	302719143	Vilniaus m. sav. Vilnius, Ozo g. 10A	Director, Board member
Erika Huhtala	UAB	Parkdema	304559196	Vilniaus m. sav. Vilnius, Jogailos g. 4	Board member
Erika Huhtala	UAB	Unimodus	307024131	Vilnius, Ozo g. 10A, Lithuania	Board member
Erika Huhtala	UAB	Modus Mobility	302784358	Vilnius, Žalgirio g. 112-1, Lithuania	Board member
Erika Huhtala	UAB	LM Auto	302784123	Vilnius, Konstitucijos pr. 21B, Lithuania	Board member
Erika Huhtala	UAB	Udrop	300561011	Vilnius, Konstitucijos pr. 29-1, Lithuania	Board member

UAB Modus Grupė

Company code: 302719143, address: Ozo g. 10A, LT-08200 Vilnius

Consolidated management report for the year ended 31 December 2024

Board members of UAB Modus Grupė:

Person	Legal form	Name	Position
Ainė Martinkėnaitė-Martyniuk	UAB	Modus Grupė	Chairwoman of the Board and Board member
Erika Huhtala	UAB	Modus Grupė	Board member
Oleg Martyniuk	UAB	Modus Grupė	Board member
Inga Čiagiienė	UAB	Modus Grupė	Board member

Other managing positions held by the Board Members of UAB Modus Grupė (excluding Erika Huhtala – provided in the table above):

Person	Legal form	Name	Code	Address	Position
Ainė Martinkėnaitė-Martyniuk	UAB	Unimodus	307024131	Vilniaus m. sav. Vilnius, Ozo g. 10A	Board member
Ainė Martinkėnaitė-Martyniuk	UAB	Modus grupė	302719143	Vilniaus m. sav. Vilnius, Ozo g. 10A	Director for Business Development
Ainė Martinkėnaitė-Martyniuk	UAB	Modus Mobility	302784358	Vilnius, Žalgirio g. 112-1	Head and Board member
Ainė Martinkėnaitė-Martyniuk	UAB	Modus Group Services	302784365	Vilniaus m. sav. Vilnius, Ozo g. 10A-10	Head
Ainė Martinkėnaitė-Martyniuk	AB	Green Genius Baltic	302693613	Vilniaus m. sav. Vilnius, Ozo g. 10A	Power of procuration
Oleg Martyniuk	UAB	UAB Inter Krasta Luxury	305663917	Vilnius, Žalgirio g. 112-1	Director general
Oleg Martyniuk	UAB	Inter Krasta Premium	305663899	Vilnius, Žalgirio g. 112-1	Head
Oleg Martyniuk	UAB	Inter Krasta	302693905	Vilnius, Žalgirio g. 112-1	Head
Oleg Martyniuk	UAB	LM Auto	302784123	Vilnius, Konstitucijos pr. 21B	Board member
Oleg Martyniuk	UAB	Modus Mobility	302784358	Vilnius, Žalgirio g. 112-1	Board member
Oleg Martyniuk	UAB	Parkdema	304559196	Vilnius, Jogailos g. 4	Board member
Oleg Martyniuk	UAB	Viteksa	302651710	Vilnius, Ozo g. 10A	Head
Oleg Martyniuk	UAB	Tekupa	302842676	Vilnius, Ozo g. 10A	Head; shareholder
Oleg Martyniuk	UAB	Statybiniai projektai	303090397	Vilnius, A. Kojelavičiaus g. 3	Head; shareholder
Oleg Martyniuk	UAB	Luxury Automotive Services 1	305703735	Vilnius, Ozo g. 10A	Head
Oleg Martyniuk	UAB	Luxury Automotive Services 2	305704431	Vilnius, Ozo g. 10A	Head
Oleg Martyniuk	UAB	Modus Asset Management	302790959	Vilnius, Žalgirio g. 112-1	Board member, Chairman
Oleg Martyniuk	UAB	Unimodus	307024131	Vilnius, Ozo g. 10A	Board member
Oleg Martyniuk	UAB	Inter Krasta Services	306368485	Vilnius, Ozo g. 10A	Head
Oleg Martyniuk	UAB	Udrop LT	300561011	Vilnius, Konstitucijos pr. 29-1	Board member
Oleg Martyniuk	UAB	Gepaga	110666382	Marijampolė, Gamyklų g. 4	Head
Oleg Martyniuk	UAB	BLF holding	305656157	Vilnius, Žalgirio g. 112-1	Head
Oleg Martyniuk	UAB	Autoimex	300662220	Vilnius, Žalgirio g. 112A	Head

Members of the Supervisory Council of UAB Modus Grupė:

Person	Legal form	Name	Position
Kęstutis Bagdonavičius	UAB	Modus Grupė	Chairman and independent member
Kęstutis Martinkėnas	UAB	Modus Grupė	Member
Jolanta Martinkėnienė	UAB	Modus Grupė	Member
Saulius Umbrasas	UAB	Modus Grupė	Independent member

UAB Modus Grupė

Company code: 302719143, address: Ozo g. 10A, LT-08200 Vilnius

Consolidated management report for the year ended 31 December 2024

Other managing positions held by the members of the Supervisory Council of UAB Modus Grupė:

Person	Legal form	Name	Code	Address	Position
Kęstutis Martinkėnas	UAB	Modus Grupė	302719143	Vilniaus m. sav. Vilnius, Ozo g. 10A	Director for Strategic Planning
Kęstutis Martinkėnas	UAB	Viteksta	302651710	Vilniaus m. sav. Vilnius, Ozo g. 10A	Shareholder
Kęstutis Martinkėnas	UAB	BLF holding	305656157	Vilnius, Žalgirio g. 112-1	Shareholder
Jolanta Martinkėnienė	UAB	Modus Grupė	302719143	Vilniaus m. sav. Vilnius, Ozo g. 10A	Design Advisor
Saulius Umbrasas	Inc	Asset Medical	92-3012535	Camino San Bernardo, San Diego, CA 92130, USA	Director
Kęstutis Bagdonavičius	AG	birkle IT	HRB238880	Leopoldstrasse 16, 80802, Munich, Germany	Member of Advisory Council
Kęstutis Bagdonavičius	VšĮ	VŠĮ Global Lithuanian Leaders	302484453	Krokuvos g. 9A-29, LT-09314 Vilnius, Lithuania	Patron
Kęstutis Bagdonavičius	UAB	AHK Service	300119018	Vilniaus g. 28-201, Vilnius	Board member
Kęstutis Bagdonavičius	e.V.	Deutsch-Baltische Handelskammer in Estland, Lettland, Litauen, representative office in Lithuania	300102428	Vinco Kudirkos g. 6, LT-03105 Vilnius, Lithuania	Chairman of the Board

The main workplace is highlighted.

Environmental protection and sustainability management

ESG (Environmental, Social, Governance) are the strategic directions of the Group the application of which is important in each business activity and in cooperation with the key stakeholders, not limited to compliance with local legislation and regular internal audit guidelines.

The Group companies are engaged in several areas directly related to sustainability, which are as follows: development of renewable energy and circular economy as well as promotion of sharing economy. By development of renewable energy solutions (solar, wind and other renewable energy), making a change in people's attitude to ownership, with a focus on the sharing economy principles, the Group aims to contribute to creation of Europe that is secure and energy independent and of cities that are clean and sustainable (Citybee).

In 2024, the Group carried out double materiality assessments for different business segments, involving stakeholders, to identify the main environmental and social impacts of each business, risks and opportunities for business. These topics will be further elaborated by disclosing information on their management and specific indicators. The Group is currently preparing to disclose related data in its 2026 report for 2025. The Group calculated greenhouse gas (GHG) emissions in 2024 from its activities in each business by applying the Green House Gas Protocol methodology in order to determine not only direct environmental impact of the activities but also the impact throughout the value-chain of activities (in Levels 1, 2, and partially 3 of application). The amount of emissions measured for 2023 and 2024 will be assessed for the purpose of establishing data-based future targets of climate change mitigation.

In addition, as a member of the Global Compact, the Group reports annually on its ESG achievements in the annual Business Overview of MG NL Holding B.V. The Company starts applying ETAS methodology from 2025 which will allow unified tracking of sustainability management and progress in all companies of the Group. The report for 2024 has so far been prepared using the Global Reporting Initiative (GRI) methodology. The ESG department reports to the Board of UAB Modus Grupė and monitors the implementation of this area at the level of MG NL Holding B.V.

The Group is subject to the following standards of environmental protection:

- Order No 493 of 8 October 2003 of the Minister of the Environment of the Republic of Lithuania "Information of Fuel Efficiency and Procedure for Informing Users of CO2 Gas Emissions upon Sales of New Passenger Cars".
- Order No 710 of 24 December 2003 of the Minister of the Environment of the Republic of Lithuania on Approval of Rules for Handling of Vehicles not Suitable for Exploitation.

Management of waste (including hazardous waste) from car servicing and maintenance following the requirements of the Law on Waste Management and Rules of Waste Management.

Occupational Safety and Health

The Group aims to provide a comfortable and safe working environment for its employees, comply with occupational safety and health requirements, aims to ensure proper prevention of accidents at work and occupational diseases as well as control occupational health and safety. Employees can have regular health examinations, and Group companies provide regular safety and health training to ensure safety of employees. In addition, all employees have access to a Group-wide online learning management system. The Group companies avoided accidents during the reporting period.

Anti-corruption

The Group adheres to strict standards of transparency and regulatory compliance in line with international and regional norms. The Group has a Money Laundering Policy and, prior to making investment decisions, the Group companies carry out a corruption risk assessment, taking into account factors such as salary, bribery level and compliance with legal tax obligations. In addition, a competition analysis is carried out to ensure that companies are able to compete fairly, legally and transparently.

Special attention is paid to prevention of bribery of foreign officials in international business transactions. The Group undertakes to carry out its activities in compliance with international anti-corruption principles. Employees of the Group are periodically trained to recognize and avoid situations that may result in conflicts of interests or encourage unlawful conduct in an international environment.

The Group companies have a Whistleblower Protection Policy, which enables employees to report actual breaches of legislation, internal policies, including the Code of Business Conduct, to their supervisor or to a dedicated email address trustline@modus.group and using an anonymous communication channel without fear of negative consequences. The Group also provides access to relevant information to resolve the violation. The Group is committed to protecting the anonymity of the employee and otherwise ensuring the security of individuals and information, and to taking measures to protect individuals who report violations of any internal policy from any adverse consequences. The Group ensures full confidentiality and protection of personal identity.

III. Information on significant events after the end of the financial year

After the end of the reporting period and up until the date of these financial statements, there were no subsequent events that would impact these financial statements or require additional disclosure, except the those described in Note 36 of the consolidated financial statements explanatory notes.

IV. Operating plans and forecasts of the Group of companies' activities

In recent years, the Group has consistently increased its investment in renewable energy and mobility development. The Group plans to continue to focus its investments in these areas, reflecting the long-term strategic priorities of the Group. In addition, the Group will continue to operate in the automotive and real estate sectors consistently.

V. Information about the research and development activity of the Group of companies

In order to obtain significant and reliable data, the Group develops various projects and carries out market research on a regular basis. Annual budget for market research is not predetermined because the Group adjusts its activities to specific project requirements and other business needs.

VI. The number and nominal value of the shares of the parent company controlled by the company itself, its subsidiaries or other persons authorized but acting on their own behalf

The Company has no own shares.

VII. Information on the objectives of the financial risk management, its policy for hedging major types of foretasted transactions for which hedge accounting is used, and the Group of companies employs financial instruments and when it is important for the valuation of the Group of companies' assets, equity, liabilities, income and costs

Fluctuations in energy, labor and other variable costs can affect the Company's financial results.

Although the Group does not currently use financial instruments to hedge interest rate risk, the situation is carefully analyzed to determine whether additional interest rate risk management tools are necessary. To mitigate the risk, the Group continuously reviews the prices of its services and applies price indexation strategies in response to market fluctuations due to rising interest rates. These measures help to ensure the Group's financial stability and resilience to potential risks.

Erika Huhtala
Director
UAB Modus Grupė

Vilnius, the Republic of Lithuania
24 April 2025

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Consolidated statement of financial position as at 31 December 2024

(In EUR thousand, unless otherwise stated)

Consolidated statement of financial position

ASSETS	Notes	31 December 2024	31 December 2023 (restated*)
Non-current assets			
Property, plant and equipment	5	98,122	100,979
Investment property	5	10,348	9,669
Goodwill	6	27	27
Intangible assets	6	4,754	4,515
Loans granted and term deposits	7	857	500
Other investments	10	153,485	101,588
Trade and other receivables	8	240	373
Long-term prepayments	11	75	-
Deferred income tax asset	29	587	283
Total non-current assets		268,495	217,934
Current assets			
Loans granted and term deposits	7	2,344	42,760
Inventories	9	44,735	50,219
Trade and other receivables	8	10,712	25,872
Prepayments, deferred costs and accrued income	11	26,267	5,616
Prepaid income tax		88	114
Current assets held for sale		-	24
Cash and cash equivalents	12	6,382	6,357
Total current assets		90,528	130,962
TOTAL ASSETS		359,023	348,896

*See Note 33

(continued on the next page)

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Consolidated statement of financial position as at 31 December 2024

(In EUR thousand, unless otherwise stated)

Consolidated statement of financial position (cont'd)

EQUITY AND LIABILITIES	Notes	31 December 2024	31 December 2023 (restated*)
Authorized capital	13	22,940	22,940
Share premium	13	7,879	7,879
Legal reserve	13	2,294	2,294
Revaluation reserve	13	596	22,494
Currency exchange translation reserve		146	2,671
Hedging reserve		-	(101)
Retained earnings (loss)	13	150,982	109,090
Equity attributable to shareholders of the parent company		184,837	167,267
Non-controlling interest		339	260
Total equity		185,176	167,527
Non-current liabilities			
Bank loans and lease liabilities	14	44,170	48,970
Other financial liabilities	15	6,302	28,366
Deferred tax liabilities	29	32	54
Advances received	19	416	293
Non-current employee benefits	16	83	142
Grants and subsidies	17	818	1,842
Trade and other payables	21	2	2,178
Provisions	18	132	153
Total non-current liabilities		51,955	81,998
Current liabilities			
Bank loans and lease liabilities	14	63,837	53,677
Other financial liabilities	15	14,485	10,180
Income tax liabilities		1,331	994
Prepayments, accrued liabilities and deferred income	19	29,340	19,744
Employment related liabilities	20	4,580	4,209
Trade and other payables	21	8,319	10,567
Total current liabilities		121,892	99,371
Total liabilities		173,847	181,369
TOTAL EQUITY AND LIABILITIES		359,023	348,896

*See Note 33

The accompanying explanatory notes are an integral part of these consolidated financial statements.

The consolidated financial statements were prepared and signed on 24 April 2025:

Erika Huhtala
Direktorė

Mantas Piliponis
Grupės vyresnysis finansų kontrolierius

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

Consolidated statement of profit or loss and other comprehensive income

	Notes	2024	2023 (restated*)
Revenue	22	454,968	368,450
Cost of sales	23	(394,911)	(311,055)
Gross profit		60,057	57,395
Other activity income	24	2,054	1,172
Other activity expenses	24	(134)	(392)
Selling expenses	25	(19,644)	(19,266)
Administrative expenses	26	(19,686)	(20,644)
Impairment loss on trade receivables and contract assets	8	(361)	(99)
Operating profit (loss)		22,286	18,166
Finance income	28	17,557	6,026
Finance costs	28	(12,640)	(9,937)
Result from financing activities		4,917	(3,911)
Share of profit of associated or jointly controlled entities	10	(7,955)	(8,915)
Profit (loss) before tax		19,248	5,340
Corporate income tax	29	(2,789)	(3,370)
Net profit (loss) from continued operations		16,459	1,970
Net profit (loss) from discontinued operations	10	3,435	(2,893)
Total net profit (loss)		19,894	(923)
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss:</i>			
Currency exchange effect		(13)	2,798
Effect of hedging transactions		-	(325)
Items that will be reclassified subsequently to profit or loss:		(13)	2,473
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Employee benefits (accrual)	16	59	(47)
Revaluation of property, plant and equipment, net of tax	13	584	700
Items that will not be reclassified subsequently to profit or loss:		643	653
Total comprehensive income		20,524	2,203
Net profit (loss) attributable to:			
Shareholders of the parent company		19,815	(944)
Non-controlling interests		79	21
Total comprehensive income attributable to:			
Shareholders of the parent company		20,445	2,182
Non-controlling interests		79	21

*See Note 33

The accompanying explanatory notes are an integral part of these consolidated financial statements.

The consolidated financial statements were prepared and signed on 24 April 2025:

Erika Huhtala
Direktorė

Mantas Piliponis
Grupės vyresnysis finansų kontrolierius

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Consolidated statement of changes in equity for the year ended 31 December 2024

(in EUR thousand, unless otherwise stated)

Consolidated statement of changes in equity

	Authorized capital	Share premium	Legal reserve	Revaluation reserve	Currency exchange translation reserve	Hedging reserve	Retained earnings (losses)	Attributable to shareholders of the parent company	Non-controlling interests	Total
1 January 2023	22,940	7,879	2,294	21,891	(127)	224	110,373	110,134	239	165,474
Net profit (loss) for the reporting period (restated*)	-	-	-	-	-	-	(923)	(944)	21	(923)
Other comprehensive income for the reporting period	-	-	-	700	2,798	(325)	(47)	(47)	-	3,126
Total comprehensive income for the reporting period	-	-	-	700	2,798	(325)	(970)	(991)	21	2,203
Revaluation reserve used	-	-	-	(97)	-	-	97	97	-	-
Dividends	-	-	-	-	-	-	(150)	(150)	-	(150)
31 December 2023	22,940	7,879	2,294	22,494	2,671	(101)	109,350	109,090	260	167,527
Net profit (loss) for the reporting period	-	-	-	-	-	-	19,894	19,815	79	19,894
Other comprehensive income for the reporting period	-	-	-	584	(13)	-	59	59	-	630
Total comprehensive income for the reporting period	-	-	-	584	(13)	-	19,953	19,874	79	20,524
Revaluation reserve used	-	-	-	(29)	-	-	29	29	-	-
Change in revaluation reserve due to change in income tax rate	-	-	-	(7)	-	-	-	-	-	(7)
Changes in capital due to transfer of subsidiaries	-	-	-	(2,380)	(12)	-	2,392	2,392	-	-
Changes in capital due to non-application of equity method	-	-	-	(20,066)	(2,500)	101	20,066	20,066	-	(2,399)
Other movements	-	-	-	-	-	-	31	31	-	31
Dividends	-	-	-	-	-	-	(500)	(500)	-	(500)
31 December 2024	22,940	7,879	2,294	596	146	-	151,321	150 982	339	185 176

*See Note 33

The accompanying explanatory notes are an integral part of these consolidated financial statements.

The consolidated financial statements were prepared and signed on 24 April 2025:

Erika Huhtala
Direktorė

Mantas Piliponis
Grupės vyresnysis finansų kontrolierius

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Consolidated statement of cash flows

	Notes	2024	2023 (restated*)
Cash flows from operating activities			
Net profit (loss)		19,894	(923)
Elimination of non-monetary transactions:			
Depreciation expenses	5	12,028	11,049
Amortization expenses	6	1,105	888
Share of profit of associated and jointly controlled entities	10	4,520	11,808
Impairment (reversal) of trade and other receivables	8	361	99
Write down (reversal of write down) to net realizable value and write-off of inventories and current assets held for sale	26	(167)	1,013
Impairment (reversal) of loans granted	7	(61)	601
Impairment of financial assets and investment property at fair value (gain on increase)	5;10	(13,525)	(3,082)
Change in fair value of derivative financial instruments		(52)	48
Change in provisions	18	(21)	-
Revaluation reserve formed	5	(687)	(195)
Finance (income) costs	28	8,002	6,391
Effect of currency exchange		719	(47)
Loss (profit) on disposal of property, plant and equipment, and intangible assets	24	(137)	(52)
Loss (profit) on disposal of investments into subsidiaries	27	(1,017)	127
Income tax expenses (income)	29	2,789	3,370
Amortization of grants	17	(291)	(259)
Elimination of other non-monetary transactions		(4,073)	(1,598)
Effect of changes in working capital:			
(Increase) decrease in inventories	5; 9	4,995	10,919
(Increase) decrease in trade and other receivables	8	(421)	2,570
Decrease (increase) in prepayments, deferred costs and accrued income	11	(20,660)	1,919
(Increase) decrease in current assets held for sale		63	79
Increase (decrease) in trade, other payables and current liabilities	21	(1,642)	(9,973)
Increase (decrease) in prepayments received, accrued liabilities and deferred income	19	9,793	(956)
Increase (decrease) in employment related liabilities	20	390	278
Paid income tax		(2,260)	(3,606)
Impact of cars held for rental activities:			
Acquisitions of cars		(9,629)	(27,415)
Disposals of cars		11,493	29,721
Net cash from operating activities		21,509	32,774

(continued on the next page)

Consolidated statement of cash flows (cont'd)

	Notes	2024	2023 (restated*)
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets	5; 6	(4,250)	(6,549)
Disposal of property, plant and equipment and intangible assets	5; 6	1,135	135
Grants received	17	69	265
Acquisition of bonds		-	(400)
Acquisition of other long-term investments	10	(4,162)	(281)
Disposal of other long-term investments	27	1,600	-
Acquisition of subsidiaries	27	(2)	-
Disposal and liquidation of subsidiaries	7	3,877	-
Term deposit payments	7	(999)	-
Redemption of term deposits	7	-	150
Loans granted	28	(1,182)	(1,305)
Loans recovered		1,000	3,023
Dividends received		824	589
Interest received	7	234	906
Other increase (decrease) in cash flows from (to) investing activities	10	3	6
Net cash used in investing activities		(1,853)	(3,461)
Cash flows from financing activities			
Loans received	14; 15	8,605	10,204
Loans repayment	14; 15	(8,087)	(15,674)
Emission of bonds	15	-	1,001
Repurchase of bonds	15	-	(8,172)
Interest paid and transaction costs	14; 15	(8,482)	(7,164)
Lease payments	14	(22,653)	(22,357)
Other increase (decrease) in cash flows from financing activities	14	10,986	10,355
Net cash generated from/(used in) financing activities		(19,631)	(31,807)
Effect of exchange rate changes on cash and cash equivalents		-	-
Increase (decrease) in net cash flows		25	(2,494)
Cash and cash equivalents at the beginning of the period		6,357	8,851
Cash and cash equivalents at the end of the period		6,382	6,357

*See Note 33

The accompanying explanatory notes are an integral part of these consolidated financial statements.

The consolidated financial statements were prepared and signed on 24 April 2025:

Erika Huhtala
Direktorė

Mantas Piliponis
Grupės vyresnysis finansų kontrolierius

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

Explanatory notes

1. 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, registered address: Ozo g. 10A, LT-08200 Vilnius. Activities of the company – consulting management activities.

The ultimate parent company is MG NL Holding B.V., legal address Fred. Roeskestraat 115, 1076 EE Amsterdam, the Netherlands, company code: 58978976. Activities of the company – consulting on business management and other issues.

The Group comprises the Company and its 7 subsidiaries (as of 31 December 2023: 7), 46 secondary subsidiaries (as of 31 December 2023: 50).

Subsidiaries directly controlled by the Company, controlled share 100% (equity and net profit (loss) from consolidated financial statements, except for UAB Modus Group Services, UAB Modus Asset Management):

Subsidiary company	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
UAB Inter Krasta (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302693613	Lithuania	92	8,497	(1,703)	92	10,200	(802)	Advisory activity of business management and other matters
UAB Inter Krasta Luxury (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	305663917	Lithuania	2,348	26,361	7,892	2,348	21,890	7,740	Advisory activity of business management and other matters
UAB Inter Krasta Premium (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	305663899	Lithuania	12,764	27,386	5,109	12,764	26,177	4,767	Advisory activity of business management and other matters
UAB Unimodus (audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	307024131	Lithuania	11,319	12,955	1,445	-	-	-	Lase of premises, administration of real estate
UAB Modus Mobility (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302784358	Lithuania	19,422	-	1,283	5,003	(2,104)	(2,144)	Advisory activity of business management and other matters
UAB Modus Group Services (not audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302784365	Lithuania	-	(266)	77	-	(343)	23	Advisory activity of business management and other matters
UAB Modus Asset Management (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302790959	Lithuania	830	1,170	262	830	908	574	Management of investment funds, consulting

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Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

1. General information (cont'd)

Subsidiaries indirectly controlled by the Company, controlled share 100%:

Subsidiary company	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
Other										
Energy Transition Investments UAB (not audited)	Ozo g. 10A, Vilnius	305950301	Lithuania	65	35	9	-	(74)	(48)	Advisory activity of business and other management
Daverio sp. z o.o. (not audited)	Tytusa Chalubińskiego 8, 00-613 Warsaw	965283	Poland	3	(209)	(86)	3	(121)	(97)	Advisory activity of business and other management
Taranto sp. z o.o (not audited)	Tytusa Chalubińskiego 8, 00-613 Warsaw	884920	Poland	2	-	-	-	-	-	Advisory activity of business and other management
Mobility business										
UAB Prime Leasing (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302565318	Lithuania	1,950	(1,615)	(379)	1,950	(1,236)	(152)	Car sharing service CityBee.
UAB Pavilnių saulės slėnis 15 (not audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302791114	Lithuania	2	162	120	2	42	83	Lease of cars
UAB CityBee Solutions (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302833691	Lithuania	2,400	6,358	1,878	2,400	4,480	(208)	Car sharing service CityBee.
UAB MyBee Fleet (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302791089	Lithuania	404	1,879	1,157	303	503	129	Long-term car rent service MyBee
MyBee Estonia OU (audited)	Harju maakond, Tallinn, Kesklinna linnaosa, Toom-Kuninga tn 15-60, 10122	16462004	Estonia	603	115	(135)	303	(49)	(185)	Long-term car rent service MyBee
MyBee Latvia SIA (audited)	Zemitāna iela 9 k-1, Rīga, LV-1012, Latvia	40203431136	Latvia	403	199	(8)	403	201	(199)	Long-term car rent service MyBee
UAB Valunta (not audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302854778	Lithuania	1,362	(30)	(142)	1,362	113	(210)	Lease of cars
SIA CityBee Latvija (audited)	Piestatnes iela 11A, Jurmala, LV-2015, Latvia	50203191721	Latvia	603	(86)	(161)	603	75	164	Car sharing service CityBee
CityBee Eesti OU (audited)	Toom-Kuninga 15-60, 10122 Tallinn	14646800	Estonia	1,548	350	(205)	1,548	555	(426)	Car sharing service CityBee
CityBee Polska Sp. z o.o. (not audited)	ul. Ludwika Waryńskiego 3a, 00-645 Warszawa	0000739033	Poland	-	4	(5)	-	(263)	5	Sale of spare parts
UAB Mobility Fleet Solutions (audited)	Vilniaus m. sav. Vilnius, Žalgirio g. 112-1	302735731	Lithuania	30	2,356	146	30	3,210	(120)	Wholesale trade in new and used cars
Mobility Fleet Solutions, S.R.O. (not audited)	Počernická 272/96, Malešice (Praha 10), 108 00 Praha, Czech Republic	8805555	Czech Republic	10	621	(19)	10	654	(285)	Wholesale trade in new and used cars

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Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

1. General information (cont'd)

Subsidiaries indirectly controlled by the Company, controlled share 100% (cont'd):

Subsidiary company	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
Mobility Fleet Solutions SIA (not audited)	Zemitāna iela 9 k-1, Rīga, LV-1012, Latvia	40203438990	Latvia	50	46	(1)	50	46	(4)	Currently not engaged in economic activity
UAB Mobility services (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	305926663	Lithuania	3	(2)	-	3	(1)	(1)	Currently not engaged in economic activity
Moje včela, s.r.o. (not audited)	Počernická 272/96, Malešice, 108 00 Praha 10, Czech Republic	18007724	Czech Republic	-	-	-	-	-	-	Currently not engaged in economic activity
Cars										
UAB Autobrava (audited)	Žalgirio g. 112A, Vilnius	125481247	Lithuania	2,818	17,253	(1)	2,818	17,253	(538)	Trade of new and used cars and spare parts
UAB Autoimex (audited)	Žalgirio g. 112A, Vilnius	300662220	Lithuania	4,382	7,155	3,576	4,382	8,329	2,471	Trade of new and used cars and spare parts
UAB Interviga (not audite)	Vilniaus m. sav. Vilnius, Ozo g. 10A	302651678	Lithuania	227	4	-	227	4	-	Currently not engaged in economic activity
SIA Autobrava (audited)	Rīga, Krasta iela 42, LV-1003	40103325594	Latvia	3,300	339	(520)	-	(2,441)	320	Trade in new and used cars, spare parts, car repair services.
SIA Baltijas Sporta Auto (audited)	Rīga, Krasta St. 54	40103655093	Latvia	3	4,678	2,882	3	4,396	2,709	Trade in new and used cars, spare parts, car repair services.
UAB Prime Auto (audited)	Dariaus ir Girėno g. 15, Vilnius	302841713	Lithuania	3	9,440	5,529	3	8,411	5,322	Trade in new and used cars, spare parts, car repair services.
OOO Avtoideya (audited)	Tsna, Jubilejnaja g., 4-54, Minsko rajonas, Papernyansky	190829939	Belarus	7,003	8,634	2,079	7,003	8,534	1,974	Trade in new and used cars and spare parts, car repair services
UAB Neoparta (audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	302784493	Lithuania	3	2,611	1,141	3	3,070	1,563	Trade of car spare parts

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Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

1. General information (cont'd)

Subsidiaries indirectly controlled by the Company, controlled share 100% (cont'd):

Subsidiary company	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
UAB Autobrava Motors (audited)	Žalgirio g. 112A, Vilnius	302792561	Lithuania	2,702	125	(844)	1,902	169	(381)	Trade of new and used cars, motorcycles, other vehicles, their spare parts; car repair services, activity related to lease of vehicles and other assets.
UAB Luxury Motors (audited)	Konstitucijos pr. 21B, Vilnius	302793243	Lithuania	1,252	(358)	(377)	1,252	19	(672)	Trade of new and used cars, motorcycles, other vehicles, their spare parts; car repair services, activity related to lease of vehicles and other assets.
UAB Exclusive Luxury Auto (audited)	Konstitucijos pr. 21B, Vilnius	302784148	Lithuania	1,732	153	(364)	1,257	42	(601)	Trade in new and used cars, spare parts, car repair services.
UAB Luxury Automotive Services 1 (not audited)	Ozo g. 10A, Vilnius	305703735	Lithuania	3	2	-	3	2	-	Currently not engaged in economic activity
UAB Luxury Automotive Services 2 (not audited)	Ozo g. 10A, Vilnius	305704431	Lithuania	3	2	-	3	2	-	Currently not engaged in economic activity
Luxury Motors Latvia SIA (audited)	Rīga, Krasta iela 42, LV-1003, Latvia	40203371477	Latvia	3	(825)	(306)	3	(519)	(350)	Trade of new and used cars and spare parts, car repair services
Luxury Motors OU (audited)	Kai 1, Talinas, Harjumaa	16407844	Estonia	3	112	(992)	3	4	(616)	Trade of new and used cars and spare parts, car repair services
Luxury Motors sp. z o.o. (not audited)	ul. Ludwika Waryńskiego 3a, 00-645 Warszawa	1037674	Poland	45	46	(7)	45	46	(3)	Currently not engaged in economic activity
OOO Autoimax (audited)	Tsna, Jubilejnaja g., 4-54, Minsko rajonas, Papernyansky	193292793	Belarus	5	1,058	87	5	2,290	1,672	Trade of new and used cars and spare parts
Inter Krasta Services UAB (not audited)	Ozo g. 10A, Vilnius	306368485	Lithuania	1	1	-	1	1	0	Currently not engaged in economic activity

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Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

1. General information (cont'd)

Subsidiaries indirectly controlled by the Company, controlled share 100% (cont'd):

Subsidiary company	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
Real estate										
UAB Askela (not audited)	A. Kojelavičiaus g. 3, Vilnius	110858226	Lithuania	1,057	857	2	1,057	988	94	Real estate lease, operation and development
SIA Unimodus (not audited)	Rīga, Krasta St. 54	50103911801	Latvia	688	322	2	688	320	51	Established for development of real estate projects in Latvia; currently no commercial activity.
UAB Nekilnojamo turto prekyba (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	304168443	Lithuania	2,387	2,654	101	2,387	2,553	169	Currently not engaged in economic activity
UAB Nuomos sprendimai (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	304168938	Lithuania	3	1	-	3	1	-	Currently not engaged in economic activity
UAB Plėtros sprendimai (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	304169901	Lithuania	228	206	(1)	228	207	106	Construction, management and lease of real estate
UAB Nekilnojamo turto konsultacijos (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	304168895	Lithuania	3	-	-	3	-	-	Currently not engaged in economic activity
UAB Modus Estate Services (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	302790998	Lithuania	2	-	-	2	-	-	Currently not engaged in economic activity
UAB Pavilnių saulės slėnis 22 (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	302790973	Lithuania	461	1,154	500	461	654	199	Currently not engaged in economic activity
UAB Unimodus services (not audited)	Vilniaus m. sav. Vilnius, Ozo g. 10A	306369110	Lithuania	1	1	-	1	1	-	Currently not engaged in economic activity

Subsidiaries indirectly controlled by the Company, controlled share 50% and more:

Subsidiary and controlled share, %	Address	Company code	Country	31 December 2024			31 December 2023			Short description of activity
				Carrying amount of investments	Equity	Net profit (loss)	Carrying amount of investments	Equity	Net profit (loss)	
UAB LM Auto, 50 % (audited)	Konstitucijos pr. 21B, Vilnius	302784123	Lithuania	401	685	157	401	528	42	Trade of new and used cars, motorcycles, other vehicles, their spare parts; car repair services, activity related to lease of vehicles and other assets.

Sales and liquidations of the Group companies

In 2024, the Group sold 100% of the shares of its subsidiaries UAB Kreta, UAB Belmont projects 3 (former UAB Unimodus) and Mobility Fleet Solutions S.R.L.

The Group liquidated the subsidiaries Mobility Fleet Solutions Slovakia, s.r.o. and Mobility Fleet Solutions Sp. z o.o.

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Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

1. General information (cont'd)

Acquisitions/establishments of Group companies

In 2024, the Group acquired the subsidiary Taranto sp. z o.o.

Reorganisation

UAB Unimodus was established on 8 November 2024 as a result of splitting UAB Helmonts Projects 3 (former UAB Unimodus, company code 126123769). The split-up company UAB Unimodus is mainly engaged in lease and development of real estate.

As of 2 January 2024, UAB Miesto Bitė was reorganized by merging it to UAB MyBee Fleet.

Other general information

In 2024, the average number of employees at the Group was 686 (2023 – 651 employee).

2. New standards, amendments and interpretations

In 2024, the Group consistently applied the accounting policies for all the periods presented in these financial statements.

New standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these financial statements are set out below:

Lack of Exchangeability – amendments to IAS 21 „The Effects of Changes in Foreign Exchange Rates“

Amendments to IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’, issued by the International Accounting Standards Board, became effective from 1 January 2025, which, by assisting entities in assessing the feasibility of using two currencies and in determining the spot rate of exchange for an exchange when none is available.

The new amendments clarify the situation when an entity has a transaction or transaction in a foreign currency that cannot be translated into another currency at an exchange rate. They also establish a framework for an entity to determine the spot exchange rate at the measurement date. The new requirements do not permit restatement of comparative information. Rather, they require the affected amounts to be recalculated at the estimated spot exchange rates at the date of initial application, adjusting retained earnings or the translation reserve of cumulative differences.

The amendments apply to annual periods beginning on or after 1 January 2025. Earlier application is permitted but has to be disclosed.

The Group does not expect the amendments to have a material impact on its results and financial position.

Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The IASB issued amendments to IFRS 9 and IFRS 7. The amendments:

- a) clarify the recognition date and derecognition date for some financial assets and liabilities, and add a new exception for some financial liabilities for settlement through an electronic funds transfer system,
- b) add additional measurement guidance, whether a financial asset meets the principal and interest only (TIPS) criterion,
- c) add new disclosures for certain instruments whose contractual terms may change cash flows,
- d) update the disclosures for Fair Value Equity Instruments at Fair Value through Other Comprehensive Income (FVOCI).

These amendments to IFRSs and IFRS 7 shall be applied for annual periods beginning on or after 1 January 2026. Earlier application is permitted. 1 January 2026. Earlier application is permitted.

The Group will assess the impact that these amendments may have on its results and financial position.

Annual Improvements to IFRS Accounting Standards – Amendments

The amendments in the Annual Improvements relate to:

IFRS 1 „First-time Adoption of International Financial Reporting Standards - Hedge accounting for a first-time adopter

IFRS 7 Financial Instruments: Disclosures and accompanying IFRS implementation guidance

IFRS 9 Financial Instruments - Derecognition of Lease Liabilities and Transaction Prices

IFRS 10 Consolidated financial statements – determination of a ‚de facto‘ agent

IAS 7 Statement of Cash Flows - Cost method.

These amendments will be effective for annual periods beginning on or after 1 January 2026.

Earlier application is permitted. The Group will assess the impact that these amendments may have on its results and financial position.

IFRS 18 Presentation and Disclosure in Financial Statements (new standard)

The new standard on presentation and disclosure in financial statements focuses on the updated income statement. The main new concepts included in IFRS 18 relate to the structure of the income statement, the requirement to disclose certain information in the financial statements relating to certain measures of profit or loss performance that are presented in the financial statements of an entity (i.e. management’s measures of performance), and the improved grouping and disaggregation principles that apply to the primary financial statements and to the notes in general. IFRS 18 will not affect the recognition or measurement of items in the financial statements, but it may change what an entity reports as operating profit or loss’.

2. New standards, amendments and interpretations (cont'd)

IFRS 18 will be applied for annual periods beginning on or after 1 January 2027 and will also apply to comparative information.

The Group does not expect these amendments to have an impact on its results and financial position, but changes in presentation and additional disclosures may be required.

IFRS 19 Subsidiaries without Public Accountability: (new standard)

The IASB issued a new accounting standard for subsidiaries. IFRS 19 Subsidiaries without Public Accountability.

Public accountability will allow subsidiaries to maintain only one set of accounting records to meet the needs of the parent company and the users of their financial statements. In addition, IFRS 19 will allow fewer disclosures that better meet the needs of users of the financial statements while still maintaining the usefulness of the information. The new standard does not apply to financial statements.

The Group will assess the impact that these amendments may have on its results and financial position.

There are no other new or amended standards or interpretations that are not yet effective that could have a material impact on the Company.

New standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these financial statements are set out below:

Lack of Exchangeability – amendments to IAS 21 „The Effects of Changes in Foreign Exchange Rates“

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', issued by the International Accounting Standards Board, became effective from 1 January 2025, which, by assisting entities in assessing the feasibility of using two currencies and in determining the spot rate of exchange for an exchange when none is available.

The new amendments clarify the situation when an entity has a transaction or transaction in a foreign currency that cannot be translated into another currency at an exchange rate. They also establish a framework for an entity to determine the spot exchange rate at the measurement date. The new requirements do not permit restatement of comparative information. Rather, they require the affected amounts to be recalculated at the estimated spot exchange rates at the date of initial application, adjusting retained earnings or the translation reserve of cumulative differences.

The amendments apply to annual periods beginning on or after 1 January 2025. Earlier application is permitted but has to be disclosed.

The Group does not expect the amendments to have a material impact on its results and financial position.

Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The IASB issued amendments to IFRS 9 and IFRS 7. The amendments:

- a) clarify the recognition date and derecognition date for some financial assets and liabilities, and add a new exception for some financial liabilities for settlement through an electronic funds transfer system,
- b) add additional measurement guidance, whether a financial asset meets the principal and interest only (TIPS) criterion,
- c) add new disclosures for certain instruments whose contractual terms may change cash flows,
- d) update the disclosures for Fair Value Equity Instruments at Fair Value through Other Comprehensive Income (FVOCI).

3. Accounting policies

3.1. Compliance with standards

These consolidated financial statements (hereinafter – financial statements) have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), as set by the Law on Financial Reporting by Undertakings of the Republic of Lithuania.

The Group's management prepared and signed these financial statements on 24 April 2025. The shareholders of the Group have a statutory right to either approve these financial statements or not approve them and require the management to prepare a new set of financial statements.

The financial statements are prepared under the assumption that in the near future the Group will continue as a going concern.

3.2. Basis of preparation of the financial statements

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter – IFRS) as adopted by the European Union (hereinafter – EU).

Basis of measurement

The financial statements have been prepared on the acquisition cost basis, except for property, plant and equipment – the asset groups of buildings and pipes as well as machinery and equipment of the solar and biogas power plants at a revalued value, the investment property – the group of buildings at fair value, and the investments at fair value.

All amounts in these financial statements are presented in the legal currency of Lithuania – the euro (EUR).

Significant accounting policies applied are presented below.

3.3. Currency

All amounts in these financial statements are presented in the common currency of the European Union adopted for payments in Lithuanian – the euro (EUR) which is the functional currency of Group companies operating in Lithuania and other European Union countries. The functional currencies of the entities operating in the European Union countries which have not adopted the euro, are their local currencies.

3.4. Basis of consolidation and investments in subsidiaries and associates

The Group's consolidated financial statements include the Company, its subsidiaries and associates. The financial statements of subsidiaries are prepared for the same reporting year, using consistent accounting policies.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. All intercompany transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated. Equity and net income attributable to non-controlling shareholders are treated separately in the statements of financial position and profit or loss.

Investments in associates, i.e. those which are significantly affected by the Group, are accounted for using equity method in the Group's consolidated financial statements. Investments in associates are tested for impairment when there is an indication that the asset may be impaired or the impairment recognized in prior years no longer exists.

Goodwill acquired in a business combination is recognized at acquisition cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired, liabilities and contingent liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill value is reviewed annually or more frequently in case of any events or circumstances indicating that the carrying amount is impaired.

The amount at which the fair value of the recognized assets acquired, liabilities and contingent liabilities assumed is still in excess of the acquisition cost of investment after a second measurement of the assets acquired, liabilities and contingent liabilities assumed and assessment of the acquisition cost, is immediately recognized in profit or loss.

Goodwill acquired in a business combination for the purpose of measuring impairment is, from the acquisition date, allocated to each of the acquirer's cash-generating units, that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

3. Accounting policies (cont'd)

3.4. Basis of consolidation and investments in subsidiaries and associates (cont'd)

Impairment is measured through assessment of the recoverable amount of the cash-generating unit to which the goodwill is related. Where the recoverable amount of a cash-generating unit is lower than the balance value, impairment loss is recognized. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Losses of subsidiaries are attributed to non-controlling interest even if that results in a deficit balance of the non-controlling interest. 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 assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of non-controlling interests, if any;
- Derecognizes the cumulative translation differences, recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

Investments in subsidiaries and associates in the separate financial statements of Group entities are carried at acquisitions cost, less impairment. Expenses directly related to the acquisition of subsidiaries and associates are recognized in profit or loss when incurred. Impairment testing is performed when there is an indication that the asset may be impaired or the impairment recognized in prior years no longer exists.

3.5. Business combinations, goodwill and discontinued activities

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

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with IAS 9 in profit or loss. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference 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 forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Income and expenses from discontinued operations in the consolidated statement of profit or loss for the reporting and previous reporting period are presented separately from income and expenses from continued operations and profit (loss) from discontinued operations after tax even if after sales the Group retains a non-controlling interest in the consolidated subsidiary, e.g. when consolidated subsidiary becomes an associated entity.

3. Accounting policies (cont'd)

3.5. Business combinations, goodwill and discontinued activities (cont'd)

When preparing the consolidated statement of profit or loss, all intra-Group transactions between discontinued and continued operations, which the Group will continue after discontinuation, are presented in continued operations without elimination; i.e. as if they were concluded with third parties. In this case, eliminations are made in discontinued operations. All intra-Group transactions between discontinued and continued operations, which will be discontinued after the discontinuation are eliminated from continued operations.

3.6. Statement of cash flows

The statement of cash flows presents the Group's cash inflows and outflows during the year, and its financial position at the end of the year. Following requirements of the standards, cash flows are attributed to three groups: cash flows from (to) operating activities, cash flows from (to) investing activities, and cash flows from (to) financing activities.

Cash flows from (to) operating activities are presented indirectly, i.e. as net profit adjusted to the non-cash amounts from activities, changes in working capital, changes in the fair value of derivative financial instruments, interest paid from the Group's loans allocated to finance activities, non-characteristic operational amounts and corporate income tax paid.

Cash flows from investing activities comprise payments related to acquisition/sale of non-current assets and investments, receipt of dividends and interest.

Cash flows from financing activities comprise amounts received and paid related to shareholders, proceeds from borrowings and repayment of borrowings, interest payments not related to Group loans allocated to finance working capital, long-term and short-term borrowings not related to primary activities.

3.7. Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

Primary or the most favorable market must be made available for the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value of a non-financial asset is measured by taking into account the ability of a market participant to generate the economic benefit by using an asset in the most efficient and optimal way or by selling the same to another market participant, who would use such asset in the most efficient and optimal way.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 inputs are unobservable inputs for the asset or liability that are significant in measuring the fair value.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Valuations are performed by the Group's management at each reporting date. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of asset or liability and the level of the fair value hierarchy as explained above (Note 31).

3. Accounting policies (cont'd)

3.8. Property, plant and equipment

Property, plant and equipment are assets that are controlled by the Group and from which it expects to receive future economic benefits, and the useful life of which is longer than one year. Property, plant and equipment, except for buildings, pipelines and machinery and equipment of solar and biogas power plants, are accounted for at acquisition cost reduced by subsequently accumulated depreciation and subsequently impairment losses. Buildings, pipelines and machinery and equipment of solar and biogas power plants are carried at a revalued value, reduced by subsequently accumulated depreciation and subsequently impairment losses, based on periodically performed evaluations by independent appraisers.

The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property, plant and equipment are ready for their intended use, such as repair and maintenance costs, are normally charged to the statement of profit or loss in the period the costs are incurred.

Subsequent expenditure is included in the carrying amount of the property, plant and equipment or is recognized as a separate item only if it is probable that the Group will receive future economic benefits and the cost of the item can be reliably estimated. The carrying amount of the replaced part is written off. All other repair and maintenance expenditure is recognized in the statement of profit or loss and other comprehensive income in the period in which it was incurred.

An increase in the carrying amount of buildings, pipelines and machinery and equipment of solar and biogas power plants after the revaluation is credited to the revaluation reserve under equity and to deferred tax liabilities. Impairment losses that cover the previous increase in the value of the same asset, are recognized directly in equity by reducing the revaluation reserve, any other decrease in the value is recognized in profit or loss.

Gain or loss on disposal of the property is calculated by deducting the carrying amount of the disposed asset from the proceeds received and is recognized in the statement of profit or loss.

Subsequent to the sale of the revalued asset, a respective share of the revaluation reserve is transferred to the retained earnings.

Depreciation is provided on a straight-line basis over the following estimated useful lives:

Group of property, plant and equipment	Useful life time (in years)	Minimum capitalization value, EUR
Buildings and pipelines	15 – 35	300
Structures	8 – 35	300
Machinery and equipment of solar and biogas power plants	8 – 25	300
Other machinery and equipment	5 – 16	300
Vehicles	3 – 10	300
Other equipment, fittings and tools	1.5 – 6	150-300

The useful lives, depreciation method and residual values are reviewed annually to ensure that they are consistent with the expected pattern of economic benefits from items of property, plant and equipment. The residual value of vehicles used in long-term car rental activities is determined on the basis of the repurchase price after 5 years.

Construction in progress is stated at acquisition cost less accumulated impairment. This includes the cost of construction, plant and equipment and other directly attributable costs. Construction in progress is not depreciated until the construction is not finished and the relevant assets are not started to be used.

Borrowing costs which are directly attributable to acquisition of assets that require time to prepare for an intended use or sale, construction or production, are capitalized in the cost of a respective asset. All other borrowing costs are expensed in the period they occur.

3.9. Investment property

Investment property is initially measured at acquisition cost, including the transaction-related costs. After initial recognition, buildings and land are stated at fair value and depreciation is not calculated. The fair value of investment property - buildings and land - is adjusted on an annual basis during the preparation of the financial statements, recording the change in the value in the statement of profit or loss.

Investment property is derecognized when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or losses on the disposal or sale of investment property are recognized in the statement of profit or loss in the year of the disposal or sale for the period in which it was sold.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sell.

3. Accounting policies (cont'd)**3.10. Intangible assets other than goodwill**

Intangible assets are initially measured at acquisition cost. Acquisition cost of intangible assets acquired on business combination is equal to their fair value at the day of business combination. Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Group and the cost of asset can be measured reliably. After initial recognition, intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite lives are amortized over the useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization periods and methods for intangible assets with finite useful lives are reviewed at least at each financial year-end.

The estimated useful lives of intangible assets with finite useful lives are set out below:

<u>Group of intangible non-current assets</u>	<u>Useful life time (in years)</u>	<u>Minimum capitalization value, EUR</u>
Software	3 – 5	300
Concessions, patents, licenses, trademarks and similar rights	3	300
Other intangible assets	4	300

Intangible assets with indefinite lives are not amortized but assessed for impairment at the end of each reporting period.

The useful lives, residual values and amortization method are reviewed annually to ensure that they are consistent with the expected pattern of economic benefits from items in intangible assets other than goodwill.

3.11. Financial instruments**3.11.1. Recognition and the initial measurement**

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.11.2. Classification and subsequent measurementFinancial assets. Accounting policies.

On initial recognition, a financial asset is classified as measured at: amortized cost; at fair value through other comprehensive income (FVOCI) – debt investment; as fair value through other comprehensive income (FVOCI) – equity investment; or at fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. Accounting policies (cont'd)

3.11.2. Classification and subsequent measurement (cont'd)

Financial assets. Business model assessment.

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the company are compensated - e.g. whether the compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of the sale of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets. Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative expenses) as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers the following factors:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the group's claim to cash flows from specified assets (e.g. irrevocable features).

A prepayment feature is consistent with the solely payments of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets. Subsequent measurement and gains and losses.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced due by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss, unless the dividends clearly reflect the portion of the investment cost recovered. The remaining net profit and loss are recognized in other comprehensive income and are never reclassified to profit or loss.

3. Accounting policies (cont'd)

3.11.2. Classification and subsequent measurement (cont'd)

Financial assets. Subsequent measurement and gains and losses.

Financial assets at FVTPL. Measured at fair value and changes therein, including any interest or dividend income, were recognized in profit or loss.

Loans and other receivables are measured at amortized cost using the effective interest method.

Financial liabilities. Classification, subsequent measurement and gains and losses.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

3.11.3. Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in the statement of financial position, but retains all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

In these cases, the transferred assets are not derecognized.

Financial liabilities The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3.11.2. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends to either settle them or to realize the asset and the liability simultaneously.

3.11.3. Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to hedge against foreign currency and interest rate risks. Embedded derivatives are separated from the host contract and accounted for separately when the host contract is not a financial asset and when certain criteria are met.

Derivatives are initially measured at fair value. Subsequently, derivative financial instruments are carried at fair value and its changes are usually recognized in profit or loss.

The Group defines certain derivative financial instruments as hedging instruments for hedging against volatility in cash flows associated with highly probable forecasted transactions arising from changes in foreign currency and interest rates and certain derivative financial instruments and non-derivative financial liabilities as hedges of foreign exchange risk arising from net investment in a foreign operation.

At the beginning of a defined hedging relationship, the Group documents the entity's risk management objective and hedging strategy. The Group also records economic relationships between the hedged item and the hedging instrument, including whether the changes in the hedged item and the cash flows of the hedging instrument are expected to be offset against each other.

3. Accounting policies (cont'd)

3.11.3. Derivative financial instruments and hedge accounting (cont'd)

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve.

The effective portion of changes in the fair value of a derivative financial instrument recognized in other comprehensive income has been restricted from the inception of the hedge to the cumulative change in the fair value of the hedged item calculated on the basis of the present value. An ineffective portion of the fair value change of a derivative is recognized immediately in profit or loss.

The Group defines a hedging instrument in a cash flow hedge relationship only as an instant currency swap element. The change in the fair value of the forward element of the forward transaction ("forward points") is accounted for separately as a hedging cost and is recognized in the cost of the hedging reserve in equity.

Where, in the case of a forecasted hedge transaction, a non-financial item, such as inventory, is subsequently recognized, the amount accumulated in the hedging reserve and the cost of the hedging reserve are included directly in the cost of the non-financial item when it is recognized.

For all other hedged hedges, the amount accrued in the hedging reserve and the cost of the hedging reserve is reclassified to profit or loss for the same period or periods in which the estimated future cash flows of the hedge affect profit or loss.

If the hedge does not meet the hedge accounting criteria or the hedge is sold, it expires, is cancelled or used, hedge accounting is discontinued prospectively.

When hedge accounting for cash flow hedges is discontinued, the amount accrued in the hedging reserve remains in equity until it is included in the cost of acquisition of non-financial transactions in the event of a hedge of a non-financial transaction or, in the case of other cash flow hedges, is reclassified to profit or loss for the same period or periods during which the estimated cash flows of the hedge affect profit or loss.

If the expected cash flow hedges are no longer probable, the accumulated amounts and the cost of the hedge reserve are reclassified immediately to profit or loss.

3.11. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is calculated under the FIFO method. The cost of finished goods and work in progress includes the applicable allocation of fixed (raw materials, packaging, direct remuneration, etc.) and variable overhead (depreciation, indirect remuneration, utilities, etc.) costs based on a normal operating capacity. The inventories that may not be realized are fully written off.

3.12. Cash and cash equivalents

Cash comprises cash in hand and cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits in bank and other short-term highly liquid investments and surpluses of bank accounts.

3. Accounting policies (cont'd)

3.13. Assets held for potential sale

Non-current assets or disposal groups including assets and liabilities are accounted for as assets held for sale when and only when benefit is more likely to be gained from disposal rather than their continued use in the Group.

Such assets or disposal groups are measured at the lower of their carrying amount or fair value, less selling expenses. Impairment loss of disposal groups are initially attributed to goodwill and subsequently attributed proportionally to the remaining assets and liabilities, except that loss is not recognized for inventories, financial assets, deferred tax assets, employee benefit assets, investment property or other assets which continue to be measured in accordance with other accounting policies of the Group. Impairment loss is initially accounted for in the statement of profit or loss.

When intangible assets and property plant and equipment are accounted for as held for potential sale, their depreciation is no longer calculated.

3.14. Lease

Leases in which the Group is a lessee

The Group evaluates each lease for possible lease items. If the contract is a lease or includes a lease, the Group accounts for each lease component of the lease separately from the non-lease (service) components of the lease.

The Group does not apply lease recognition provisions to short-term leases (of up to one year) and leases with low value of leased assets (computers, telephones, printers, furniture, etc.). In deciding whether an asset is of low value, the Group assesses each asset individually. In determining whether an asset is of low value, rents are not assessed over the lease term. Low value assets are assets with a value of up to EUR 5 thousand. Payments related to short-term leases and leases of low-value assets are recognized directly as costs in the statement of profit or loss and other comprehensive income. The Group does not apply the lease recognition provisions to all intangible assets. To such assets, the Group applies the provisions of IAS 38 *Intangible Assets*.

The Group recognizes the right-of-use assets and the lease liability in the statement of financial position at the inception of the lease.

At the commencement date, the Group measures the right-of-use assets at cost. After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses, and any adjustment due to reassessment of any liability.

At the inception date the Group measures a lease liability at the present value of the lease payments outstanding at that date. Lease payments should be discounted using the interest rate specified in the lease contract, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the borrowing rate charged by the lessee. The Group fixes the lessee's borrowing interest rate at the beginning of each year and uses it for all newly signed contracts and contracts the conditions of which (not all, but only for which the lease obligation needs to be reassessed) have changed during that year. A reassessment of a lease liability occurs when the cash flows change from the original terms of the lease, for example, when changes in the lease term or lease payments change based on an index or interest rate. Changes that were not a term of the original lease contract are changes to the lease.

Leases in which the Group is a lessor

Finance lease

At the inception date, the Group recognizes assets held under finance leases in the statement of financial position and presents them as a receivable equal to the amount of the net investment in the lease. The Group uses the interest rate set out in the lease contract to estimate the net investment in the lease. In the case of a sublease, if the interest rate specified in the sublease contract cannot be readily determined, the Group, as an intermediate lessor, uses the discount rate used for the host contract (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the sublease. Primary direct costs are included in the initial measurement of net investment in the lease and reduce the amount of revenue recognized over the lease term. The interest rate stipulated in the lease contract is determined in such a way that the initial direct costs are automatically included in the amount of the net investment in the lease; they are not added separately. The Group recognizes finance income over the lease term on the basis of a method that reflects a constant periodic rate of return on the Group's net investment in the finance lease. The Group deducts period-related lease fees from gross investment in the lease to gradually reduce both principal and unearned finance income.

3. Accounting policies (cont'd)

3.14. Lease (cont'd)

Operating lease

The Group recognizes lease fees related to operating leases as income on a straight-line basis. Expenses (including depreciation) incurred in earning the lease income are recognized as costs by the Group. Initial direct costs incurred in obtaining an operating lease are included in the carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as the lease income. The Group accounts for a change in an operating lease as a new lease from the date the change takes effect, and the lease payments prepaid or accrued in connection with the initial lease.

3.15. Grants and subsidies

Grants received in the form of non-current assets or intended for the purchase, construction or other acquisition of non-current assets. Assets received free of charge are also allocated to this group of grants. The amount of the asset related grants is recognized in the financial statements gradually according to the depreciation rate of the assets associated with this grant. In profit or loss, a relevant expense account is reduced by the amount of grant amortization.

Subsidies received as a compensation for the expenses or unearned income of the current or previous reporting period, also, all the subsidies, which are not subsidies related to assets, are considered as subsidies related to income. The income related subsidies are recognized by amounts used to the extent of the costs incurred or the calculated income not received during the period, for compensation of which the subsidy is received.

3.16. Provisions

Provisions are recognized when and only when the Group has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The Group re-evaluates provisions at each date of the statement of financial position and adjust them in order to present the most reasonable current estimate. If the effect of the time value of money is material, the amount of provision is equal to the present value of the expenses which are expected to be incurred to settle the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest.

3.17. Corporate income tax

Income tax assets and liabilities of the reporting and previous periods are stated at the amount which is expected to be recovered from or paid to a tax administration authority. Income tax is calculated applying tax rates effective as at the last day of the reporting period. Income tax charge is based on profit for the year and considers deferred taxation. The Group's income tax is calculated based on the Lithuanian tax legislation.

In 2024 and 2023, the corporate income tax rate in the Republic of Lithuania was 15%. The rate used to calculate the deferred income tax as at 31 December 2024 is 16% because the income tax rate of 16% entered into force in Lithuania from 1 January 2025.

Tax losses in the Republic of Lithuania can be carried forward for indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments. Operating losses carry forward is disrupted if the Group changes its activities that resulted in the losses, unless the Group changes its activities due to reasons beyond the entity. 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. With effect from 1 January 2014, tax losses available for carry forward can be used to reduce taxable income of the current tax year by maximum 70%.

Income tax for the subsidiaries operating in foreign countries is calculated in line with the requirements of local tax legislation. In 2024 and 2023, the corporate income tax rate in the Republic of Lithuania was 15%. In 2025, profit will be subject to income tax at a rate of 16 per cent in accordance with the tax laws of the Republic of Lithuania.

Deferred taxes are calculated using the balance sheet liability method. Deferred taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured at the tax rate that is expected to be applied to the period in which the asset will be disposed of or the liability settled, subject to the tax rates that were adopted or substantially adopted at the date of the statement of financial position.

Deferred tax assets are recognized in the statement of financial position to the extent the Group's management believes they will be realized in the foreseeable future, based on taxable profit forecasts. When it is probable that a portion of deferred tax will not be utilized, this portion of deferred tax is not recognized in the financial statements.

3. Accounting policies (cont'd)

3.17. Corporate income tax (cont'd)

Tax profit or loss in Lithuania may be transferred between Group companies. Based on the Law on Corporate Income Tax, losses may be transferred both for or without consideration. Group entities willing to transfer tax profit or loss must meet certain conditions:

- on the day of transfer of the tax losses, the parent entity in the Group of entities holds, directly or indirectly, at least 2/3 of shares of each of the subsidiaries taking part in the transfer of the tax losses;
- tax losses are transferred between the entities within a Group of entities which have been part of that Group for an uninterrupted period of at least two years calculating until the day of transfer of the tax losses;
- tax losses are transferred or taken over by the entity (entities) of the Group of entities which have been part of the Group since the date of the entity's / entities' registration and will be part of the Group of entities for an uninterrupted period of at least two years calculating from the date of the entity's/entities' registration.

3.18. Revenue recognition

As of 1 January 2018, revenue of the Group is recognized in accordance with IFRS 15, i. e. the Group recognizes income at the time and to such an extent that the transfer of committed goods or services to customers would represent an amount that corresponds to the consideration that the Group expects to obtain in exchange for those goods or services. In applying this Standard, the Group takes into account the terms of the contract and all relevant facts and circumstances. Revenue is recognized in the Group using the five-step model. Information regarding the Group's accounting policies related to the contracts with clients is provided under Note 22.

Step 1 - Identify Customer Agreements.

Agreement between two and/or more parties (depending on the conditions of purchase or sale), which creates implemented rights and liabilities, is recognized as contract. A contract subject to IFRS 15 is recognized only if the following criteria are met:

- the parties have approved the contract (in writing, orally or in accordance with other usual business practices) and are bound by the obligations under the contract;
- there is a possibility to identify the rights of each party regarding the transferable goods and/or services;
- there is a possibility to identify the payment terms provided for the transferable goods and/or services;
- the contract is of a commercial nature;
- there is a chance of getting a reward in return for the goods and / or services that will be passed on to the customer.

Contracts with the customer may be aggregated or disaggregated into several contracts, while retaining the criteria of the former contracts. Such aggregation or disaggregation is considered a change of contract.

Step 2 - Identify performance obligations in the contract.

The contract establishes a commitment to deliver goods and/or services to the customer. When goods and/or services can be distinguished, the commitments are recognized separately. Each commitment is identified in one of two ways:

- the product and/or service is separate; or
- a set of individual goods and/or services that are essentially the same and passed on to the customer in a uniform model.

Step 3 - Determining the transaction price.

Under the new IFRS 15, the transaction price may be fixed, variable or both.

Transactions concluded by the Group are subject to fixed prices for both ongoing services and services performed at a given moment. The Company applies the following sales price calculation methods: adjusted market valuation method, expected cost and profit margin method and residual value method. Similar transactions are measured equally.

Step 4 - Allocate the transaction price to each performance obligation.

Normally, the Group attributes the transaction price to each operating liability, based on relative separate sales prices of each contractually committed to transfer good or service. If data on separate sales prices is not observed in the market, an entity performs its assessment.

Step 5 - Recognition of revenue when performance obligations are fulfilled by the Group.

The Group recognizes revenue when it implements operational commitment by transferring committed goods or services to the customer (i.e. when the customer obtains control of the mentioned goods or services). The recognized amount of revenue is equal to the amount of implemented performance obligation. Operational commitment may be implemented at the point of time or over a certain period of time.

3. Accounting policies (cont'd)

3.18. Revenue recognition (cont'd)

Revenue after sale of goods are recognized based on INCOTERMS.

Revenue is recognized when the amount of revenue can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Group, and when specific criteria have been met for each type of income, as described below. The Company relies on historical results, taking into account the customer type, the transaction type and the terms of each agreement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Revenue from sales is recognized net of VAT and discounts, including accrued expected discounts for the year.

3.19. Recognition of expenses

Expenses are recognized on the basis of accrual principle in the reporting period when the income related to these expenses was earned, irrespective of the time the money was spent. In those cases when the costs incurred cannot be directly attributed to the specific income and they will not bring income during the future periods, they are expensed as incurred.

The amount of expenses is usually accounted for as the amount paid or payable, excluding VAT. When settlement term is long and interest not specified, the amount of costs is valued at the amount of settlement discounted by the market interest rate.

3.20. Foreign currency

Transactions in foreign currency are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses from such transactions and from revaluation of assets and liabilities denominated in foreign currencies as at the reporting date are stated in profit or loss. Such balances are translated at period-end exchange rates.

The accounting of subsidiaries is kept in a corresponding local currency, which is their functional currency. Balance items in the consolidated financial statements of consolidated foreign subsidiaries are translated into euro at year-end exchange rates, and their items of the statements of profit or loss are translated at the average exchange rates for the period. Currency exchange gains or losses occurring on translation are directly included in the statement of other comprehensive income. Upon disposal of the corresponding investment, the accumulated translation reserve is transferred to profit or loss in the same period when the gain or loss on disposal is recognized.

Goodwill and fair value adjustments arising on acquisition of a foreign subsidiary are recognized at net assets of the acquired entity and accounted for using the exchange rate as at the last day of the reporting period.

For the preparation of the statement of financial position as at 31 December, the following main exchange rates were applied:

<u>2024</u>	<u>2023</u>
1 EUR = 1.0444 USD	1 EUR = 1,105 USD
1 EUR = 3.4197 BYN	1 EUR = 3.66874 BYN
1 EUR = 4.2655 PLN	1 EUR = 4.3395 PLN
1 EUR = 25.226 CZK	1 EUR = 4.9756 RON
	1 EUR = 24.724 CZK

3. Accounting policies (cont'd)

3.21. Impairment of assets

3.21.3. Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs (expected credit losses) on:

- financial assets measured at amortized cost;
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group holds that a financial asset is a default event when financial asset is past due for over 180 days.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimate of credit losses. Credit losses are measured as the present value of all shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or another financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual and business customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3. Accounting policies (cont'd)

3.21.3. Non-derivative financial assets (cont'd)

The Group recognizes an impairment loss which is estimated as a difference between the carrying amount of an asset and current amount of deferred cash flows discounted by applying the effective interest rate, if it is probable that the Group will not recover all amounts receivable.

3.21.4. Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than biological assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs (cash-generating unit).

The recoverable amount is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

3.22. Use of estimates in the preparation of financial statements

The preparation of financial statements according to International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and costs and contingencies. Significant areas in these financial statements that require estimates include impairment of property, plant and equipment and investment property (Note 5), intangible assets and goodwill (Note 6), long-term and short-term loans granted (Note 7), impairment of trade and other receivables (Note 8) and revaluation of inventories (Note 9); depreciation and amortization (Notes 5, 6), classification and fair value of assets held for sale (Note 10), recognition of deferred tax asset (Note 29). Future events may cause the assumptions used in arriving at the estimates to change. The effect of such changes in the estimates will be recorded in the financial statements when determined.

As to the management, at the date of preparation of these financial statements, the underlying assumptions and estimates were not subject to a significant risk that from today's point of view it is likely that the carrying amounts of assets and liabilities will have to be adjusted significantly in the subsequent periods.

3.23. Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the financial statements but disclosed when an inflow or economic benefits is probable.

3.24. Non-current employee benefits

In accordance with the requirements of the Labor Code of the Republic of Lithuania, each employee leaving the Group operating in the Republic of Lithuania on retirement is eligible to a one-off payment of 2-month salary, and if employment relations have lasted less than one year – a severance pay equal to one average salary.

Several Group entities pay their employees jubilee bonuses and termination benefits in accordance with their internal regulations. The amounts of these termination benefits depend on the number of years worked by an employee, the average salary and minimum monthly salary as determined under legislation.

Current year cost of employee benefits is expensed immediately in profit or loss. The past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. Gain or loss resulting from changes in employee benefits (decrease or increase) is recognized immediately in profit or loss.

The above mentioned employee benefit obligation is calculated based on actuarial assumptions, using the projected unit credit method. Obligation is recognized in the statement of financial position and reflects the present value of these benefits on the preparation date of the statement of financial position. Present value of the non-current obligation to employees is determined by discounting estimated future cash flows using the discount rate which reflects the interest rate of the Government bonds of the same currency and similar maturity as the employment benefits. Actuarial gains and losses are recognized in the statement of other comprehensive income as incurred.

Reassessments comprised of actuarial profit and loss are directly charged to retained earnings through other comprehensive income in the statement of financial position with corresponding debit or credit in the period when they are incurred. Reassessments are not charged to profit or loss in the later periods.

3. Accounting policies (cont'd)

3.25. Subsequent events

Subsequent events that provide additional information about the Group's position on the last day of the reporting period (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes when material.

3.26. Related parties

Related parties – legal and (or) natural persons related to an entity. A party is related to an entity if it corresponds to at least of the following characteristics:

- a) the party directly or indirectly controls the entity or is controlled by it;
- b) the party has a significant influence over the entity;
- c) the party has joint control over a joint venture;
- d) the party and another entity are controlled by the same parent or by the same natural person (their group);
- e) the party is an associate or a subsidiary;
- f) the party is a jointly controlled entity;
- g) the party is a member of the key management personnel of the entity or its parent;
- h) the party is a close member of the family of one of the individuals referred to under items a), b), c) or g);
- i) the party is an entity that is controlled, jointly controlled or significantly influenced by either of the individuals referred to under items g) or h); or
- j) the party is an entity accumulating and paying post-employment pensions and other benefits to the employees of the entity or other legal person related to the entity.

3.27. Offsetting

When preparing the financial statements, assets and liabilities, as well as revenue and expenses are not set off, except the cases when a certain International Financial Reporting Standard specifically requires such set-off.

4. Changes in accounting policy and accounting estimates

Property, plant and equipment and investment property at fair value

An independent external valuation was carried out in November 2024 in accordance with International Valuation Standards (IVS) and the relevant legislation of the Republic of Lithuania. The fair value of parking lots was calculated as to the income approach, based on the information presented by property owner and comparative market data. The fair value determined by an external valuator amounted to EUR 3,890 thousand.

The following significant assumptions were used by the valuer in determining the value of the asset:

- Rental market price - 35 Eur/month and 34 Eur/month for a parking space;
- Discount rate (WACC) is 8.5%;

An independent external valuation was carried out in December 2024 in accordance with International Valuation Standards (IVS) and the relevant legislation of the Republic of Lithuania. The fair value of buildings was calculated by applying the combination of expenses (costs) and comparative methods, based on the information presented by property owner. The fair value determined by an independent valuator amounted to EUR 1,188 thousand.

For determination of the fair value of assets according to an independent external valuation of buildings as on the expenses (costs) method, to calculate the development costs of valued assets, construction prices presented in the price list of UAB Sistela (company certified by the Ministry of the Environment of the Republic of Lithuania) were used. Impairment was determined based on average useful life of buildings used by UAB Sistela.

An independent external valuation was carried out in December 2024 in accordance with International Valuation Standards (IVS) and the relevant legislation of the Republic of Lithuania. The value of the building - warehouse was estimated using the income approach, based on information provided by the owner of the property. The fair value determined by an external valuator amounted to EUR 308 thousand.

The following significant assumptions were used by the valuer in determining the value of the asset:

- Rental market price – 4.18 Eur/ sq.m / month.;
- Discount rate (WACC) is 8.91%.

An independent external valuation was carried out in May 2024 in accordance with International Valuation Standards (IVS) and the relevant legislation of the Republic of Lithuania. The values of the building and the land plot were estimated using the income approach, based on information provided by the owner of the property. The fair value of the building determined by an external valuator amounted to EUR 4,502 thousand.

The following significant assumptions were used by the valuer in determining the value of the asset:

- Rental market price – 29,701 Eur/ month.;
- Discount rate (WACC) is 8.56%.

Independent external valuations were carried out in November and December 2024 in accordance with International Valuation Standards (IVS) and the relevant legislation of the Republic of Lithuania. The fair value of land plots was calculated based on comparable method, based on the information presented by property owner. The total fair value determined by an independent valuator amounted to EUR 4,463 thousand.

For determination of the fair value of assets according to an independent external valuation of land as to the comparative method, the analysis of transactions presented by the State Enterprise Centre of Registers, in Kaunas City Municipality was performed. The appraiser presents the transactions of the land plots within the defined value zone, which are most similar by their characteristics to the appraised object. The transactions closest to the valuation date are used in order of priority. The calculation of the adjusted sales prices of comparable objects produces some fluctuations (arithmetic average makes 47,016 Eur/a). The analysis of all available comparable transactions revealed that the comparable objects are similar (as far as possible taking into account the individual characteristics of the valued asset) and their arithmetic average sufficiently objectively reflects the market value of the valued asset.

4. Changes in accounting policy and accounting estimates (cont'd)

For determination of the fair value of assets according to an independent external valuation of land as to the comparative method, the analysis of transactions presented by the State Enterprise Centre of Registers, in Klaipėda District Municipality was performed. The appraiser presents the transactions of the land plots within the defined value zone, which are most similar by their characteristics to the appraised object. The transactions closest to the valuation date are used in order of priority. The calculation of the adjusted sales prices of comparable objects produces some fluctuations (arithmetic average for one land plot makes 6,432 EUR/a, and for another land plot makes 6,570 EUR/a). The analysis of all available comparable transactions revealed that the comparable objects are similar (as far as possible taking into account the individual characteristics of the valued asset) and their arithmetic average objectively reflects the market value of the valued asset.

For determination of the fair value of assets according to an independent external valuation of land as to the comparative method, the analysis of transactions in Latvian Marupe district was performed. The appraiser presents the transactions of the land plots within the defined value zone, which are most similar by their characteristics to the appraised object. The transactions closest to the valuation date are used in order of priority. The calculation of the adjusted sales prices of comparable objects produces some fluctuations (arithmetic average makes 35.95 Eur/m²). The analysis of all available comparable transactions revealed that the comparable objects are similar (as far as possible taking into account the individual characteristics of the valued asset) and their arithmetic average objectively reflects the market value of the valued asset.

5. Property, plant and equipment and investment property

Property, plant and equipment of the Group include:

	Land	Buildings and pipelines	Structures	Machinery and equipment of solar and biogas power plants	Other machinery and equipment	Vehicles	Other equipment, fittings and tools	Prepayments and construction in progress	Total
Acquisition cost									
1 January 2023	205	4,681	17,634	441	2,211	66,927	7,249	637	99,985
ditions (+)	-	-	8,932	23	147	45,617	1,782	3,766	60,267
valuation (+)	-	195	-	-	-	-	-	-	195
posals and write-offs (-)	-	-	-	-	(7)	(35,660)	(897)	(5)	(36,569)
Reclassifications (+ / -)	-	-	8	165	(165)	-	-	(8)	-
Transfers to inventory (+ / -)	-	-	-	-	(178)	(51)	(801)	-	(1,030)
31 December 2023	205	4,876	26,574	629	2,008	76,833	7,333	4,390	122,848
ditions (+)	-	93	294	40	290	23,638	801	1,441	26,597
valuation (+)	-	687	-	-	-	-	-	-	687
posals of subsidiaries (-)	-	(5,948)	-	(60)	-	-	(1,896)	-	(7,904)
posals and write-offs (-)	(203)	-	(311)	(23)	(123)	(16,123)	(188)	(87)	(17,058)
lassifications (+ / -)	-	3,825	-	(5)	163	-	476	(4,459)	-
ansfers to inventory (+ / -)	-	-	-	-	(31)	827	(168)	(50)	578
31 December 2024	2	3,533	26,557	581	2,307	85,175	6,358	1,235	125,748
Accumulated depreciation									
1 January 2023	(61)	387	(5,173)	(248)	(1,111)	(6,117)	(4,020)	-	(16,343)
Depreciation for the period (-)	(2)	(195)	(2,906)	(37)	(288)	(6,561)	(1,060)	-	(11,049)
Disposals and write-offs (+)	-	-	-	-	6	4,684	576	-	5,266
Reclassifications (+ / -)	-	-	-	(126)	126	-	-	-	-
Transfers to inventory (+)	-	-	-	-	177	164	701	-	1,042
31 December 2023	(63)	192	(8,079)	(411)	(1,090)	(7,830)	(3,803)	-	(21,084)
Depreciation for the period (-)	(1)	(129)	(3,192)	(30)	(306)	(7,219)	(1,151)	-	(12,028)
posals of subsidiaries (+)	-	915	-	33	-	-	1,109	-	2,057
posals and write-offs (+)	62	-	143	23	86	2,825	158	-	3,297
lassifications (+ / -)	-	-	-	5	(5)	-	-	-	-
ansfers to inventory (+)	-	-	-	-	31	10	168	-	209
31 December 2024	(2)	978	(11,128)	(380)	(1,284)	(12,214)	(3,519)	-	(27,549)
Impairment									
1 January 2023	-	-	-	-	-	(56)	(774)	-	(830)
Impairment for the period (-)	-	-	-	-	-	(11)	-	-	(11)
Disposals and write-offs (+)	-	-	-	-	-	56	-	-	56
31 December 2023	-	-	-	-	-	(11)	(774)	-	(785)
Disposals of subsidiaries (+)	-	-	-	-	-	-	774	-	774
Disposals and write-offs (+)	-	-	-	-	-	63	-	-	63
Transfers to inventory (+ / -)	-	-	-	-	-	(129)	-	-	(129)
31 December 2024	-	-	-	-	-	(77)	-	-	(77)
Carrying amount:									
31 December 2023	142	5,068	18,495	218	918	68,992	2,756	4,390	100,979
31 December 2024	-	4,511	15,429	201	1,023	72,884	2,839	1,235	98,122

5. Property, plant and equipment and investment property (cont'd)

Amortization of the Group's intangible assets and depreciation of property, plant and equipment was accounted for in the statement of profit or loss and other comprehensive income under cost of sales (Note 23) – EUR 8,747 thousand (2023: EUR 7,799 thousand), selling expenses – (Note 25) – EUR 162 thousand (2023: EUR 129 thousand), and administrative expenses (Note 26) – EUR 3,927 thousand, of which EUR 21 thousand are accounted for as operation and repair expenses (2023: EUR 3,746 thousand, of which EUR 48 thousand are accounted for as support). Depreciation and amortization costs presented in the non-current asset movement tables are higher by EUR 297 thousand (2023: EUR 263 thousand) than in the statement of profit or loss and other comprehensive income due to amortization of grants – EUR 291 thousand (2023: EUR 259 thousand) and leaseback – EUR 6 thousand (2023: EUR 4 thousand): by amortizing profit from sale of assets during the leaseback period the depreciation costs are reduced by amounts of amortization.

The acquisition cost of fully depreciated property, plant and equipment of the Group still in use comprised the following:

	As at 31 December	
	2024	2023
Other equipment, fittings and tools	901	2,590
Machinery and equipment	612	285
Vehicles	43	35
Buildings and structures	35	35
Total	1,591	2,945

The carrying amount of property, plant and equipment leased to third parties (operating lease) was as follows:

	As at 31 December	
	2024	2023
Vehicles	214	335
Machinery and equipment	-	645
Other equipment, fittings and tools	-	1
Total	214	981

In 2024, the Group capitalized interest amounting to EUR 94 thousand (2023: none).

As at 31 December 2024, impairment recognized for vehicles amounted to EUR 77 thousand. As at 31 December 2023, impairment recognized for other equipment and fittings amounted to EUR 774 thousand, for vehicles amounted to EUR 11 thousand.

Investment property of the Group comprised the following:

	Land	Buildings	Total
Acquisition cost			
1 January 2023	3,301	5,038	8,339
Additions (+)	-	-	-
Disposals and write-offs (-)	-	-	-
Changes in fair value (+ / -)	1,398	(68)	1,330
31 December 2023	4,699	4,970	9,669
Additions (+)	-	-	-
Disposals and write-offs (-)	-	(72)	(72)
Changes in fair value (+ / -)	277	474	751
31 December 2024	4,976	5,372	10,348
Impairment			
1 January 2023	(205)	-	(205)
Impairment for the period (-)	205	-	205
31 December 2023	-	-	-
Impairment for the period (-)	-	-	-
31 December 2024	-	-	-
Carrying amount:			
31 December 2023	4,699	4,970	9,669
31 December 2024	4,976	5,372	10,348

Investment property is attributed to Level 3 at the fair value hierarchy.

5. Property, plant and equipment and investment property (cont'd)

As at 31 December 2024, property, plant and equipment and investment property with the carrying amount of EUR 11,669 thousand (31 December 2023 – EUR 11,515 thousand) and future real estate with the expected value of EUR 3,400 thousand are pledged to credit institutions to guarantee repayment of the loans, leasing liabilities are secured by assets under lease. Expiration dates of the pledge of property for different contracts vary from 2025 to 2028 (Note 14). The methodology for fair value determination is described in Note 4.

Changes in right-of-use assets were as follows:

	<u>Land</u>	<u>Buildings and structures</u>	<u>Vehicles</u>
Carrying amount as at 1 January	141	17,786	60,023
Acquisitions and changes in current contracts	-	286	22,915
Derecognition	(140)	(168)	(11,961)
Depreciation of right-of-use assets	(1)	(3,063)	(5,156)
Carrying amount as at 31 December	-	14,841	65,821

The discount rate used in calculations of IFRS 16 was from 4.89% to 8.81%, depending on the nature and country of assets.

6. Intangible assets

Intangible assets of the Group comprised the following:

	Goodwill	Software	Concessions, trademarks and similar rights	Other intangible assets	Advance payments	Total
Acquisition cost						
1 January 2023	31	6,312	257	508	62	7,170
Additions (+)	-	1,707	1	52	2	1,762
Disposals and write-offs (-)	-	(166)	-	-	-	(166)
Reclassifications (+ / -)	-	242	(211)	31	(62)	-
31 December 2023	31	8,095	47	591	2	8,766
Additions (+)	-	1,324	-	22	-	1,346
Disposals of subsidiaries (-)	(2)	(38)	-	(3)	-	(43)
Acquisition of subsidiaries (+)	2	-	-	-	-	2
Disposals and write-offs (-)	-	(5)	-	(13)	-	(18)
Transfers to inventory (+ / -)	-	(2)	-	-	-	(2)
Reclassifications (+ / -)	-	2	-	-	(2)	-
31 December 2024	31	9,376	47	597	-	10,051
Amortization						
1 January 2023	-	(3,019)	(107)	(371)	-	(3,497)
Amortization for the period (-)	-	(751)	(5)	(132)	-	(888)
Disposals and write-offs (+)	-	165	-	-	-	165
Reclassifications (+ / -)	-	(62)	71	(9)	-	-
31 December 2023	-	(3,667)	(41)	(512)	-	(4,220)
Amortization for the period (-)	-	(1,053)	(4)	(48)	-	(1,105)
Disposals of subsidiaries (+)	-	38	-	3	-	41
Disposals and write-offs (+)	-	3	-	13	-	16
Transfers to inventory (+)	-	2	-	-	-	2
31 December 2024	-	(4,677)	(45)	(544)	-	(5,266)
Impairment						
1 January 2023	(4)	-	-	-	-	(4)
Impairment for the period (-)	-	-	-	-	-	-
31 December 2023	(4)	-	-	-	-	(4)
Impairment for the period (-)	(2)	-	-	-	-	(2)
Disposals of subsidiaries (+)	2	-	-	-	-	2
31 December 2024	(4)	-	-	-	-	(4)
Carrying amount:						
31 December 2023	27	4,428	6	79	2	4,542
31 December 2024	27	4,699	2	53	-	4,781

As at 31 December 2024 and 2023, the Group did not have any intangible assets the control of which would be limited by legislation or certain agreements, or pledged intangible assets.

The acquisition cost of fully amortized intangible non-current assets of the Group still in use comprised the following:

	As at 31 December	
	2024	2023
Software	1,005	1,037
Other intangible assets	589	418
Concessions, patents, licenses, trademarks and similar rights	17	7
Total	1,610	1,462

6. Intangible assets (cont'd)

Amortization of the Group's intangible non-current assets was accounted for in the statement of profit or loss and other comprehensive income under cost of sale (Note 23) – EUR 591 thousand (2023: EUR 287 thousand), administrative expenses (Note 26) – EUR 184 thousand (2023: EUR 327 thousand), and selling expenses (Note 25) - EUR 39 thousand (2023: EUR 15 thousand). The total amount of amortization costs in the statement of profit or loss and other comprehensive income amounted to EUR 814 thousand (2023: EUR 629 thousand) and was lower by EUR 291 thousand (2023: EUR 259 thousand) than in the table of movement of intangible assets due to amortization of grants.

Value of goodwill related to subsidiaries:

	As at 31 December	
	2024	2023
SIA Baltijas Sporta Auto	27	27
Total	27	27

Impairment tests were carried out as at 31 December 2024 and 2023. To determine whether the value of goodwill is impaired, net assets method was used.

7. Loans granted and term deposits

The Group's long-term loans granted and term deposits comprised the following:

	As at 31 December	
	2024	2023
Loans to other companies	1,948	2,225
Accrued interest receivable from other companies	46	61
	1,994	2,286
Less: impairment (other companies)	(1,137)	(1,786)
Total loans granted	857	500
Total	857	500

Short-term loans granted by the Group and term deposits comprised the following:

	As at 31 December	
	2024	2023
Loans to related parties (Note 32)	4,127	44,740
Accrued interest receivable from related parties (Note 32)	1,128	1,870
Loans to other companies	753	165
Accrued interest receivable from other companies	63	10
	6,071	46,785
Less: impairment (related parties, Note 32)	(4,629)	(4,690)
Less: impairment (other companies)	(801)	(151)
Total loans granted	641	41,944
Current term deposits and accrued interest receivable	1,703	816
Total	2,344	42,760

As at 31 December 2024 and 2023, Group loans were mainly granted to the parent company and its related entities.

As at 31 December 2024, term deposits consist of overnight deposits with maturities in January 2025. As at 31 December 2023, term deposits consisted of term deposit with maturities in January 2024.

7. Loans granted and term deposits (cont'd)

Changes in the loans granted by the Group and term deposits during the year were as follows:

	<u>2024</u>	<u>2023</u>
Balance of the loans granted and term deposits in the beginning of the year	43,260	45,758
Loans granted	1,993	1,305
Repaid loans	(1,000)	(3,023)
Interest calculated on loans	611	1,028
Interest received	(214)	(873)
Calculated impairment	61	(601)
Currency exchange effect	(113)	(34)
Term deposits	999	-
Offsetting	(42,396)	(150)
Redeemed term deposits	-	(150)
Balance of the loans granted and term deposits at the end of the year	<u>3,201</u>	<u>43,260</u>

During 2024, the loan granted to Green Genius International B.V. and accumulated interest were capitalized after issuance of new ordinary shares (Note 10). It is presented in the row of offsetting.

Loans granted and term deposits are denominated in the following currencies:

	<u>As at 31 December</u>	
	<u>2024</u>	<u>2023</u>
EUR	3,201	43,260
Total	<u>3,201</u>	<u>43,260</u>

The loans bear fixed interest rates.

8. Trade and other receivables

The Group's trade and other receivables comprised the following:

	<u>As at 31 December</u>	
	<u>2024</u>	<u>2023</u>
Trade receivables	5,383	4,552
Receivable finance lease amounts	49	266
Receivables from related parties (Note 32)	5,675	20,819
	<u>11,107</u>	<u>25,637</u>
Less: impairment allowance for receivables	(856)	(665)
Less: impairment allowance for receivables from related parties (Note 32)	(846)	(846)
Less: non-current leasing receivables	-	(133)
Trade receivables, net	<u>9,405</u>	<u>23,993</u>
Receivable VAT	778	116
Overpayment of other taxes and prepaid taxes	225	1,306
Collaterals and other receivables	549	700
	<u>1,552</u>	<u>2,122</u>
Less: impairment allowance for other receivables	(5)	(3)
Less: other non-current receivables	(240)	(240)
Other receivables, net	<u>1,307</u>	<u>1,879</u>
Total	<u>10,712</u>	<u>25,872</u>

The Group's impairment allowance for non-current trade and other receivables are accounted for in the statement of profit or loss and other comprehensive income under impairment of trade debtors and contractual assets.

Fair values of trade and other receivables approximate their carrying amounts.

8. Trade and other receivables (cont'd)

Changes in impairment allowance for the Group's trade receivables for the year were the following:

	<u>2024</u>	<u>2023</u>
Impairment of receivables at the beginning of the period	(1,514)	(1,741)
Impairment (reversal) is accounted for in the statement of profit or loss and other comprehensive income	(361)	(99)
Write-offs of bad debts	168	324
Other adjustments	-	2
Impairment allowance for receivables at the end of the period	<u>(1,707)</u>	<u>(1,514)</u>

Ageing of the Group's trade receivables, before impairment, from third parties can be specified as follows:

	<u>As at 31 December</u>	
	<u>2024</u>	<u>2023</u>
Amounts not past due	1,006	1,244
Overdue up to 1 month	2,660	1,734
Overdue 1 to 3 months	580	893
Overdue 3 to 6 months	248	242
Overdue 6 to 12 months	222	51
Overdue more than 12 months	716	654
Total	<u>5,432</u>	<u>4,818</u>

Ageing of the Group's trade receivables, before impairment from related parties can be specified as follows:

	<u>As at 31 December</u>	
	<u>2024</u>	<u>2023</u>
Amounts not past due	1,170	774
Overdue up to 1 month	163	386
Overdue 1 to 3 months	165	552
Overdue 3 to 6 months	3,002	666
Overdue 6 to 12 months	313	3,406
Overdue more than 12 months	862	15,035
Total	<u>5,675</u>	<u>20,819</u>

In the opinion of the management, as at the date of the statement of financial position there were no indications for trade and other receivables not overdue and for which impairment was not stated that debtors would not be able to discharge their payment obligations. Based on impairment analysis as at 31 December 2024, the Group determined that there were no significant impairment losses (Note 31).

Impairment allowance for trade receivables from the third parties more than 12 months overdue is not formed, if by the issue date of these consolidated financial statements the amount was recovered.

As at 31 December 2024, trade and other receivables with the value of EUR 169 thousand (31 December 2023 – EUR 2,273 thousand) as well as the claim rights to future receivables with the value of EUR 2,425 are pledged to credit institutions to guarantee repayment of the loans. Expiration dates of the pledge of property for different contracts vary from 2026 to 2028 (Note 14).

9. Inventories

The Group's inventories comprised:

	As at 31 December	
	2024	2023
Goods for resale	44,679	50,173
Raw materials, materials and consumables	56	46
Total	44,735	50,219

As at 31 December 2024, goods in transit amounted to EUR 284 thousand (at 31 December 2023: EUR 2,198 thousand).

As at 31 December 2024, inventories with the value of EUR 10,118 thousand (31 December 2023: EUR 14,973 thousand) were held at warehouses of third parties.

In 2024, inventories amounting to EUR 358,882 thousand (2023: EUR 277,817 thousand) were recognized as costs incurred during the year and were included in the cost of sales.

As at 31 December 2024, inventories with the carrying amount of EUR 22,625 thousand (31 December 2023: EUR 21,583 thousand) are pledged to credit institutions to guarantee repayment of loans. Expiration dates of the pledge of property for different contracts vary from 2025 to 2026 (Note 14).

10. Other investments

Other long-term investments of the Group comprised the following:

- Investments in associates, accounted for using the equity method:

	As at 31 December	
	2024	2023
Green Genius International B.V.	-	74,502
Total	-	74,502

Changes in the Group's investments in associates, stated at equity method, during the year were the follows:

	2024	2023
The Group's investments in associates at the beginning of the period	74,502	83,225
Increase (decrease) due to share of net profit (loss)	(6,359)	(11,808)
Increase (decrease) due to other comprehensive income part	(560)	3,085
Termination of equity method, reclassification to investments into shares accounted for at fair value	(67,583)	-
The Group's investments in associates at the end of the period	-	74,502

On 2 September 2024, the Articles of Association of Green Genius International B.V. (GGI) were amended and all Class A and Class B shares of GGI were converted into identical ordinary shares. Accordingly, the GGI Class B shares held by the Company became ordinary shares. On the same date, the loan granted to GGI and accumulated interest were capitalized after issuance of new ordinary shares. From this moment, the shares of the group have been accounted for at fair value.

Before converting, GGI Class B shares held by the Group granted a right to 100% of net profit (loss) of AB Green Genius Baltic; therefore, an increase (decrease) in investment during the reporting period until 2 September were accounted for according to the net profit (loss) and other comprehensive income of AB Green Genius Baltic.

As a result of the discontinuation of the equity method in the current and prior periods, the currency translation and hedging reserves accounted for under this method were realized and transferred to the statement of profit or loss and other comprehensive income: share of profit of associates and jointly controlled companies (EUR 92 thousand) and net profit (loss) from discontinued operations (EUR 1,746 thousand).

Increase (decrease) in the Group's investments in associates due to profit (loss) is accounted for in the statement of profit or loss and other comprehensive income under share of profit of associates and joint ventures, and net profit (loss) from discontinued operations.

Information on associated entities is presented in the general information part of the consolidated explanatory notes.

10. Other investments (cont'd)

2) Debt securities (Note 32):

	As at 31 December	
	2024	2023
Bonds	15,093	15,279
Accrued receivable interest	4,549	3,642
Other debt securities	168	157
Total	19,810	19,078

The interest rate of bonds amounting to EUR 14,879 thousand is 6%. The interest rate of remaining bonds amounting to EUR 214 thousand is 10%. Maturity dates: January and February 2026.

3) Investments in shares:

	As at 31 December	
	2024	2023
Green Genius International B.V.	122,590	-
UAB Parkdema	3,150	2,850
UAB Udrops	588	-
Wise Guys Batch 9 OU - 1% of shares	4	4
Air Lituania Club - 2% of shares	-	25
Other	2	2
Total	126,334	2,881

4) Investments in investment units:

	As at 31 December	
	2024	2023
Clean Energy Infrastructure Fund	3,411	396
Modus Remote Solar Fund I	2,725	2,528
Modus Renewable Energy Lithuanian Investments	795	1,755
Stichting First Energie Fonds	357	395
Wise Guys Cyber Fund 1	50	50
Modus Poland Solar Fund I	3	3
Total	7,341	5,127
Total (1+2+3+4)	153,485	101,588

Investments in shares

Investments in shares mainly comprise an investment in Green Genius International B.V. The fair value of shares is determined on the basis of the market price that has been calculated by independent valuers. In 2024, the Group acknowledged an increase in fair value amounting to EUR 13,167 thousand for this investment.

The fair values of investments into UAB Parkdema and UAB Udrops were calculated on the basis of discounted cash flows. Assessments were carried out by an external valuator. In 2024, the Group acknowledged an increase in fair value amounting to EUR 33 thousand (2023: EUR 479 thousand) for these investments. The changes in the fair value are accounted for in the statement of profit or loss and other comprehensive income under finance income (expenses) (Note 28).

Investments in investment units

The fair value of the investments units was calculated by estimating the net asset value of the fund and calculating the market value of the fund's unit, which is equal to the net asset value of the fund divided by the number of fund's units. Accordingly, the Group's share is equal to the number of fund's units held by the Group, measured at the determined market value. The net asset value of the fund consists mainly of loans granted (in one fund) and investments in operating solar power plants and wind projects in Lithuania and other European countries (in other funds), the fair value of which has been determined by independent external valuers.

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

11. Prepayments, deferred costs and accrued income

The Group's prepayments, deferred costs and accrued income comprised the following:

	As at 31 December	
	2024	2023
Prepayments	24,294	2,838
Deferred costs	1,133	1,768
Prepayments to related parties (Note 32)	139	568
Accrued income	776	442
	<u>26,342</u>	<u>5,616</u>
Less: Long-term prepayments	(75)	-
Total	<u>26,267</u>	<u>5,616</u>

12. Cash and cash equivalents

The Group's cash and cash equivalents comprised the following:

	As at 31 December	
	2024	2023
Cash in banks	6,357	6,263
Cash in hand	18	65
Cash in transit	7	29
Total	<u>6,382</u>	<u>6,357</u>

Cash and cash equivalents are denominated in the following currencies:

	As at 31 December	
	2024	2023
EUR	6,027	5,578
USD	216	139
CZK	79	466
PLN	50	100
BYN	8	21
SEK	2	-
RON	-	43
RUB	-	10
Total	<u>6,382</u>	<u>6,357</u>

The Group has measured cash and cash equivalents as at 31 December 2024 and 31 December 2023 as required by IFRS 9 and no material impairment has been identified - carrying amount of the Group's cash and cash equivalents approximates their fair value.

As at 31 December 2024 and 2023, cash and cash equivalents were not pledged to institutions to guarantee repayment of loans (Note 14).

13. Equity

Authorized capital

As at 31 December 2024 and 2023, the Company's authorized capital comprised 79,102,700 ordinary shares with the nominal value of EUR 0.29 each. All the shares are fully paid in.

In 2023 and 2023, the Group did not acquire or transfer any of its own shares.

As at 31 December 2024 and 2023, the Group's shareholders were as follows:

	Number of shares 2024	Number of shares 2023	Ownership interest (%)	Shares with voting rights (%)
MG NL holding B.V.	79,102,700	79,102,700	100%	100%
Total	<u>79,102,700</u>	<u>79,102,700</u>	<u>100%</u>	<u>100%</u>

13. Equity (cont'd)

Share premium

Share premium was recognized as a difference between the emission price and the nominal value of the shares.

Legal reserve

Legal reserve is a compulsory reserve under Lithuanian legislation. Annual contributions of at least 5% of the net profit must be allocated to the reserve up to the extent equal to 10 per cent of the authorized capital. The reserve can only be used to cover future losses.

Revaluation reserve

Revaluation reserve is an increase in the value of property, plant and equipment resulting from revaluation of assets. The reserve cannot be used to cover the losses. Changes in the revaluation reserve are presented below.

	31 December 2024		
	Revaluation	Deferred tax	Revaluation reserve, after taxes
Balance at the beginning of the period	26,469	(3,975)	22,494
Revaluation of non-current assets during the period	687	(103)	584
Depreciation of the revaluation of non-current assets	(33)	5	(28)
Disposal of subsidiaries	(2,800)	420	(2,380)
Effect of change in income tax rate	-	(7)	(7)
Adjustments	(6)	6	-
	<u>24,317</u>	<u>(3,654)</u>	<u>20,663</u>
Share of associated companies (due to termination of equity method)	(23,608)	3,541	(20,067)
Balance at the end of the period	<u>709</u>	<u>(113)</u>	<u>596</u>
	31 December 2023		
	Revaluation	Deferred tax	Revaluation reserve, after taxes
Balance at the beginning of the period	25,759	(3,868)	21,891
Revaluation of non-current assets during the period	195	(29)	166
Depreciation of the revaluation of non-current assets	(114)	17	(97)
	<u>25,840</u>	<u>(3,880)</u>	<u>21,960</u>
Share of associated companies	628	(94)	534
Balance at the end of the period	<u>26,469</u>	<u>(3,975)</u>	<u>22,494</u>

Draft appropriation of profit

The draft appropriation of profit was not prepared as at the date of approval of these consolidated financial statements.

14. Bank loans and lease liabilities

Bank loans and lease liabilities of the Group comprised the following:

	As at 31 December	
	2024	2023
Non-current portion		
Bank loans and interest payable	2,194	2,410
Lease liabilities	41,976	46,560
Total non-current portion	<u>44,170</u>	<u>48,970</u>
Current portion		
Bank loans and interest payable	19,152	15,209
Liabilities arising from derivative financial instruments	-	51
Lease liabilities	44,685	38,417
Total current portion	<u>63,837</u>	<u>53,677</u>
Total	<u>108,007</u>	<u>102,647</u>

14. Bank loans and lease liabilities (cont'd)

The following are the contractual maturities for the Group's non-current bank loans and lease liabilities:

	As at 31 December	
	2024	2023
In 2 to 5 years	40,323	43,072
After five years	3,847	5,898
Total	44,170	48,970

The Group's non-current and current bank loans and lease liabilities were denominated in the following currencies:

	As at 31 December	
	2024	2023
EUR	108,007	102,557
CZK	-	88
PLN	-	2
Total	108,007	102,647

The following are the changes in the bank loans and lease liabilities of the Group during the year:

	2024	2023
Balance of bank loans and lease liabilities at the beginning of the period	102,647	88,641
Loans received	5,605	9,936
Increase in lease liabilities	42,370	69,461
Loans repaid	(2,139)	(9,698)
Lease payments	(40,686)	(54,556)
Interest calculated	7,577	6,167
Interest paid	(7,573)	(6,143)
Transaction costs	(9)	(7)
Amortization of transaction costs	12	6
Currency exchange effect	245	(104)
Increase (decrease) in liabilities arising from derivative financial instruments	(51)	48
Offsetting	9	(1,104)
Balance of bank loans and lease liabilities at the end of the period	108,007	102,647

As at 31 December 2024, the average rate of bank loans and leasing liabilities was 5.7% (31 December 2023: 6.9%).

As at 31 December 2024 and 2023, bank loans and finance lease liabilities bore variable interest rates depending on various maturities of EURIBOR plus margins in compliance with market conditions.

As at 31 December 2024, property, plant and equipment and investment property with the carrying amount of EUR 11,669 thousand (31 December 2023 – EUR 11,515 thousand) and future real estate with the expected value of EUR 3,400 thousand are pledged to credit institutions to guarantee repayment of the loans, leasing liabilities are secured by assets under lease. Expiration dates of the pledge of property for different contracts vary from 2025 to 2028 (Note 5).

As at 31 December 2024, trade and other receivables with the value of EUR 169 thousand (31 December 2023 – EUR 2,273 thousand) as well as the claim rights to future receivables with the value of EUR 2,425 are pledged to credit institutions to guarantee repayment of the loans. Expiration dates of the pledge for different contracts vary from 2026 to 2028 (Note 8).

As at 31 December 2024, inventories with the carrying amount of EUR 22,625 thousand (31 December 2023: EUR 21,583 thousand) are pledged to credit institutions to guarantee repayment of loans. Expiration dates of the pledge of property for different contracts vary from 2025 to 2026 (Note 9).

As at 31 December 2024 and 2023, cash and cash equivalents were not pledged to institutions to guarantee repayment of loans (Note 12).

15. Other financial liabilities

Other borrowings of the Group comprised the following:

	As at 31 December	
	2024	2023
Non-current portion		
Non-current loans and accrued interest payable to related parties (Note 32)	-	14,234
Debts under debt securities and accrued interest payable to related parties (Note 32)	6,302	6,132
Debts under debt securities and accrued interest payable	-	8,000
	6,302	28,366
Current portion		
Current loans and accrued interest payable to related parties (Note 32)	2,226	4,312
Debts under debt securities and accrued interest payable	9,040	1,090
Other financial liabilities	3,219	4,778
	14,485	10,180
Total	20,787	38,546

The following are the changes in the Group's other borrowings during the year:

	2024	2023
Balance of other borrowings at the beginning of the period	38,546	50,721
Redeemed bonds	(1,001)	(8,172)
Bonds issued	1,001	1,001
Loans received	3,000	268
Loans repaid	(5,948)	(5,976)
Interest calculated	2,401	2,269
Interest paid	(1,949)	(1,489)
Disposal of subsidiaries	192	-
Transaction costs	(160)	-
Amortization of transaction costs	81	-
Offsetting	(15,376)	(76)
Balance of other borrowings at the end of the period	20,787	38,546

As at 31 December 2024 and 2023, other financial liabilities of the Group are denominated in EUR. Loans from related parties bear variable interest rates related to EURBOR and fixed interest rates that are in line with the market conditions.

Borrowings under debt securities

	2024	2023
AB Šiaulių bankas	7,984	8,066
Shareholder	6,302	6,133
INVL Bridge Finance	1,056	1,023
Total	15,342	15,222

Publicly distributable bond emission was issued on 4 December 2023. Accounting of financial instruments is carried out by AB Šiaulių bankas. The bond emission was used to refinance the EUR 8,000 thousand bond emission maturing on 4 December 2023. The Group has received a guarantee for the emission of bonds from the company MG NL holding B.V., as at 31 December 2024, the amount of the guarantee is EUR 8,000 thousand. Expiration of the guarantee coincides with the redemption of bonds; i. e. the guarantee expires on 4 December 2025.

The other bonds were not publicly traded. As at 31 December 2024, the average interest rate on the issued bonds was 8.5% (31 December 2023: 9.7%), maturity periods vary from 2025 to 2028.

The Group has pledged the shares in UAB Unimodus to the fund INVL Bridge Finance with a maturity ending in 2025. The maximum pledge under the agreement is EUR 1,470 thousand.

16. Non-current employee benefits

According to the legislative requirements of the Republic of Lithuania, each employee at the age of retirement is entitled to a one-off payment in the amount of 2-month salary.

The Group's employee benefits comprised of the following:

	<u>2024</u>	<u>2023</u>
Employee benefits in the beginning of the period	142	102
Formed	(56)	40
Disposal of subsidiaries	(3)	-
Employee benefits at the end of the period	<u>83</u>	<u>142</u>

For calculation of the employee benefits, the Group evaluated an impact of the mortality level in Lithuania, the discount rate, the retirement age, age and turnover of employees, growth of remuneration and other factors. Actuarial loss related to the above mentioned liabilities are presented in the Group's statement of profit or loss and other comprehensive income under employee benefits (accrual).

17. Grants and subsidies

The grants and subsidies of the Group consisted of the following:

	<u>2024</u>	<u>2023</u>
Grants and subsidies in the beginning of the period	1,842	1,840
Grants and subsidies received during the period	69	265
Amortization	(291)	(259)
Disposal of subsidiaries	(793)	-
Grant used to compensate for costs	(9)	(4)
Grants and subsidies at the end of the period	<u>818</u>	<u>1,842</u>

In 2018, a grant was received from the project 'Development of Solution for Innovative Management of Car-Sharing Service' co-financed by the EU Structural Funds. The grant was received for development of non-current assets. The grant is recognized as used when assets are amortized and compensated costs are incurred.

In 2024, the portion of the unused grant amounted to EUR 586 thousand (2023: EUR 757 thousand).

In 2024 and 2023, a grant was received from the Climate Change Programme of Environmental Projects Management Agency of Ministry of Environment of the Republic of Lithuania. The grant was received for expansion of the car fleet by implementing environmentally-friendly measures. The grant is recognized as used when assets are depreciated and compensated costs are incurred.

In 2024, the portion of the unused grant amounted to EUR 223 thousand (2023: EUR 269 thousand).

In 2024, a grant from the Ministry of Interior care of Civipol was received to reimburse the costs incurred.

In 2024, the portion of the unused grant amounted to EUR 9 thousand (2023: EUR 18 thousand).

18. Provisions

Provisions of the Group included the following:

	<u>2024</u>	<u>2023</u>
Guarantee provisions	122	143
Other	10	10
Total	<u>132</u>	<u>153</u>

19. Prepayments, accrued liabilities and deferred income

The Group's prepayments received, accrued liabilities and deferred income comprised the following:

	<u>2024</u>	<u>2023</u>
Advances received	27,755	17,248
Accrued costs	1,519	1,461
Prepayments received from related parties (Note 32)	263	712
Deferred income	219	616
Total	<u>29,756</u>	<u>20,037</u>
Less: non-current advances received	(416)	(293)
Total	<u>29,340</u>	<u>19,744</u>

20. Employment related liabilities

The Group's liabilities related to employment relations comprised the following:

	<u>2024</u>	<u>2023</u>
Vacation reserve	1,987	1,821
Accrued annual bonuses	1,219	947
Payable remuneration	751	830
Payable taxes related to remuneration	623	611
Total	<u>4,580</u>	<u>4,209</u>

21. Trade, other payables and current liabilities

As at 31 December, Group's trade, other amounts payable and current liabilities comprised the following:

	<u>2024</u>	<u>2023</u>
Trade payables	6,559	5,995
Trade payables to related parties (Note 32)	758	50
Payable VAT	99	1,448
Other taxes payable (excluding corporate income tax)	883	5,224
Other amounts payable	22	28
Total	<u>8,321</u>	<u>12,745</u>
Less: non-current other amounts payable	(2)	(2,178)
Total	<u>8,319</u>	<u>10,567</u>

Other payable taxes mainly comprise tax loan balances with the State Tax Inspectorate and the State Social Security Fund Board. The loans mature in 2025.

The remaining above mentioned trade, other amounts payable and current liabilities are interest-free and they are usually assigned a payment term of up to 30 days.

22. Revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

For the year ended 31 December, the Group's revenue comprised the following:

	<u>2024</u>	<u>2023</u>
Primary geographic markets		
Lithuania	110,830	119,852
Latvia	72,591	70,848
France	71,887	26,367
Germany	52,281	40,982
Belarus	45,656	32,411
Belgium	34,593	23,113
The Netherlands	17,539	6,799
Estonia	14,681	21,869
Italy	11,582	6,380
South Korea	3,280	3,756
Other countries	20,048	16,073
Total	<u>454,968</u>	<u>368,450</u>

22. Revenue (cont'd)

	2024	2023
Major product and service lines		
Revenue from sale of cars	342,760	249,980
Revenue from sale of parts	64,058	70,571
Revenue from lease of cars	32,205	30,894
Revenue from car repair services	10,365	10,032
Other	5,580	6,973
Total	454,968	368,450
Timing of revenue recognition		
At a point of time	446,838	362,562
Over a certain period	8,130	5,888
Total	454,968	368,450

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over goods or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the revenue recognition policies.

Type of product / service	Nature and timing of the satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Revenue from sale of cars and spare parts	The Group sells new and used cars and spare parts both to individuals and to legal persons. Invoices are issued under contractual terms and are usually payable immediately or within 15 days.	Revenue is recognized when a car or parts are delivered to the customer – i.e. when the customer assumes all the risks and rewards for the goods.
Revenue from car repair services	The Group provides car repair services both to individuals and to legal persons. Invoices are issued under contractual terms and are usually payable immediately or within 15 days.	Revenue is recognized after actual delivery of the service.
Revenue from long-term lease of cars	The Group provides long-term lease services of vehicles. Invoices are issued for each month of the lease period and must be settled on the day of the current calendar month on which the rental agreement comes into force.	Revenue is recognized in the period in which the operational obligations are settled.
Revenue from short-term lease of cars	The Group provides short-term lease of vehicles. Accounting (reporting) period – one calendar month. Invoices are issued and revenue recognized at a particular point in time – on the last day of each reporting period for the previous month. Settlement term for legal persons - 30 days. Individuals pay for the services immediately after they are rendered.	Revenue is recognized after actual delivery of the service.

23. Cost of sales

For the year ended 31 December, the Group's cost of sales comprised the following:

	2024	2023
Cost of sale of cars*	308,224	220,232
Cost of sale of spare parts*	50,658	57,585
Depreciation and amortization	8,747	7,799
Salaries and related taxes	7,317	6,809
Fuel	4,108	4,757
Repair and maintenance costs of cars and other equipment	4,016	4,211
Parking services	1,748	1,655
Insurance	1,609	1,205
Cost of warranty works	1,346	1,402
Other	7,138	5,400
Total	394,911	311,055

In 2024, inventories amounting to EUR 358,882 thousand (2023: EUR 277,817 thousand) were recognized as costs incurred during the year and were included in the cost of sales.

24. Other operating results

For the year ended 31 December, finance income (expenses) comprised the following:

	<u>2024</u>	<u>2023</u>
OTHER ACTIVITY INCOME		
Profit on disposal of investments into subsidiaries	1,061	-
Received penalties and covering of damages	578	657
Gain from disposal of property, plant and equipment	137	52
Received payments and compensations for covering repair costs and penalties	56	34
Gain from resold services	31	76
Other income	191	353
	<u>2,054</u>	<u>1,172</u>
OTHER ACTIVITY EXPENSES		
Loss on disposal of investments in subsidiaries and liquidation	(44)	(127)
Compensated costs of repair of assets and covering of penalties	(31)	(93)
Other expenses	(59)	(172)
	<u>(134)</u>	<u>(392)</u>
Other operating results	<u>1,920</u>	<u>780</u>

25. Selling expenses

For the year ended 31 December, selling expenses comprised the following:

	<u>2024</u>	<u>2023</u>
Salaries and related expenses	12,087	11,751
Advertising and promotional costs	3,229	3,342
Transportation and short-term insurance costs	1,091	919
Trainings and secondments	588	362
Representation expenses	558	619
Intermediary costs	448	490
Demo and exposition car maintenance	305	282
Fuel and lease of cars	239	273
Depreciation and amortization	162	129
Customer service	136	211
Warehousing expenses	68	235
Legal and other consulting services	43	105
Other	690	548
Total	<u>19,644</u>	<u>19,266</u>

26. Administrative expenses

For the year ended 31 December, administrative expenses consisted of the following:

	<u>2024</u>	<u>2023</u>
Salaries and related expenses	7,762	8,207
Depreciation and amortization	3,906	3,698
IS lease and maintenance expenses	1,419	1,264
Maintenance of premises, repair and maintenance of equipment	1,203	979
Accounting and audit expenses	1,191	1,385
Legal and consulting expenses	1,082	1,193
Taxes	1,064	837
Fuel, car lease and maintenance	283	334
Communication services	220	277
Business trip expenses	189	203
Bank services	183	218
Support	95	189
Impairment (reversal) of property, plant and equipment	70	(64)
Write-down (reversal of write down) and write-off of inventories	(167)	1,013
Other	1,186	911
Total	<u>19,686</u>	<u>20,644</u>

27. Business acquisitions, disposals

Profit from disposal of investments into subsidiaries for the year ended 31 December, included the following:

	<u>2024</u>	<u>2023</u>
Profit (loss) on disposal of investments into subsidiaries engaged in real estate business	1,061	-
Profit (loss) on disposal and liquidation of investments into subsidiaries engaged in mobility business	(44)	1
Profit (loss) on disposal of other investments into subsidiaries	-	(128)
Total	<u>1,017</u>	<u>(127)</u>

Profit on disposal of investments into subsidiaries engaged in real estate business

In 2024, the Group sold its subsidiaries UAB Kreta, UAB Helmont projects 3 (former UAB Unimodus) and Mobility Fleet Solutions S.R.L.

The Group liquidated the subsidiaries Mobility Fleet Solutions Slovakia, s.r.o. and Mobility Fleet Solutions Sp. z o.o.

The sale of companies shall not be assumed as discontinued operations, as the activity in which the sold companies were engaged continues to be conducted or the sold companies did not form a significant individual activity segment.

Below is the table on sale and liquidation transactions (the difference between the carrying amounts and fair values was not significant):

Non-current assets	
Property, plant and equipment	5,074
Total non-current assets	5,074
Current assets	
Loans granted and term deposits	191
Trade and other receivables	87
Prepayments, deferred costs and accrued income	22
Prepaid income tax	15
Total current assets	315
Total assets	5,389
Non-current liabilities	
Deferred tax liabilities	595
Grants and subsidies	793
Total non-current liabilities	1,388
Current liabilities	
Income tax liabilities	22
Prepayments, accrued liabilities and deferred income	74
Employment related liabilities	19
Trade and other payables	115
Total current liabilities	230
Total liabilities	1,618
Net assets at the time of disposal	3,771
Net assets at the time of disposal, owned by non-controlling interest	-
Net assets at the time of disposal, owned by shareholders of the parent company	3,771
Disposed share capital, %	100
Sale price	5,122
Cash and cash equivalents	320
Cash receivable from disposal	925
Cash flows from disposal	3,877
Write-off of construction in progress related to disposal of subsidiary	14
Profit (loss) on disposal of investments into subsidiaries	1,017

UAB Modus Grupė

Company code 302719143, Ozo g. 10A, LT-08200 Vilnius

Explanatory notes to the consolidated financial statements for the year ended 31 December 2024

(In EUR thousand, unless otherwise stated)

27. Business acquisitions, disposals (cont'd)

Company name	Date of disposal	Data of carrying amounts
UAB Kreta	15/03/2024	15/03/2024
UAB Helmont projects 3	09/12/2024	06/12/2024
Mobility Fleet Solutions S.R.L.	25/06/2024	30/06/2024
Mobility Fleet Solutions Slovakia, s.r.o	19/10/2024	30/09/2024
Mobility Fleet Solutions Sp. z o.o.	20/12/2024	18/12/2024

Acquisitions

In 2024, the Group acquired Taranto sp. z o.o. The net assets of the company at the time of acquisition amounted to EUR 0 thousand and the purchase price was EUR 2 thousand. A full impairment loss of EUR 2 thousand was recognized for goodwill in 2024, which was recognized in the income statement.

Profit (loss) on disposal of investments in subsidiaries in 2023

In 2024, the Group disposed of the subsidiaries UAB Axton Commodities and SL Mobility Fleet Solutions Spain. The gain on disposal was EUR 127 thousand, recognized in the statement of profit or loss.

28. Finance income and finance costs

For the year ended 31 December, finance income (expenses) comprised the following:

	2024	2023
FINANCE INCOME		
Gain from the increase in financial assets at fair value	15,031	3,378
Interest income	1,566	1,982
Dividend income	824	589
Reversal of impairment of loans granted	61	-
Penalties and fines (income)	20	23
Currency exchange gain	-	47
Other income from financing and investing activities	55	7
	17,557	6,026
FINANCE EXPENSES		
Interest expenses	(10,144)	(8,770)
Impairment of financial assets measured at fair value	(1,506)	(294)
Currency exchange loss	(719)	-
Guarantee commitment and commission fees	(179)	(116)
Penalties and fines	(10)	(17)
Impairment of investments	-	(1)
Loss arising from derivative financial instrument	-	(48)
Impairment of loans granted	-	(601)
Other expenses from financing and investing activities	(82)	(90)
	(12,640)	(9,937)
Financing activity result	4,917	(3,911)

29. Corporate income tax

In 2024 and 2023, corporate income tax in the Group and subsidiaries operating in Lithuania is calculated by applying a 15% income tax rate for the estimated taxable profit of the period. Income tax in other countries is calculated using income tax rates applicable in those countries.

As at 31 December, the Group's income tax expenses (income) recognized in the statement of profit or loss comprised the following:

	2024	2023 (restated*)
Current tax expense	3,789	4,203
Deferred tax expense (income)	159	(374)
Fee paid for tax loss carry-forwards from Group companies	816	633
Corrections of corporate income tax of previous reporting periods	(1,975)	(1,102)
Income tax expense (income) recognized in the statement of profit or loss and other comprehensive income	2,789	3,360

29. Corporate income tax (cont'd)

Changes in the Group's deferred income tax assets and liabilities were the following:

	2024	2023 (restated*)
Expenses (income) recognized in the statement of profit or loss	159	(364)
Gain (loss) on revaluation of property, plant and equipment not recognized in the income statement	110	29
Expenses (income) recognized in other comprehensive income (including change due to currency exchange rate fluctuations)	-	(10)
Transfers of assets (liabilities) in connection with disposals of subsidiaries	(595)	126
Change in deferred income tax, net	(326)	(219)

*See Note 33

The following is a reconciliation of the Group's corporate income tax:

	2024	2023
Profit (loss) before tax	19,248	5,340
Corporate income tax applying a standard income tax rate of 15%	2,887	801
Tax effect of non-taxable income	(2,866)	(706)
Non-deductible (deductible) expenses	648	728
Accumulation of tax losses	1,189	1,465
Effect of different income tax rates applicable to foreign subsidiaries	819	596
Adaptation of an investment allowance	(81)	(18)
Impact of the income tax due to equity method accounting of the associated entities' interest	1,193	1,337
Total corporate income tax expense (income)	3,789	4,203

Changes in temporary differences of the Group before and after tax effect were as follows:

	Temporary differences		Deferred tax	
	As at 31 December		As at 31 December	
	2024	2023 (restated*)	2024	2023 (restated*)
Deferred income tax asset				
Tax losses	11,179	12,129	1,789	1,819
Impact of IFRS 16 on deferred income tax	1,077	718	172	108
Write-down of inventories	851	651	136	98
Accrued costs	564	110	90	17
Bonus reserve	478	175	76	26
Vacation reserve	284	186	45	28
Impact of different corporate tax rates for foreign subsidiaries	224	(90)	36	(14)
Impairment of amounts receivable	175	394	28	59
Other accumulated amounts	1,187	572	190	86
Total deferred tax asset	16,019	14,845	2,562	2,227
Deferred tax liability				
Differences between financial and tax reporting of non-current assets	(12,536)	(13,291)	(2,006)	(1,994)
Accrued income	(6)	(29)	(1)	(4)
Total deferred tax liabilities	(12,542)	(13,320)	(2,007)	(1,998)
Deferred income tax, net	3,477	1,525	555	229

*See Note 33

In Lithuania, the income tax rate is 16% from 1 January 2025, so the rate of 16% has been applied when calculating the deferred income tax.

The Group has the right to aggregate recognized deferred income tax assets and deferred income tax liabilities on a jurisdictional basis, i.e. when they relate to the same tax authority. In the table above, deferred income tax assets and liabilities are shown before netting and are aggregated in the consolidated statement of financial position to present a more accurate view of the financial position.

Deferred tax assets arising from tax losses are recognized because the Group's management expects them to be realized in the foreseeable future, taking into account taxable profit forecasts.

Deferred tax assets and liabilities are offset if they are realized in net value and over those periods, and are related to the same tax administration authority. Each Group company pays income tax at net value; i.e. offsets temporary differences; therefore, deferred tax liabilities of each Group company are offset against deferred income tax assets of that company. Deferred income tax assets and liabilities of different Group entities are offset. Deferred income tax assets and liabilities arising on consolidation entries are also offset if they are related with the same tax administration authority.

29. Corporate income tax (cont'd)

The deferred income tax of the Group as at 31 December in different tax jurisdictions:

	As at 31 December	
	2024	2023
Deferred income tax asset		
Lithuania	514	263
Belarus	51	-
Latvia	21	18
Estonia	1	1
Czech Republic	-	1
Total deferred tax asset	587	283
Deferred tax liability		
Latvia	32	-
Belarus	-	54
Total deferred tax liability	32	54
Total	555	229

30. Contingent liabilities

In 2024 and 2023, the Group was not involved in any legal proceedings that could, in the opinion of the management, have significant influence on the Group's consolidated financial position.

The tax administrator has not performed a full-scope tax investigation in the Group. 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 of the Group is not aware of any circumstances which would cause calculation of additional significant liabilities due to unpaid taxes.

The Group has not issued any guarantees / sureties as at 31 December 2024; the Group issued the following guarantees as at 31 December 2023:

Receiver of guarantee/surety	Type	Maturity term of guarantee/surety	Currency	As at 31 December	
				2024	2023
European Bank for Reconstruction and Development	Guarantee (for UAB Helmonts Projects)	30/06//2024	EUR	-	700
Total				-	700

All the companies for which the sureties have been issued are related companies. Furthermore, all the companies met the financial ratios if such were prescribed in the loan agreements. Therefore, no provisions for the liabilities related to the sureties issued have been recognized as at 31 December 2024.

The Group has issued guarantees to car factories and car showroom owners for an amount of EUR 3,381 thousand (2023: EUR 7,125 thousand). The guarantees are valid until 2026 (2023: until 2026).

In 2024, some Group entities were not in compliance with the requirement of the Law on Companies of the Republic of Lithuania, which provides that a company's equity cannot be lower than 1/2 of its authorized capital. The following are the companies which were not in compliance with the requirement as at 31 December 2024: UAB Prime Leasing, UAB Inter Krasta, UAB Luxury Motors, UAB Valunta, UAB Modus Group Services.

The investment of EUR 3,150 thousand (2023: EUR 2,850 thousand) into UAB Parkdema has been pledged as to the agreement with the creditor. The agreement provides for subordination of the held bonds as well, the value of which amounts to EUR 14,879 thousand (2023: EUR 14,879 thousand). Maturity period - December 2025.

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.

31. Financial instruments – fair values and risk management

Main financial liabilities of the Group comprise loans, lease, other financial debts, trade and other payables. The main objective of these financial liabilities is to increase financing of the Group's activities and to guarantee liquidity.

The Group classifies financial liabilities into three groups:

- Bank loans and lease liabilities (Note 14);
- Other financial debts (Note 15);
- Trade, other payables and current liabilities (Note 21).

The Group has various financial assets: trade and other receivables, loans granted, short-term investments and cash.

The Group classifies financial assets into three groups:

- Cash and cash equivalents (Note 12);
- Other investments (Note 10).
- Trade, other receivables and loans granted stated at amortized cost (Notes 8 and 7 respectively).

Fair value

As at 31 December 2024 and 2023, the Group did not have any significant financial instruments, presented at fair value in the statement of financial position, except for the investments into shares and investment units (Note 10).

The Group's main financial assets and liabilities not carried at fair value are trade and other receivables (including loans granted), non-current and current trade and other debts.

The fair value of the Group's financial assets and liabilities as at 31 December 2024 and 2023, approximates their carrying amount.

Methods and assumptions used for determination of fair values are described below:

- The carrying amount of current trade and other receivables, current trade and other payables and short-term borrowings approximates fair value due to short-term nature of instruments.
- The fair value of long-term liabilities is established on the basis of the market price of the same or similar loan or interest rate applicable at the time for loans with the same maturity term. The fair value of long-term liabilities with variable interest is close to their carrying amount.
- The fair value of the investments into shares and investment units has been determined based on the valuation of independent appraisers.

The main risks arising from financial instruments are credit risk, interest rate risk, liquidity risk, foreign currency risk. The Group is also exposed to capital management and inventories risk. Risks are described below.

Credit risk

The Group's credit risk is primarily related to amounts receivable (including loans granted) and arises due to potential default of other contract parties to meet contractual obligations. Amounts receivable in the statement of financial position are stated less doubtful amounts receivable which the Group estimates based on previous experience and current economic environment. Credit risk related to cash is limited since the Group performs transactions with banks having high credit rating issued by foreign agencies.

The amount of maximum exposure to credit risk equals the carrying amount of receivables, loans granted, term deposits and cash and cash equivalents which amounted to EUR 20,535 thousand (31 December 2023: EUR 75,862 thousand) in the Group as at 31 December 2024.

The Group's credit risk is measured separately for Group entities. Balance of amounts receivable of Group entities and overdue amounts receivable are controlled each month.

The Group's credit risk concentration related to trade amounts receivable is not high. The Group has no significant transactions carried out in a different country to the one in which a respective Group entity operates.

An analysis of non-overdue and overdue amounts receivable and loans granted as well as impairment recognized as at 31 December 2024 and 2023 is presented in Notes 7 and 8.

31. Financial instruments – fair values and risk management (cont'd)

Expected credit loss assessment.

Trade and other receivables

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and available press information about customers). The following segments of credit risk were identified, taking into account the types of customers and the services purchased: 1) car trading in companies of mobility sector - business clients and private persons; 2) operating lease of cars - business clients and private persons; 3) finance lease of cars - business clients and private persons; 4) lease of real estate – business clients and private persons; 5) sales of energy (electricity, heat, gas) – business clients and 6) sale of cars in automotive sector entities– business clients and private persons. The ECLs rate is estimated for each segment based on actual credit loss experience over the past year. These rates are multiplied by scalar factors to reflect the differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The ECL for trade receivables from related parties is calculated individually assessing the expected credit risk because historically these amounts are recoverable and the credit risk is considered to be minimal.

Trade receivables have no significant element of financing. The Group's credit terms for sales are 30 days from receipt of the invoice.

The Group applies the simplified approach for trade receivables.

The Group has elected to use a provision matrix to calculate ECLs, which is based on:

- historical default rates over expected deadline for trade receivables;
- correction of assessment of future forecasts.

	<u>2024</u>	<u>2023</u>
Balance at 1 January in accordance with IFRS 9	(1,514)	(1,741)
Recalculated net impairment	(361)	(99)
Amounts written off	168	324
Other adjustments	-	2
Balance at 31 December in accordance with IFRS 9	<u>(1,707)</u>	<u>(1,514)</u>

Based on impairment analysis performed as at 31 December 2024 and 2023, the Group determined that there were no significant impairment losses, except for the accounted ones.

Loans granted

The Group uses individual assessment model to determine expected loss of loans granted. The Group uses internal credit rating categories which reflect credit risk on financial assets. Expected economic changes (country and sector risk) are included in the internal rating model. The Group's management reviews the main economic indicators of the markets in which the Group's debtors operate and determine any expected significant changes which could have an impact on the expected credit losses.

If the management determines that there are no significant expected economic variables, the expected credit loss based on historic information are used. Following analysis, no significant expected credit losses were determined.

As at 31 December 2024 and 2023, there were no indications that the amounts receivable, the impairment for which was not accounted for, may not be recoverable.

Interest rate risk

The Group is exposed to the risk of changes in interest rate due to bank loans and other financial borrowings with variable interest rates. As at 31 December 2024, such liabilities of the Group amounted to EUR 100,450 thousand (31 December 2023: EUR 96,625 thousand). In 2024 and 2023, the Group managed the risk and maintained the optimum level of debt.

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates (increase/decrease in basis points is determined based on economic conditions and the Group's experience), with all other variables held constant (through the impact on floating rate borrowings). There is no other impact on the Group's equity, other than the impact of income tax of the current year.

	<u>Increase / decrease, p.p.</u>	<u>Impact on the Group's profit before taxes</u>
2024	0.3	367
2023	0.3	254

31. Financial instruments – fair values and risk management (cont'd)

Liquidity risk

The objective of short-term liquidity risk management is to control the day to day funds' requirement. Each Group entity independently plans its internal cash flows. The Group's short-term liquidity is controlled by daily assessments of the balances and requirement of cash and cash equivalents.

The risk of long-term liquidity is controlled by analyzing the expected future cash flows taking into consideration possible financing sources. The ability to raise required funds and the impact of the investments carried out on the Group's liquidity are assessed before approval of the Group's new investment project.

Foreign exchange risk

The Group is not exposed to significant foreign exchange risk as the majority of assets and liabilities is denominated in EUR.

The Group is exposed to foreign exchange risk when sales, purchases and borrowings are denominated in other currencies than the Euro.

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in currency exchange rates due to changes in the value of monetary assets and liabilities, with all other variables held constant.

	Foreign exchange rate	Increase / decrease, %	Impact on the Group's profit before taxes
2024	EUR/BYN	+5%	(14)
	EUR/USD	+5%	(10)
	EUR/CZK	+5%	(4)
	EUR/PLN	+5%	(2)
	EUR/BYN	-5%	15
	EUR/USD	-5%	11
	EUR/CZK	-5%	5
	EUR/PLN	-5%	2
2023	EUR/BYN	+5%	(25)
	EUR/CZK	+5%	(18)
	EUR/PLN	+5%	(9)
	EUR/USD	+5%	(7)
	EUR/RON	+5%	(3)
	EUR/BYN	-5%	28
	EUR/CZK	-5%	20
	EUR/PLN	-5%	10
	EUR/USD	-5%	7
	EUR/RON	-5%	3

Capital management

The Group manages its capital to ensure that the capital is sufficient to guarantee the Group's activities. The management of entities controls that the entities are in compliance with capital requirements provided in legislation and loan agreements and provide information to the Group's management. There were no changes in the policies or processes of capital management in 2024 and 2023.

The Law on Companies of Republic of Lithuania requires for the equity of a separate company to comprise no less than 50% of its share capital. In 2024 and 2023, the equity of the Group was in compliance with the legal requirements.

32. Related party transactions

Salaries of the Group's key management personnel and related taxes:

	<u>2024</u>	<u>2023</u>
Employment-related amounts calculated for the year:		
Key remuneration and related taxes	2,608	2,988
Number of the management members	21	21

The head who manages several companies is treated as one head.

The Group has granted a loan to the Company's Director Erika Huhtala, interest: fixed margin, the loan matures in July 2025. As at 31 December 2024, the outstanding balance of the loan was EUR 15 thousand. During 2024, the management of the Group was not granted any loans, guarantees, there were no other paid or calculated amounts of disposals of assets.

During 2024 and 2023, the main transactions of the Group entities carried out with related entities were receipt of loans from related parties, issue of loans to related parties, supply of goods and provision of services.

The related parties of the Group include:

- The ultimate beneficial owner (shareholder) is K. Martinkėnas.
- The ultimate parent company is MG NL Holding B.V.;
- Entities of the entities group – MG NL Holding B.V. group entities;
- Associated entities – the list of entities is provided in the part of general information in the explanatory notes;
- Other related parties – other entities controlled by MG NL Holding BV shareholder, his family members and management of the Group.

The table below provides information on transactions with related entities during the period ended 31 December 2024:

Related party	Amounts and loans receivable	Amounts and loans payable	Sales of goods and services (including interest)	Purchases of goods and services (including interest)
<i>Ultimate beneficial owner</i>	-	6,354	-	303
<i>Parent company</i>	80	-	7	61
<i>Entities of the entities group</i>	583	129	1,534	639
<i>Associated entities</i>	-	-	-	-
<i>Other related companies</i>	24,573	3,066	14,795	12,995
Total	25,236	9,549	16,336	13,998

The table below provides information on transactions with related entities during the period ended 31 December 2023:

Related party	Amounts and loans receivable	Amounts and loans payable	Sales of goods and services (including interest)	Purchases of goods and services (including interest)
<i>Ultimate beneficial owner</i>	-	6,333	-	308
<i>Parent company</i>	275	-	13	19
<i>Entities of the entities group</i>	41,751	93	2,032	697
<i>Associated entities</i>	6	-	9	-
<i>Other related companies</i>	39,350	19,014	25,847	20,386
Total	81,382	25,440	27,901	21,410

33. Corrections of errors

In the consolidated financial statements for 2023, no deferred income tax has been calculated on changes in the value of investment property following independent valuations of investment assets. The Group's management has decided, in accordance with IFRS, to make adjustments to the comparative figures in the consolidated financial statements in order to accurately reflect the Group's financial position.

The adjustments made to the main parts of the consolidated financial statements are detailed below. The related Note 29 has also been amended accordingly.

Item of the consolidated statement of profit or loss and other comprehensive income	2023 before correction	Correction	2023 after correction
Corporate income tax	(2,977)	(393)	(3,370)
Item of the consolidated statement of cash flows	2023 before correction	Correction	2023 after correction
Net profit (loss)	(530)	(393)	(923)
Income tax expenses (income)	2,977	393	3,370
Item of the consolidated statement of financial position	2023 before correction	Correction	2023 after correction
Retained earnings (loss)	109,483	(393)	109,090
Deferred income tax asset	676	(393)	283
Item of the consolidated statement of changes in equity	2023 before correction	Correction	2023 after correction
Net profit (loss) for the reporting period	(530)	(393)	(923)

34. War in Ukraine

Activity in Belarus

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 Group conducts a part of its activities in the Belarus market, including sales of new cars, parts, warranties, and other services. The Group is affected by the Belarusian economy and financial markets. As a response to the Russia's war against Ukraine started in February 2022 and the involvement of Belarus in the criminal acts of Russia, numerous countries - including the United States of America, the United Kingdom, and European Union - imposed and (or) expanded economic sanctions on legal and natural entities based in Belarus. The sanctions also include asset freezes, payment system limitations, trade restrictions, and travel bans. The expansion of sanctions has already had and will continue to have a negative impact on the economic uncertainty in Belarus, including higher volatility in equity markets, the depreciation of the Belarusian ruble, lower domestic and foreign direct investment flows, the impact on trade flows and trade disruptions with companies operating in Belarus, and a significant reduction in borrowing capacity. Since no agreements were finalized for the disposal of the automotive business by 31 December 2024, the Group's assets and liabilities associated with the business conducted in Belarus were kept on a going concern basis.

The management does not expect that the situation described above will have material adverse effect on the Group's business, or its going concern, financial position, or operating results.

34. War in Ukraine (cont'd)

The consolidated balance sheet of the Group's companies operating in Belarus at the Group level as of 31 December 2024 is presented below:

	<u>2024</u>
Intangible non-current assets	147
Tangible non-current assets	217
Other non-current assets	<u>129</u>
Inventories	10,930
Amounts receivable within one year	1,257
Short-term investments	1,703
Cash and cash equivalents	223
Deferred costs and accrued income	<u>20</u>
Amounts payable within one year and other current liabilities	6,891
Accrued costs and deferred income	<u>54</u>

Revenue from the activity in Belarus (Note 22) for the year ended as at 31 December 2024 amounted to EUR 45,656 thousand (31 December 2023: EUR 32,411 thousand).

Activity in Ukraine

The Group did and does not conduct significant activity in Ukraine.

Activity in the Russian Federation

The Group did and does not conduct activity in the Russian Federation.

Investments in energy sector

The Group owns shares of Green Genius International B.V. Following the beginning of war, the management of Green Genius International B.V. Group took the decision to withdraw from the Belarus market; the process was completed in 2024.

35. Going concern

The Group's financial statements were prepared based on the going concern principle. The Group's current liabilities exceeded its current assets, but the Group's management believes that this circumstance will not have a material impact on the Group's going concern as, due to the nature of its car-sharing and long-term car rental activities, cars are considered as a part of working capital, as at 31 December 2024, the carrying amount of these cars was EUR 71,615 thousand. Therefore, the Group's actual liquidity is assessed by including cars accounted for as non-current assets in current assets, as they are liquid assets that can be realized quickly. The majority of current liabilities are lease liabilities (car repurchases) and, due to the nature of the business and long experience, repurchased cars are sold to customers and new cars are purchased. The fleet is thus rotated intensively to ensure the attractiveness of the Group's services and a continuous cash flow.

36. Subsequent events

After the end of the financial year until the date of approval of these financial statements, no other subsequent events occurred, except for the ones described above, which would have a material effect on the financial statements or require additional disclosure.

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PRIVATE LIMITED LIABILITY COMPANY MODUS GRUPĖ
CONFIRMATION OF THE RESPONSIBLE PERSONS

24 April 2025

Vilnius

For UAB Modus Grupė, company code: 302719143, legal address: Ozo g. 10A, Vilnius, the Republic of Lithuania, data is collected and stored at the Register of Legal Entities., the Company's Director and Finance Director are responsible for fairness and completeness of the annual consolidated financial statements.

We, Erika Huhtala, Director of UAB Modus Grupė, and Mantas Piliponis, Group Senior Finance Controller, confirm that, to our knowledge, the consolidated financial statements for the year ended 31 December 2024 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the Group's consolidated financial position, consolidated operating results and consolidated cash flows for the year then ended. We also confirm that, to our knowledge, the information on business development and overview of activities as well as other information, provided in the consolidated management report of UAB Modus Grupė for the year ended 31 December 2024, is correct.

UAB Modus Grupė
 Director Erika Huhtala

UAB Modus Grupė
 Group Senior Finance Controller Mantas Piliponis
