

Roja

"Banga Ltd" SIA

Reg. No. 41203031343

Akas street 74B, Roja, Roja parish, Talsi county, LV-3264

Annual report for the year 2023

**prepared in accordance with international
Financial reporting standards as adopted by the
and an Independent Auditors' Report**

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COMPANY INFORMATION

Name of the Company	"Banga Ltd" SIA		
Legal status of the Company	Limited liability company		
Registration No. and date	41203031343, November 22, 2007		
Registered office	Akas street 74B, Roja, Roja parish, Talsi county, LV-3264		
Major shareholders	Curlandia SIA -100%, 40103629334, Akas street 74B, Roja, Roja parish, Talsi county, LV-3264		
Members of the Board	Ingus Veckāgans	–	Member of the Board
Annual report prepared by	Inita Andriksone	–	Chief Accountant
Reporting year	from 01.01.2023	to	31.12.2023
Previous reporting year	from 01.01.2022	to	31.12.2022
Type of company's activity	Processing and preserving of fish, crustaceans and molluscs		
NACE classification code	10.20		
Auditors	Grant Thornton Baltic Audit SIA Blaumana str. 22 Riga, LV - 1011 License No. 183		Certified Auditor Ieva Aizsila Certificate No. 233

MANAGEMENT REPORT

General information

The company SIA "Banga LTD" was founded in 2007 in the fishing village of Roja, in the northwestern part of Latvia, where its production manufacturing is located, but its beginnings can be traced back to 1947. The Company's core business is seafood canning and it offers a full canning cycle from fresh/frozen fish pre-processing to packing, labeling and delivery.

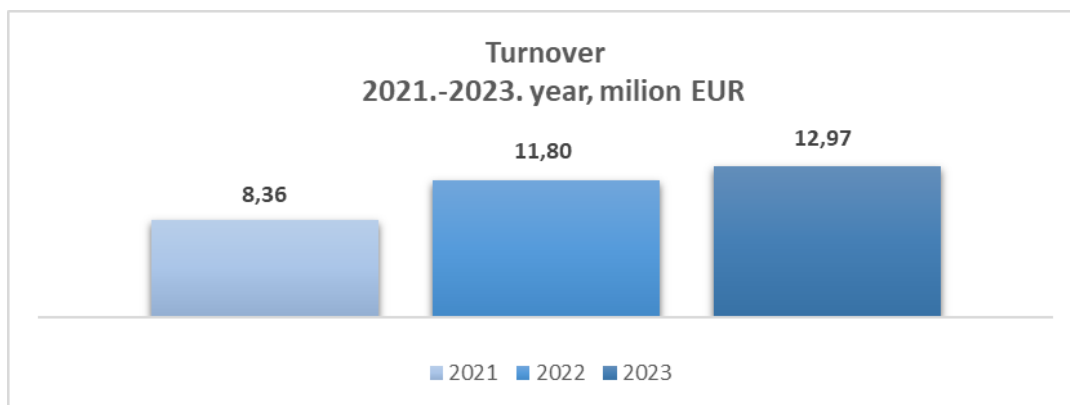
The Company has a diversified revenue base, both geographically and in terms of products, as the Company sells its products in more than 30 countries in Europe, North America and South America, as well as in Asia. The Company has established long-term relationships with customers and actively works to attract new customers, mainly by participating in industry trade exhibitions. Depending on the market, the Company works both directly with end users and through distributors, and its customers are retail supermarket chains in Europe, the Baltic States, Japan and Ukraine.

The Company's location by the Gulf of Riga ensures a high quality of fresh fish supplies, and more than a third of the raw materials used in production, such as bream, are purchased from local suppliers. Management believes that using fish from local fishermen helps ensure a high quality and reliable supply of fish needed to manufacture the Company's products. The rest of the raw materials used by the company are purchased from the world's leading suppliers, mainly from Norway, the Faroe Islands, Chile and other countries.

Product quality is ensured by the Company's own laboratory with daily monitoring of product quality. The Company has IFS (International Featured Standards), MSC (Marine Stewardship Council) and ASC (Aquaculture Stewardship Council) certificates, thus meeting the requirements of international customers regarding food and supply chain quality and safety. Considering the growing demand for organic products, the Company has started the organic product certification process. The first products are already in production.

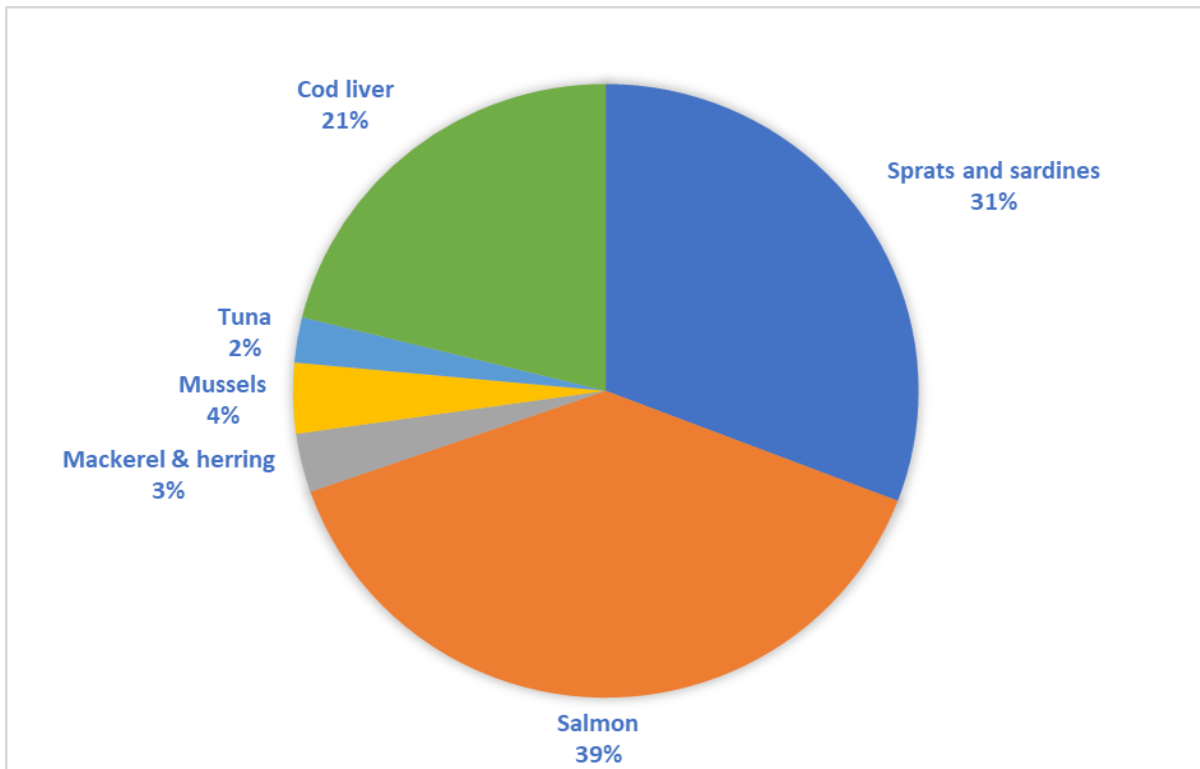
Development and financial results of the Group during the reporting period

The Company's turnover in 2023 was EUR 12,975,716, which is the highest turnover in its history and 9.89% higher than in 2022.

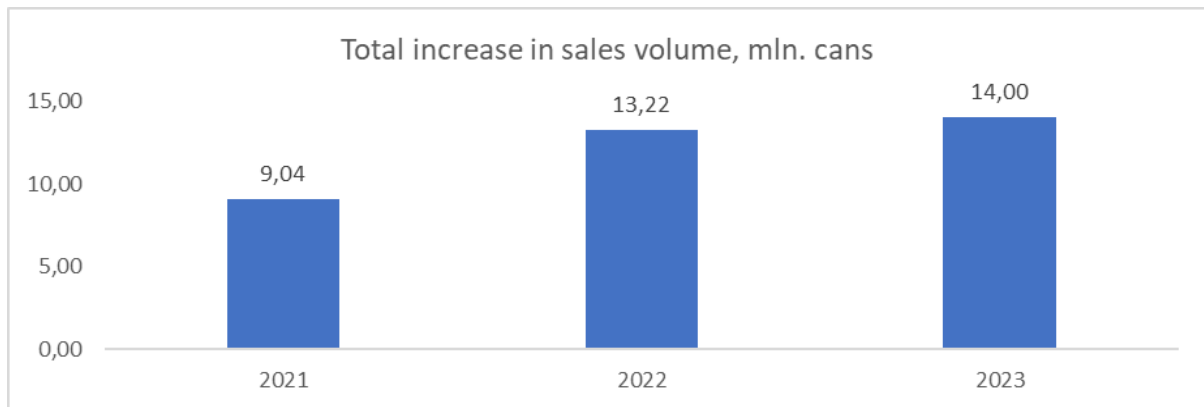


As part of the sales strategy, cooperation with new customers was started by making export shipments to new countries, including South America and Asia. The Company's customer base is expanding among both distributors and retail chains. In 2023, the Company's management invested more resources in the development of new products to strengthen the Company's position in the Atlantic fish segment.

By the end of 2023, the Company sells more than 50 products in 37 countries. The Company's product range includes the following fish products: Baltic sea bream and Baltic herring, mussels, mackerel, sardines and herring, salmon, cod liver and tuna.



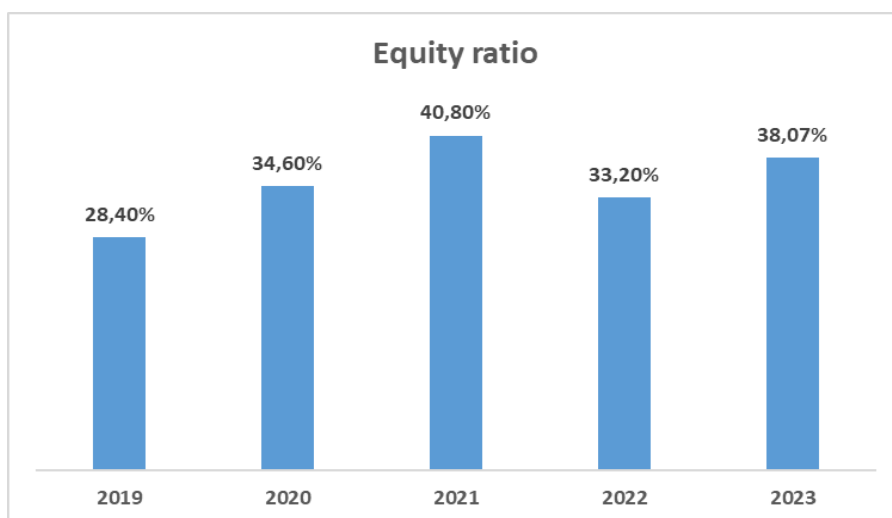
In 2023, the Company's sales units volume reached 14 million cans, which is 5.8% more than in 2022.



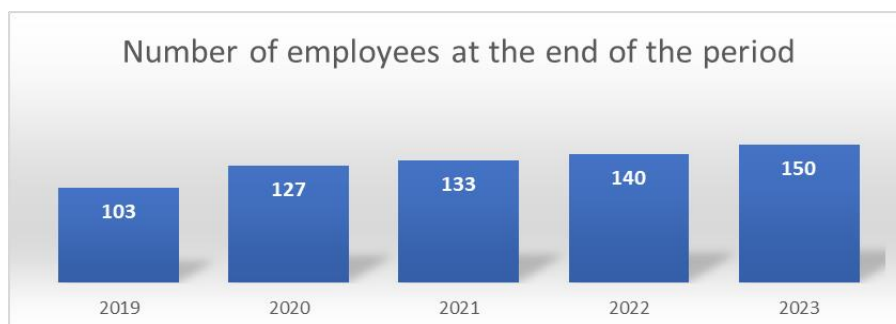
In the 4th quarter of 2023, the Company started production in the industrial food segment, starting deliveries to the Scandinavian market and providing additional business opportunities in the future.

In the 12 months of 2023, the Company made a profit of EUR 1,063,385. Extraordinary income received as part of the support of the European Maritime, Fisheries and Aquaculture Fund had a significant impact on the profit, in addition to the partial reimbursement of costs, which totaled EUR 501,654 in 2023. Excluding the cost increase compensation component from the profit statement, the profit in 2023 was EUR 561,731.

The Company's equity at the end of 2023 was 3.40 million euros or 38.07% of total assets, which is 4.87% above the figure at the end of 2022.



In 2023, the Company continued the investment project implemented with the support of the European Maritime, Fisheries and Aquaculture Fund, thus ensuring not only an increase in production capacity, but also additional jobs for the residents of the municipality and tax payments to the state and municipal budgets. In 2023, the amount of labor personnel taxes paid in the budget was EUR 812,101.



Due to the protracted hostilities in Ukraine and difficulties related to the operational management of operations, the management of the company decided to stop direct business in Ukraine by selling the capital shares of the subsidiary "Banga Ukraina" LLC. In the framework of the aforementioned transaction, according to accounting data, losses in the amount of EUR 30,721 were recorded. Further deliveries to Ukrainian customers will be made directly to retail networks or the Company's distributor.

In cooperation with the Rural Support Service of Latvia (RSS), the investment project was fully completed in 2023 - expansion of the fish canning factory, round 8 - general construction works of the new production plant, construction of networks, installation of equipment. Also, in the second half of 2023, the finished goods warehouse was expanded, providing additional warehouse capacity for finished products. The completion of the investment project is also reflected in the balance sheet items, where the total value of fixed assets reached 4.24 million euros at the end of 2023, which is 35.5% more than at the beginning of the year. Fixed assets in the company's assets make up 47.6% of total assets.

Risk management

The Company's operations are exposed to various financial risks, including foreign exchange risk, interest rate risk, liquidity risk, credit risk. The management of the Company constantly works with financial risks in order to reduce their possible negative impact on the financial results of the Company.

Foreign currency exchange risk

Foreign currency exchange risk is the probability that fluctuations in exchange rates will affect the Company's financial position and cash flow. Considering the introduction of the euro and insignificant operating cash flows in foreign currencies, the Company is not exposed to significant exchange rate fluctuations. The financial statements are prepared in the single currency of the European Union – the euro (EUR).

All transactions in foreign currencies are valued in euros at the exchange rate officially determined by the European Central Bank on the day of the transaction. All monetary assets and liabilities are converted into euros at the exchange rate set by the European Central Bank on the last day of the reporting year. Gains or losses arising from fluctuations in foreign exchange rates are recognized in the income statement for the period.

Interest rate risk

Interest rate risk arises from changes in interest rates that affect a company's net income and future cash flows. It is the Company's policy to ensure that most loans have a fixed rate.

Liquidity risk.

The Company implements a prudent liquidity risk management policy, according to which sufficient credit resources are provided to meet obligations as they fall due. The management of the group manages the liquidity and cash flow risks, keeping them appropriate cash reserves and ensuring sufficient funding, monitoring forecasted and actual cash flows and constantly harmonizing the maturities of financial assets and liabilities.

Credit risk.

The Company is exposed to credit risk through trade receivables and cash and cash equivalents. The Company's receivables mainly consist of receivables from customers. The Company manages credit risk by constantly evaluating the credit history of customers and individually determining credit conditions. In addition, accounts receivable balances are constantly monitored to ensure that the company's risk of bad debts is minimized.

Future perspectives

In the Company's future plans for 2024-2025., it is planned to activate the business in the existing markets by offering a new range of products to the existing partners. The addition of new production capacities combined with new products will ensure the achievement of long-term goals by expanding market share and increasing sales volumes.

Ingus Veckāgans
(Valdes loceklis)

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Statement of Comprehensive Income
 (classified per function of expenditure)

	Note number	2023 EUR	2022 EUR
Net turnover:	3	12 975 716	11 807 628
<i>c) from other types of principal activity</i>		12 975 716	11 807 628
Cost of goods sold or services provided	4	(11 582 530)	(10 611 772)
Gross profit or loss		1 393 186	1 195 856
Selling costs		(160 772)	(161 961)
Administrative costs	5	(488 871)	(429 694)
Other operating income	6	540 902	37 265
Other operating expense	7	(69 348)	(25 017)
Interest and similar income:	8	98 751	126 934
<i>a) from related parties</i>		3 004	3 092
<i>b) from other persons</i>		95 747	123 842
Interest expense and similar costs:	9	(245 504)	(134 360)
<i>b) to other persons</i>		(245 504)	(134 360)
Profit or loss before corporate income tax		1 068 344	609 023
Corporate income tax for the reporting year		(407)	(9 580)
Profit or loss for the reporting year		1 067 937	599 443

Notes on pages 13 to 27 form an integral part of these financial statements.

Ingus Veckāgans
 (Member of the Board)

Annual report prepared by:

Inita Andriksone
 (Chief Accountant)

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BALANCE SHEET

ASSETS	Note number	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Non-current investments				
Intangible assets				
Other intangible assets		29 948	21 050	23 234
Total intangible assets	10	29 948	21 050	23 234
Property, plant and equipment				
Real estate:		1 739 443	894 620	724 217
<i>a) land, buildings and engineering structures</i>		<i>1 739 443</i>	<i>894 620</i>	<i>724 217</i>
Equipment and machinery		1 653 630	690 065	679 107
Other fixtures and fittings, tools and equipment		207 283	616 252	313 917
Construction in progress		591 655	652 138	33 085
Prepayments for property, plant and equipment		50 960	278 769	43 045
Total property, plant and equipment	11	4 242 971	3 131 844	1 793 371
Non-current financial investments				
Investments in subsidiaries	12	-	30 722	30 722
Total non-current financial investments		-	30 722	30 722
Total non-current investments		4 272 919	3 183 616	1 847 327
Current assets				
Inventories				
Raw materials and consumables		1 483 534	1 421 439	555 309
Work in progress		1 424	6 877	3 831
Finished products and goods for sale		1 875 671	928 267	875 378
Prepayments for inventories		39 262	163 864	6 059
Total inventories		3 399 891	2 520 447	1 440 577
Debtors				
Trade receivables		821 930	589 660	802 652
Due from related parties	13	140 973	279 090	282 472
Other receivables	14	80 479	72 685	39 895
Deferred expenses		6 783	6 444	7 957
Total debtors		1 050 165	947 879	1 132 976
Cash		235 016	431 835	27 410
Total current assets		4 685 072	3 900 161	2 600 963
TOTAL ASSETS		8 957 991	7 083 777	4 448 290

BALANCE SHEET

LIABILITIES AND EQUITY	Note number	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Equity				
Share capital	15	547 565	547 565	547 565
Long-term investments revaluation reserve	16	51 634	53 497	54 265
Reserves:		2	2	2
<i>f) other reserves</i>		2	2	2
Previous years' retained earnings or accumulated loss		1 745 891	1 144 585	693 320
Profit or loss for the reporting year		1 067 937	599 443	501 265
Total equity		3 413 029	2 345 092	1 796 417
Liabilities				
Non-current creditors				
Loans against bonds	17	2 500 000	2 500 000	-
Loans from credit institutions	18	-	-	189 260
Other loans	19	474 042	229 395	253 036
Deferred income	21	674 528	433 880	199 368
Total non-current creditors		3 648 570	3 163 275	641 664
Short-term creditors				
Loans from credit institutions	18	-	-	253 408
Other loans	19	164 346	93 667	145 931
Prepayments received from customers		203 511	81 666	10 408
Trade payables		1 075 334	977 324	1 270 193
Taxes and State mandatory social insurance contributions	20	67 960	64 990	53 120
Other creditors		96 397	96 325	72 808
Deferred income	21	102 738	77 559	71 234
Accrued liabilities	22	186 106	183 879	133 107
Total short-term creditors		1 896 392	1 575 410	2 010 209
Total liabilities		5 544 962	4 738 685	2 651 873
TOTAL LIABILITIES AND EQUITY		8 957 991	7 083 777	4 448 290

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CASH FLOW STATEMENT

(direct method)

	Note number	2023 EUR	2022 EUR
Cash flows to/ from operating activities			
Revenue from the sale of goods and provision of services		13 779 592	12 633 637
Payments to suppliers, employees, other expenses of principal		(13 041 320)	(12 990 479)
Other revenue (+) or expenses (-) of principal activity.		501 654	25 662
Gross cash flow of principal activity		1 239 926	(331 180)
Interest paid		(139 500)	(74 499)
Corporate income tax paid		(570)	(9 330)
Net cash flow of principal activity		1 099 856	(415 009)
Investment activity cash flow			
Acquisition of stocks or shares of related undertakings, associated undertakings, or other undertakings		-	-
Acquisition of fixed assets and intangible assets		(1 687 338)	(1 465 157)
Revenue from sale of fixed assets and intangible investments		5 500	83
Loans issued		(99 529)	(101 400)
Revenue from repayment of loans		102 700	104 235
Interest received		1 658	-
Investment activity cash flow		(1 677 009)	(1 462 239)
Financing activity cash flow			
Revenue from stock and debenture issue or investments of capital participatory shares		-	2 500 000
Loans received		-	700
Subsidies, grants, gifts or donations received		380 089	335 539
Expenses for repayment of loans		-	(502 174)
Disbursed dividends		-	(50 000)
Net cash flow from financing activity		380 089	(215 935)
Result of fluctuations of foreign currency exchange rates		245	(2 392)
Net increase /(decrease) in cash and its equivalents		(196 819)	(2 095 575)
Balance of cash and its equivalents at the beginning of the reporting year		27 410	27 410
Balance of cash and its equivalents at the end of the reporting year		235 016	27 410

Notes on pages 13 to 27 form an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY

	Share capital	Long-term investments revaluation reserve	Reserves	Retained profits	Total equity
	EUR	EUR	EUR	EUR	EUR
As at 31.12.2021	547 565	54 265	2	1 194 585	1 796 417
Decrease in the balance of long-term investment revaluation	-	(768)	-	-	(768)
Dividends paid	-	-	-	(50 000)	(50 000)
Increase in retained profit	-	-	-	599 443	599 443
As at 31.12.2022	547 565	53 497	2	1 744 028	2 345 092
Decrease in the balance of long-term investment revaluation	-	(1 863)	-	1 863	-
Increase in retained profit	-	-	-	1 067 937	1 067 937
As at 31.12.2023	547 565	51 634	2	2 813 828	3 413 029

Notes on pages 13 to 27 form an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

(1) Corporate information

"Banga Ltd" SIA (hereinafter – the Company) was registered with the Republic of Latvia Enterprise Register on November 22., 2007. The registered office of the Company is at Akas street 74B, Roja, Roja parish, Talsi county. The core business activity of the Company is the processing and preserving of fish, crustaceans and molluscs

The member of the Company that prepares the consolidated annual report, which includes the Company as its subsidiary, is "Curlandia" SIA, Reg. No.40103629334 (registered office: Akas street 74B, Roja, LV-3264). Copies of the consolidated annual report are available at "Curlandia" SIA, Reg. No.40103629334 (registered office: Akas street 74B, Roja, LV-3264).

(2) Significant accounting principles

Principles of preparation of financial statements

The annual report has been prepared in accordance with IFRS, applying the going concern principle. The entity has prepared financial sovereignty for the first time in applying IFRS. For all previous periods, the company prepared financial statements in accordance with the laws and regulations of the Republic of Latvia. The accounting policies described below were applied consistently throughout the periods presented in these financial statements.

- It is assumed that corporations will continue to operate;
- The same valuation methods as in the previous period have been used;
- The assessment has been carried out with due care: the report only includes earnings earned up to the balance sheet date. take into account any expected risk amounts and losses incurred in the reporting period or previous periods, even if they become known between the balance sheet date and the financial statement date; calculate and take into account all impairment and depreciation amounts, regardless of whether the reporting period is concluded with profit or loss;
- Revenue and costs related to the reporting period taken into account regardless of payment date and invoice date of receipt or discharge. Costs are aligned with revenues in the reporting period;
- Components of assets and liabilities are assessed separately;
- In accordance with the management decision, the financial statements for 2023 are prepared in accordance with IFRS. Finalists' accounts for 2022 were prepared in accordance with the Accounting Act, the Annual Report and the Consolidated Annual Report, comparative figures for 2022 are presented in application of IFRS and classified according to 2023 principles and are comparable. The opening balance sheet of the accounting year before the transition to IFRSs coincides with the closing balance of the previous year.
- The opening balance of the reporting period coincides with the closing balance of the previous period;
- All items that have a significant impact on the assessment or decision-making of users of the financial statement are identified, the minor items are merged and detailed in the Annex;
- Economic transactions are reflected in the financial statement in terms of their economic content and nature rather than legal form.

The statement of cash flows has been prepared in accordance with indirect method.

Reporting period

The reporting period is 12 months	01.01.2023	to	31.12.2023
The previous reporting period is 12 months from	01.01.2022	to	31.12.2022

Accounting principles

These financial statements are prepared on the going concern basis, the accounting and measurement methods applied are consistent with those of the previous financial year, and prudent estimates have been made in preparing these financial statements.

Transactions in foreign currencies

The presentation currency of the Company is the euro (EUR), the monetary unit of the European Union.

Transactions in foreign currencies are translated into the euro at the euro foreign exchange reference rate published by the European Central Bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the euro applying the euro foreign exchange reference rate published by the European Central Bank at the last day of the reporting year.

Foreign exchange gains and losses are recognised in the statement of profit or loss for the respective reporting period.

Related parties

A related party is a person or an entity that is related to the reporting Company.

A person or a close member of that person's family is related to the reporting Company if that person has control, joint control or significant influence over the reporting Company or is a member of the key management personnel of the reporting Company or of a parent of the reporting Company.

An entity is related to the reporting Company if both are members of the same group. Besides, an entity is related to the reporting Company if the entity is controlled, jointly controlled or significantly influenced by a related party of the reporting Company or this related party of the reporting Company is a member of the key management personnel of that entity or of a parent of that entity.

Intangible assets and property, plant and equipment

Property, plant and equipment are recognised at their acquisition value less depreciation and impairment, if applicable. The acquisition value of property, plant and equipment consists of purchase price, import duties and non-refundable purchase taxes, other costs directly attributable to delivery of the assets to their location and getting in the working condition pursuant to the suggested use. Depreciation is calculated over the useful life of the asset according to the linear method applying the following depreciation rates as the basis of calculation:

Buildings and structures	4-5%
Technological equipment	20-33%
Office equipment	20-33%
Computer hardware	20-33%
Motor vehicles	20-33%
Other fixed assets	14-50%

Land is not depreciated.

Intangible assets are recognised at their acquisition value less amortisation. Amortisation is calculated within the period of useful life of an asset according to the linear method, applying the following rates:

Licenses	10-20%
Other intangible investments	10-20%

Gains or losses from sales of property, plant and equipment are displayed in the income statement of the respective period. Repair or renovation expenses that increase the useful life of property, plant and equipment or their value are capitalised and written off within the period of useful life of assets. Other repair or renovation expenses are recognised

Expenses related to leasehold improvements are capitalised and displayed in the property, plant and equipment. Depreciation is calculated over the lease period using the linear method. Loan issue expenses that are directly related to formation of property, plant and equipment and construction in progress are capitalised, if such expenses are reasonably attributable and directly related. Loan issue expenses are capitalised before putting the property, plant and equipment. If any events or changes in circumstances indicate that the carrying value of fixed assets may be irrecoverable, the value of the relevant fixed assets is reviewed to determine their impairment. If there are indications of irrecoverability and if the asset's carrying amount exceeds the estimated recoverable amount, the asset's value is written down to its Unfinished construction comprises the cost of construction and work-in-progress and is carried at cost. The initial value includes the cost of materials and other directly attributable costs. Depreciation is not calculated for objects under construction until the relevant asset is completed and put into operation.

Non-current financial investments

Related parties

A related party is a company which is directly or indirectly controlled by another company (the parent company – more than 50% of the shareholders' voting rights in this company). The parent company controls the subsidiary company's financial and business policy. The company recognizes income from investments only in case if it receives distribution of profit from the related company after the purchase date. The received distribution which exceeds this profit shall be considered as investment recovery costs and is recognized as a decrease of purchase costs in the related company's investment.

Valuation of Inventories

Inventory cost price is determined using the FIFO method.

Inventory balances at the balance sheet date are valued at the purchase or production value, or the lowest market price, depending on which of the prices is lower.

If inventory units are damaged, have become partly or totally obsolete, or the expenses of production completion or selling increase substantially - corresponding inventory units has to be valued at the net sales price. (Net sales price is the estimated sales price in ordinary transactions, less estimated expense till completion)

Revaluation of the full cost of finished products is performed every month. Revaluations are made using ratios whose compliance with actual expenditure is checked once a year.

Debtors

Debtors are recognized according to the amount of initial invoices, less allowances for doubtful debts. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts. Receivables are written off if their recovery is considered as impossible.

Provisions for bad and doubtful debtors

Provisions for bad and doubtful debtors are assessed individually based on repayment analysis and information available regarding debt recoverability. Doubtful accounts receivable are written off in profit and loss or for those with previously established provisions - provisions are decreased.

Deferred expenses

Deferred expenses reflect the payments made during the accounting year, but the use of expenditure is referring to the following reporting periods. The balance value of the balance sheet asset is assessed to the extent that the expected economic benefit is expected in the following reporting periods.

Cash

Cash is cash in hand and non-cash in payment accounts and deposit accounts.

Loans and borrowings

All borrowings are recognized initially at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. In subsequent periods, borrowings are recognized at amortized cost.

A borrowing is classified as long-term if the payment or write-off occurs later than one year after the end of the respective reporting year. Amounts payable or written off during the year are presented under short-term borrowings.

Financial leasing liabilities

Leases of assets under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease. Lease interest payments are included in the income statement for the period in order to reflect a constant rate of lease liability.

Lease is classified as a financial lease if in fact all risks and remunerations that are a characteristic of ownership are transferred to a tenant and if it corresponds to at least one of the following conditions:

- a) ownership to the leased asset will be transferred to the tenant upon expiration of the leasing term;
- b) the lease term includes the majority of the asset's time of useful use;
- c) the leased assets are so specific that only the tenant is entitled to use them without a significant modification.

The assets for financial lease are initially recognised as the Company's assets after their true value or after the current value of the minimum leasing payments if it is lower than the true value. Each of these values are determined on the date of acquiring the lease asset. Lease liabilities are included in the balance sheet as long-term and short-term liabilities of financial lease. Financial expenditure are reflected in the income statement on the relevant period so that a regular and periodic cost rate from the liability surplus would be provided for each reporting period.

Accrued liabilities

Accrued liabilities for unused vacation compensation

Accrued liabilities for unused vacation compensations are established by multiplying the average salary for the last six months of the reporting period with the number of days of unused annual leaves on the end date of the reporting period, including also the mandatory state social insurance contributions made by the employer.

Accrued liabilities for not received expense invoices

Accrued liabilities for unreceived invoices are clearly known trade liability sums for the goods or services received within the reporting year when a relevant payment document (an invoice) has failed to be received on the date of drawing up the balance sheet. The liability sums are calculated, based on the price, which is defined in the relevant agreement, and on the documents that approve actual receipt of the goods or services.

Deferred income

Payments received before the balance sheet date, but referring to the next reporting periods or further reporting periods, is recognized as deferred income.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, less value added tax and sales-related discounts. Revenue is recognized by reference to the economic nature and substance of the transaction rather than its legal form.

Sale of goods

The Company mainly sells canned fish products produced by itself and purchased from other producers.

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, and amounts of income earned and expense incurred in connection with the sale of the relevant goods can be measured reliably.

Corporate income tax

Corporate income tax expenses are included in financial statement based on management calculations according to laws of Republic of Latvia. Based on the Corporate Income tax law of the Republic of Latvia, starting from 1 January 2018 corporate income tax is applicable to distributed profits and several expenses that would be treated as profit distribution. The applicable corporate income tax rate is 20% or 20/80 from net expense . Corporate income tax on the payment of dividends is recognized in the profit or loss statement as a cost in the accounting period when the respective dividends are declared, while for other objects - at the time when the costs occurred within the accounting year. Prior to the declaration of dividends, no provision for corporate income tax is recognized for the payment of dividends.

Subsequent events

Subsequent events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes when material.

First-time implementation of IFRSs

The accounting policies described were applied consistently throughout the periods presented in these financial statements. These financial statements for the year ending December 31, 2023 are the first financial statements of the entity prepared in accordance with IFRS. For all previous periods, including the year ending on 31 December 2022. The financial statements of the company were prepared in accordance with the legislation in force in the Republic of Latvia. The company has prepared and presented comparative data for the period ending on 31 December 2022 and on 1 January 2022 at the date of transition, in accordance with IFRS. The transition from Latvia legislation to IFRS has no significant impact on the valuation of balance sheet items and 2022 profit or loss and net assets. There has been no change in the classification of items in short - and long-term assets and liabilities. See Note Nr. 26.

(3) Net turnover

Net turnover - proceeds from Company's major activity - sale of goods and provision of services without value added tax.

Type of activity	NACE code	2023	2022
		EUR	EUR
Income A	10.20	12 975 716	11 807 628
Total	X	12 975 716	11 807 628

(4) Cost of goods sold or services provided

	2023	2022
	EUR	EUR
Costs of purchased raw materials	8 924 372	8 267 803
Depreciation and amortization of fixed and intangible assets	397 157	304 837
Personnel costs	1 782 290	1 468 799
Other cost of sales	478 711	570 333
Total	11 582 530	10 611 772

(5) Administrative costs

	2023	2022
	EUR	EUR
Personnel costs	332 964	239 152
Depreciation of fixed and intangible assets	27 876	-
Other administrative costs	27 882	102 070
Office expenses	78 105	79 245
Cost of professional services	18 340	8 000
Representation costs	3 704	1 227
Total	488 871	429 694

(6) Other operating income

	2023	2022
	EUR	EUR
Income from decrease of accrued liabilities for vacation reserve	6 700	23 821
Profit from sale of fixed assets*	7 882	83
Received LIAA aid	20 394	-
Aid received by LAD to compensate costs	501 654	-
Other income	4 272	13 361
Total	540 902	37 265

***Information on profit or loss from disposal of long-term investment objects in the reporting year**

Long-term investment object	Balance value at time of disposal	Proceeds from disposal	Disposal costs	Gross profit	Profit or loss from disposal of the object
	EUR	EUR	EUR	EUR	EUR
Other fixed assets	-	7 882	-	7 882	7 882
Total	-	7 882	-	7 882	7 882

(7) Other operating expense

	2023	2022
	EUR	EUR
Staff sustainability costs	10 118	6 922
Donations	474	10 638
Travel costs	43 136	-
Property tax	3 760	3 262
Other costs	11 860	4 195
Total	69 348	25 017

(8) Interest and similar income

	2023	2022
	EUR	EUR
Interest income	4 662	3 092
Income from EU structural fund support	-	82 761
Income from LAD support programme	93 868	26 896
Other income	221	14 185
Total	98 751	126 934

Provider of financial support	Year of receipt	Sum, EUR	Receipt objective	Conditions	The sum to be paid back in the reporting year if any of the conditions is not reached
LAD	2015	189229	Production facilities and equipment	-	-
LAD	2016	33959	Production facilities and equipment	-	-
LAD	2020	37002	Production facilities and equipment	-	-
LAD	2021	179343	Production facilities and equipment	-	-
LAD	2022	323599	Production facilities and equipment	-	-
LAD	2023	359696	Production facilities and equipment	-	-

(9) Interest expense and similar costs

	2023	2022
	EUR	EUR
Interest costs	206 279	125 980
Fines and contractual penalties	2 599	5 112
Losses from exchange rate fluctuations	5 904	3 264
Loss on investment sales	30 722	-
Other costs	-	4
Total	245 504	134 360

(10) Intangible assets

		Other intangible assets	Total intangible assets
		EUR	EUR
Acquisition value			
31.12.2021		61 586	61 586
Additions		415	415
31.12.2022		62 001	62 001
Additions		11 621	11 621
Reclassified		(1 864)	(1 864)
31.12.2023		71 758	71 758
Accumulated amortization			
31.12.2021		38 352	38 352
Amortization charge		2 599	2 599
31.12.2022		40 951	40 951
Amortization charge		2 723	2 723
Amortization of intangible assets that have been liquidated or reclassified		(1 864)	(1 864)
31.12.2023		41 810	41 810
Net book value	31.12.2022	21 050	21 050
Net book value	31.12.2023	29 948	29 948

(11) Property, plant and equipment

	Real estate	Equipment and machinery	Other fixtures and fittings, tools and equipment	Construction in progress	Prepayments for property, plant and equipment	Total fixed assets
	EUR	EUR	EUR	EUR	EUR	EUR
Acquisition value						
31.12.2021	854 479	1 423 666	486 053	41 085	35 045	2 840 328
Additions	199 239	224 671	364 363	611 053	243 724	1 643 050
Disposal	-	-	(6 545)	-	-	(6 545)
31.12.2022	1 053 718	1 648 337	843 871	652 138	278 769	4 476 833
Additions	908 886	1 478 841	28 491	730 804	717 512	3 864 534
Disposal	-	(592 785)	(64 780)	(791 287)	(945 321)	(2 394 173)
Reclassified	1	351 483	(352 841)	-	-	(1 357)
31.12.2023	1 962 605	2 885 876	454 741	591 655	50 960	5 945 837
Accumulated depreciation						
31.12.2021	130 262	744 559	172 136	-	-	1 046 957
Depreciation charge	28 836	213 713	62 028	-	-	304 577
Depreciation of fixed assets that have been liquidated or reclassified	-	-	(6 545)	-	-	(6 545)
31.12.2022	159 098	958 272	227 619	-	-	1 344 989
Depreciation charge	63 805	295 367	63 140	-	-	422 312
	-	(33 428)	(29 651)	-	-	(63 079)
Depreciation of fixed assets that have been liquidated or reclassified	259	12 035	(13 650)	-	-	(1 356)
31.12.2023	223 162	1 232 246	247 458	-	-	1 702 866
Net book value						
31.12.2022	894 620	690 065	616 252	652 138	278 769	3 131 844
31.12.2023	1 739 443	1 653 630	207 283	591 655	50 960	4 242 971

(12) Investments in subsidiaries

	31.12.2023	31.12.2022	01.01.2022
	EUR	EUR	EUR
Acquisition value at the beginning of the reporting year	30 722	30 722	30 722
Net carrying amount as at the beginning of the reporting year	30 722	30 722	30 722
Disposals (-)	30 722	-	-
Acquisition value at the end of the reporting period	-	-	30 722
Net carrying amount as at the end of the reporting period	-	30 722	30 722

(13) Related parties debt

	31.12.2023	31.12.2022	01.01.2022
	EUR	EUR	EUR
Trade receivables carrying amount	34 243	172 194	175 833
Provisions for bad and doubtful debtors	106 730	106 896	106 639
Total	140 973	279 090	282 472

(14) Other receivables

	31.12.2023	31.12.2022	01.01.2022
	EUR	EUR	EUR
Guarantee payments	40 702	40 088	17 086
Payments to employees	101	91	-
Tax overpayment	39 676	32 506	22 809
Total	80 479	72 685	39 895

(15) Share capital

On 31 December 2022 and 2023, the share or share capital is fully paid up. It consists of 5 47 565 shares with a nominal value of EUR 1.

(16) Long-term investments revaluation reserve

Item of fixed assets (object name)	Revaluation reserve surplus at the period's		Value of the fixed asset in the beginning of the period	Decrease of revaluating reserve	Value of fixed assets at the end of the period	
	beginning	end			without revaluating	with revaluating
	31.12.2022	31.12.2023	31.12.2022	2023	31.12.2023	31.12.2023
	EUR	EUR	EUR	EUR	EUR	EUR
<u>Technology devices and equipment:</u>						
Nr.1	46 660	46 660	23 778	-	-	-
<u>Other fixed assets and inventory:</u>						
Nr.1	6 838	4 974	9 182	1 863	2 152	2 873
Total	53 497	51 634	32 960	1 863	2 152	2 873

(17) Loans against bonds

	% rate	Maturity date	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Loans with maturity of 1 to 5 years	6	09.05.2025	2 500 000	2 500 000	-
Total	X	X	2 500 000	2 500 000	-

Including long-term:

In May 2022, the company sold a secured bond issue of €2.5 million. The property belonging to Banga Ltd has been pledged in favour of ZABA VILGERTS Ltd, registration No 40203309933, establishing a first-order commercial pledge on it, as collateral for the bonds issued by as Signet Bank (ISIN:LV0000860088) as a collection of property at the time of pledging.

(19) Other loans

	Maturity date	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Long-term loans (from 1 to 5 years)				
AS Swedbank leasing financial leasing contracts	2024-2027	450 890	197 262	158 137
Financial leasing contracts of AS Citadele Leasing:	2024-2027	23 152	32 133	43 936
ALTUM loan*	2027	-	-	50 963
Total	X	474 042	229 395	253 036

	% rate	Maturity date	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Short-term loans					
AS Swedbank leasing financial leasing contracts		2023	155 365	81 786	106 583
Financial leasing contracts of AS Citadele Leasing:		2023	8 981	11 802	27 583
EUR factoring contract		-	-	79	-
ALTUM loan*	6	2027	-	-	11 765
Total	X	X	164 346	93 667	145 931

(20) Taxes and State mandatory social insurance contributions

Till 1 year	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Personal income tax	18 452	17 315	14 499
State mandatory social insurance contributions	45 788	45 306	35 238
Corporate income tax	77	240	534
Risk duties	56	51	48
Company car tax	1 653	1 020	1 997
Natural resources tax	1 934	1 058	804
Total	67 960	64 990	53 120

(21) Deferred income

	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Long-term Next period revenue			
Support from Lauku atbalsta dienests (Rural Support Service)	674 528	433 880	199 368
Total long-term Next period revenue	674 528	433 880	199 368

	31.12.2023 EUR	31.12.2022 EUR	01.01.2022 EUR
Short-term Next period revenue			
Support from Lauku atbalsta dienests (Rural Support Service)	102 738	77 559	71 234
Total short-term Next period revenue	102 738	77 559	71 234

* Under the European Maritime and Fisheries Fund measure "Processing of fishery and aquaculture products."

(22) Accrued liabilities

	31.12.2023	31.12.2022	01.01.2022
	EUR	EUR	EUR
Accrued vacation pay	93 272	98 140	110 450
Accrued liabilities to suppliers	72 001	64 906	22 657
Accrued interest expense	20 833	20 833	-
Total	186 106	183 879	133 107

(23) Transactions with related parties

Related party	Services rendered and goods sold	Services rendered and goods purchased	Amounts owed by related parties as at 31 December	Payables to related parties as at 31 December
	EUR	EUR	EUR	EUR
2022				
Curlandia SIA	104 492	359 167	106 897	1 936
Banga Ukraine LLC	438 123	-	170 000	-
Ingus Veckāgans	700	-	-	-
Other	700	3 500	-	-
2023				
Curlandia SIA	102 533	159 383	140 973	1 936
Banga Ukraine LLC	98 487	-	-	-
Total in 2022	544 015	362 667	276 897	1 936
Total in 2023	201 020	159 383	140 973	1 936

(24) Average number of employees

	2023	2022	2022
Members of the Board	1	1	1
Other employees	153	126	128
Average number of employees	154	127	129

(25) Personnel costs

	2023	2022	2022
	EUR	EUR	EUR
Salary	1 705 325	1 353 317	1 195 750
Mandatory state social insurance contributions	400 074	317 068	279 605
Other personnel expenses	2 105 399	1 670 385	1 475 355

26) Effect of the transition to IFRS

ASSETS	Note number	31.12.2023 in accordance with Latvian legislation			31.12.2022 in accordance with Latvian legislation			01.01.2022 in accordance with Latvian legislation		
		EUR	Adjustments transitioning to IFRS	31.12.2023 in accordance with IFRS	EUR	Adjustments transitionin g to IFRS	31.12.2022 in accordance with IFRS	EUR	Adjustments transitioning to IFRS	01.01.2022 in accordance with IFRS
Non-current investments										
Intangible assets										
Other intangible assets		29 948	-	29 948	21 050	-	21 050	23 234	-	23 234
Total intangible assets	10	29 948		29 948	21 050		21 050	23 234		23 234
Property, plant and equipment										
Real estate- land, buildings and engineering structures		1 739 443	-	1 739 443	894 620	-	894 620	724 217	-	724 217
Equipment and machinery		1 653 630	-	1 653 630	690 065	-	690 065	679 107	-	679 107
Other fixtures and fittings, tools and equipment		207 283	-	207 283	616 252	-	616 252	313 917	-	313 917
Construction in progress		591 655	-	591 655	652 138	-	652 138	33 085	-	33 085
Prepayments for property, plant and equipment		50 960	-	50 960	278 769	-	278 769	43 045	-	43 045
Total property, plant and equipment	11	4 242 971		4 242 971	3 131 844		3 131 844	1 793 371		1 793 371
Non-current financial investments										
Investments in subsidiaries	12	-	-	-	30 722	-	30 722	30 722	-	30 722
Total non-current financial investments		-		-	30 722		30 722	30 722		30 722
Total non-current investments		4 272 919		4 272 919	3 183 616		3 183 616	1 847 327		1 847 327
Current assets										
Inventories										
Raw materials and consumables		1 483 534	-	1 483 534	1 421 439	-	1 421 439	555 309	-	555 309
Work in progress		1 424	-	1 424	6 877	-	6 877	3 831	-	3 831
Finished products and goods for sale		1 875 671	-	1 875 671	928 267	-	928 267	875 378	-	875 378
Prepayments for inventories		39 262	-	39 262	163 864	-	163 864	6 059	-	6 059
Total inventories		3 399 891		3 399 891	2 520 447		2 520 447	1 440 577		1 440 577
Debtors										
Trade receivables		821 930	-	821 930	589 660	-	589 660	802 652	-	802 652
Due from related parties	13	140 973	-	140 973	279 090	-	279 090	282 472	-	282 472
Other receivables	14	80 479	-	80 479	72 685	-	72 685	39 895	-	39 895
Deferred expenses		6 783	-	6 783	6 444	-	6 444	7 957	-	7 957
Debtors total		1 050 165		1 050 165	947 879		947 879	1 132 976		1 132 976
Cash		235 016		235 016	431 835		431 835	27 410		27 410
Total current assets		4 685 072		4 685 072	3 900 161		3 900 161	2 600 963		2 600 963
TOTAL ASSETS		8 957 991		8 957 991	7 083 777		7 083 777	4 448 290		4 448 290

26) Effect of the transition to IFRS (continuity)

LIABILITIES AND EQUITY

	Note number	31.12.2023 in accordance with Latvian legislation EUR	Adjustments transitioning to IFRS	31.12.2023 in accordance with IFRS	31.12.2022 in accordance with Latvian legislation EUR	Adjustments transitioning to IFRS	31.12.2022 in accordance with IFRS	01.01.2022 in accordance with Latvian legislation	Adjustments transitioning to IFRS	01.01.2022 in accordance with IFRS
Equity										
Share capital	15	547 565	-	547 565	547 565	-	547 565	547 565	-	547 565
Long-term investments revaluation reserve	16	51 634	-	51 634	53 497	-	53 497	54 265	-	54 265
Reserves:		2		2	2		2	2		2
f) other reserves		2	-	2	2	-	2	2	-	2
Previous years' retained earnings or accumulated loss		1 745 891	-	1 745 891	1 144 585	-	1 144 585	693 320	-	693 320
Profit or loss for the reporting year		1 067 937	-	1 067 937	599 443	-	599 443	501 265	-	501 265
Pašu kapitāls kopā		3 413 029	-	3 413 029	2 345 092	-	2 345 092	1 796 417	-	1 796 417
Liabilities										
Non-current creditors										
Loans against bonds	17	2 500 000	-	2 500 000	2 500 000	-	2 500 000	-	-	-
Loans from credit institutions	18	-	-	-	-	-	-	189 260	-	189 260
Other loans	19	474 042	-	474 042	229 395	-	229 395	253 036	-	253 036
Deferred income	21	674 528	-	674 528	433 880	-	433 880	199 368	-	199 368
Total non-current creditors		3 648 570	-	3 648 570	3 163 275	-	3 163 275	641 664	-	641 664
Short-term creditors										
Loans from credit institutions	18	-	-	-	-	-	-	253 408	-	253 408
Other loans	19	164 346	-	-	93 667	-	-	145 931	-	-
Prepayments received from customers		203 511	-	203 511	81 666	-	81 666	10 408	-	10 408
Trade payables		1 075 334	-	1 075 334	977 324	-	977 324	1 270 193	-	1 270 193
Taxes and State mandatory social insurance contributions	20	67 960	-	67 960	64 990	-	64 990	53 120	-	53 120
Other creditors		96 397	-	96 397	96 325	-	96 325	72 808	-	72 808
Deferred income	21	102 738	-	102 738	77 559	-	77 559	71 234	-	71 234
Accrued liabilities	22	186 106	-	186 106	183 879	-	183 879	133 107	-	133 107
Total short-term creditors		1 896 392	-	1 896 392	1 575 410	-	1 575 410	2 010 209	-	2 010 209
Total liabilities		5 544 962	-	5 544 962	4 738 685	-	4 738 685	2 651 873	-	2 651 873
TOTAL LIABILITIES AND EQUITY		8 957 991	-	8 957 991	7 083 777	-	7 083 777	4 448 290	-	4 448 290

(27) Information on the payments for members of the council and the board

The remuneration of members of the Supervisory Board and Board for fulfilment of their duties at the Supervisory Board and Board, as well as for performance of their work obligations is as follows:

	2023	2022	2022
	EUR	EUR	EUR
Members of the Board	50 308	45 274	32 903
Total	50 308	45 274	32 903

(28) Information on pledged or otherwise encumbered assets

The property belonging to Banga Ltd as a community of things at the time of the commercial pledge, as well as the future components of the community of things, are pledged in favor of ZAB VILGERTS SIA, Reg. No. 40203309933, establishing a first-order commercial pledge on it, as security for bonds issued by AS Signet Bank (ISIN:LV0000860088).

(29) Important events after the end of the report year

The Russian invasion in Ukraine started in February 2022 has significantly changed the political and economic situation in the world, and it has affected and will keep affecting the economies of the Baltic States. When developing the strategy for 2023, the Company has taken into account the risk of further inflation and increase in interest rates.. The management and the owners of the Company follow the situation and believe that the Company will continue to operate stably. This conclusion is based on information available at the time of approval of these financial statements and the impact of future events on future operations may differ from the current assessment. In the period between the last day of the accounting year to the date of signing the financial report no other events have occurred, as a result of which these financial statements should be adjusted.

(30) Significant events not included in the balance sheet or income statement

In the time period from the last day of the reporting year to the signing of this report, there have been no events that would significantly affect the Company's financial position on December 31, 2023.

(31) Proposal for Distribution of Profit or Covering of Loss

The decision on profit distribution will be made at the participants' meeting upon approval of the financial report.

(32) Going concern

The financial statements are prepared on the assumption that the Company will continue as a going concern.

Ingus Veckāgans
(Member of the Board)

Annual report prepared by:

Inita Andriksone
(Chief Accountant)

THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS TIMESTAMP

INDEPENDENT AUDITORS' REPORT

Grant Thornton Baltic Audit SIA
Blaumaņa str. 22
LV-1011 Rīga
Latvia

To the shareholders of “Banga Ltd” SIA

T +371 6721 7569
E info@lv.gt.com
www.grantthornton.lv

Our Opinion on the Financial Statements

We have audited the accompanying financial statements of SIA “Banga Ltd” (“the Company”) set out on pages from 8 to 27 of the accompanying annual report, which comprise:

- statement of financial position as at 31 December 2023,
- statement of comprehensive balance sheet for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SIA “Banga Ltd” as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by European Union (hereinafter IFRS).

Basis for Opinion

In accordance with the Law on Audit Services of the Republic of Latvia we conducted our audit in accordance with International Standards on Auditing adopted in the Republic of Latvia (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and independence requirements included in the Law on Audit Services of the Republic of Latvia that are relevant to our audit of the financial statements in the Republic of Latvia. We have also fulfilled our other professional ethics responsibilities and objectivity requirements in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) and Law on Audit Services of the Republic of Latvia.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Reporting on Other Information

The Company’s management is responsible for the other information. The other information comprises:

- Information about the Company, as set out on pages 3 of the accompanying Annual Report,
- the Management Report, as set out on pages 4 to 7 of the accompanying Annual Report;

Our opinion on the financial statements does not cover the other information included in the Annual Report, and we do not express any form of assurance conclusion thereon, except as described in the Other reporting responsibilities in accordance with the legislation of the Republic of Latvia section of our report.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and in light of the knowledge and understanding of the entity and its environment obtained in the course of our audit, 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.

Other reporting responsibilities in accordance with the legislation of the Republic of Latvia

In addition, in accordance with the Law on Audit Services of the Republic of Latvia with respect to the Management Report, our responsibility is to consider whether the Management Report is prepared in accordance with the requirements of the 'Law On the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Based solely on the work required to be undertaken in the course of our audit, in our opinion:

- the information given in the Management Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Management Report has been prepared in accordance with the requirements of the 'Law On the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

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

The management is responsible for the preparation of a financial statement giving a true and fair view in accordance with the International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

SIA „Grant Thornton Baltic Audit”
License No. 183

Raivis Irbitis
Member of the Board

Ieva Aizsila
Sworn auditor
Certificate No. 233

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