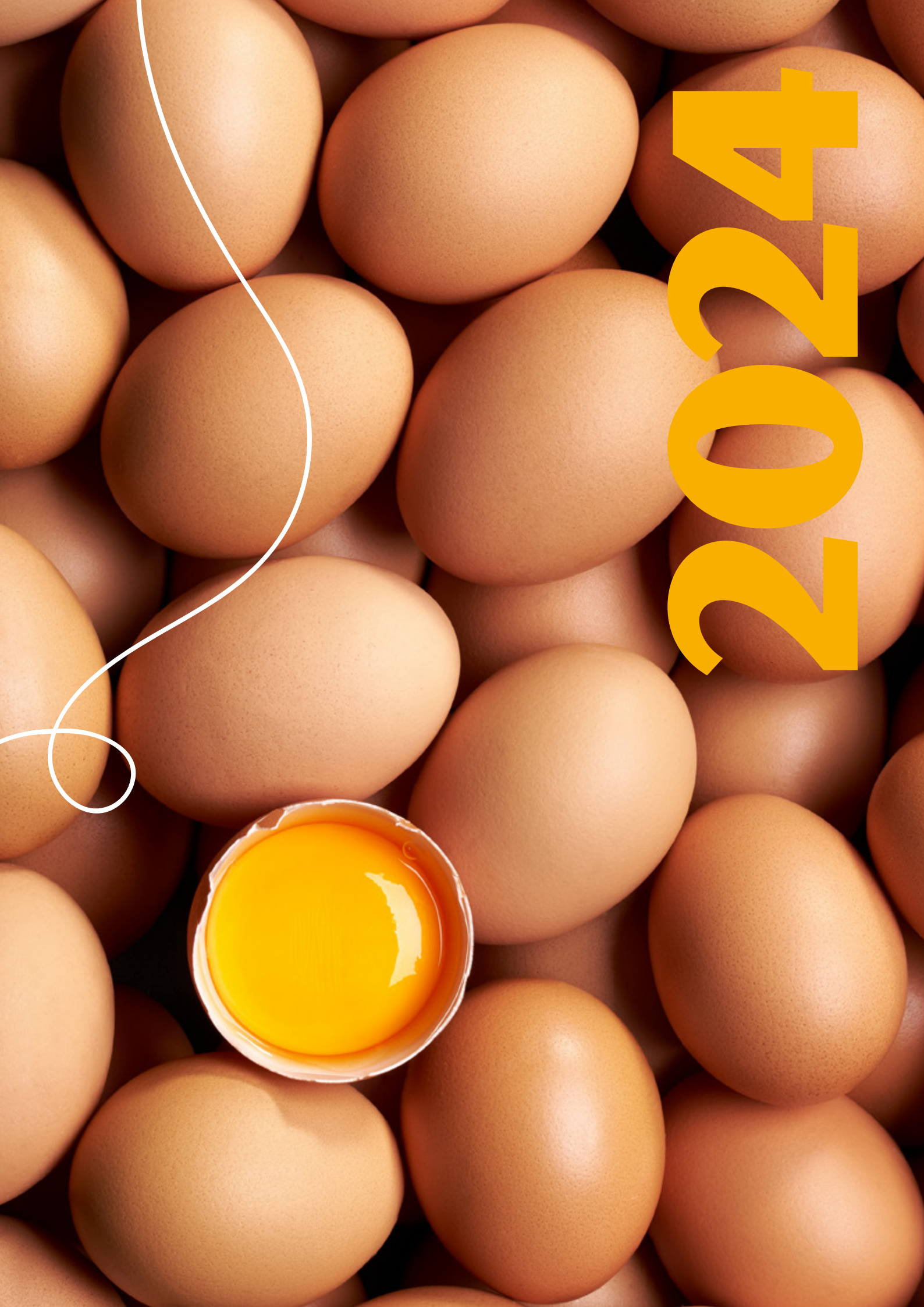


UNAUDITED FINANCIAL REPORT

APF Holdings



2024



MANAGEMENT REPORT OF APF HOLDINGS ON THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE FIRST 6 MONTHS OF 2024

Reported period
01.01.2024–30.06.2024



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2024

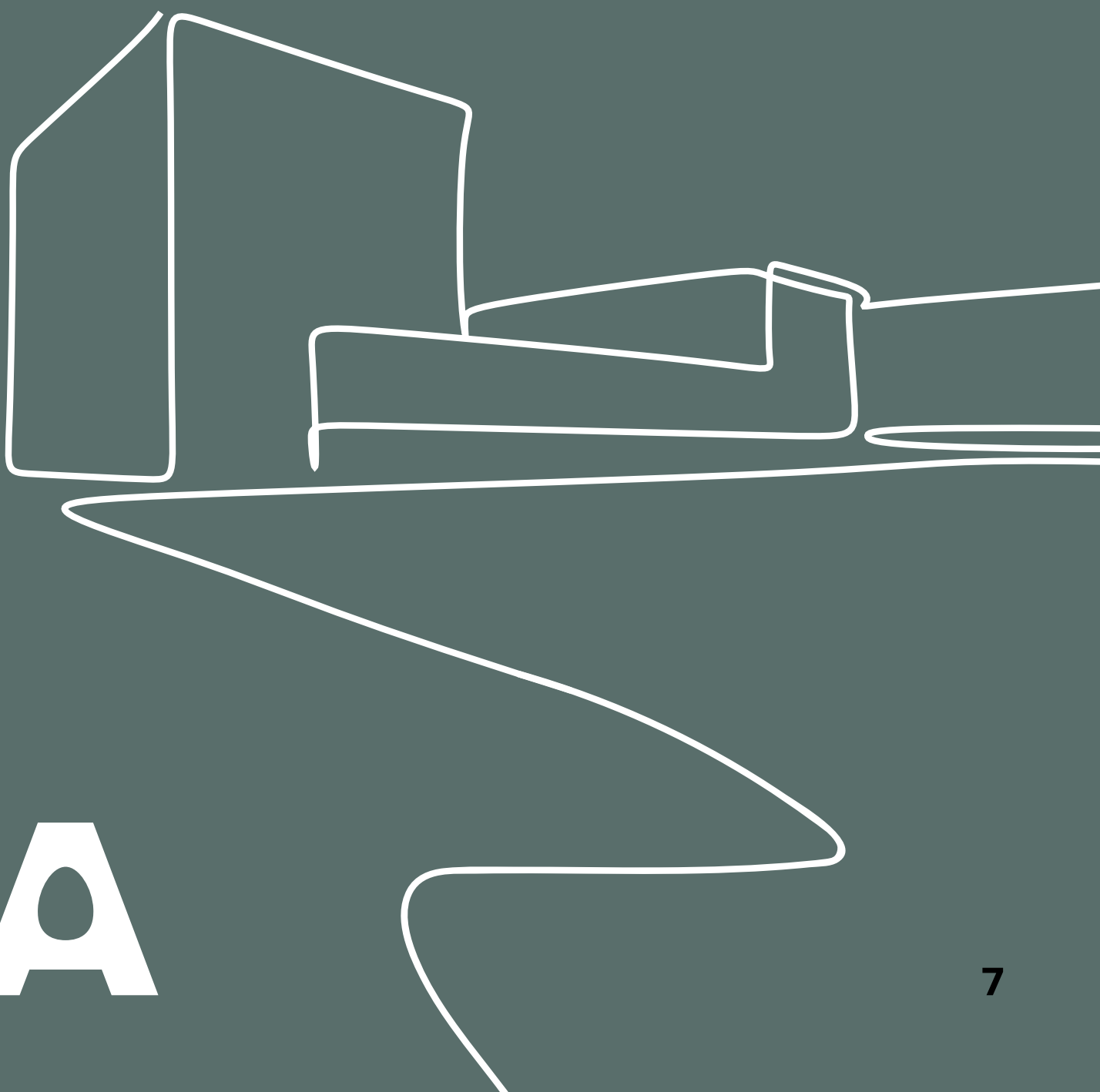




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INFORMATION ABOUT THE APF GROUP



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Name of the APF Group's parent company	APF Holdings
Legal status of the APF Group's parent company	Joint stock company (AS)
Number, place and date of registration of the APF Group's parent company	No. 50203047991 Riga, 3 February 2017
Address of the APF Group's parent company	Malduguņa Street 4, Mārupe Municipality, Mārupe, LV-2167, Latvia
AFP Group's type of operations	Operation of holding companies, poultry farming, and the production and trade of chicken eggs, as well as the production of biogas and organic fertilizer related to poultry farming processes, renewable electricity production.
APF Group's Shareholders	SIA J.A. Investment Holdings 69.78% Minority shareholders 15.01% Jurijs Adamovičs 8.93% Omni Industries B.V. 6.28%
Members of the Board of the APF Group's Parent Company	From 03.02.2021: Jurijs Adamovičs – Chairman of the Board Hermanis Dovgijs – Member of the Board Mihails Keziks – Member of the Board Until 03.02.2021: Jurijs Adamovičs – Member of the Board
Members of the Supervisory Council of the APF Group's parent company	From 17.08.2023: Uldis Iltners – Chairman of the Supervisory Council Eva Berlaus – Deputy Chairman of the Supervisory Council Aleksandrs Adamovičs – Member of the Supervisory Council Miguel Franco De Portugal Trigos Jordao – Member of the Supervisory Council
Reporting Period	From 01.01.2024 until 30.06.2024
Previous Reporting Period	From 01.01.2023 until 30.06.2023
Subsidiaries of the AFP Group	Alūksnes putnu ferma Ltd., reg. No. 43203003333, 100% APF Trading Ltd., reg. No. 50203051041, 100% Oluksne Ltd., reg. No. 50203050741, 100% Preiļu putni Ltd., reg. No. 40203289853, 100% APF Energy Ltd, reg. No. 40203352847, 100%

DEAR

Investors, Partners and Clients!



If last year was significant for us due to the crucial strategic development decisions we made, this year is the one in which we are tactically implementing them.



Sincerely,
Jurij Adamovičs
Chairman of the Board,
AS APF Holdings

Following last year's Initial Public Offering (IPO), where we shared our ambition to become a significant producer and exporter of cage-free eggs in the region, we have focused in the first half of this year on both aligning our daily production with our strategy and rapidly executing our expansion plans.

We are pleased to report that we are moving forward in production in line with market and consumption trends, with our production of cage-free eggs increasing by 51% in the first half of this year compared to the same period last year. The share of cage-free eggs in our total production volume has grown from 48% in the first half of last year to 78% this year. In the first six months, we sold a total of 44.5 million eggs, which is 7% less than in the corresponding period last year. However, this decrease was mainly influenced by the



Thank you for your contribution to the development of APF Holdings

replacement of the laying flock at one of our facilities in the first quarter. Such events are common in poultry farming, and it is important that we are on the right track to meet the growing market demand for cage-free eggs in the near future.

We believe that egg production in cages, which is unethical and does not comply with European Union welfare standards, has no long-term future. Currently, a large volume of foreign cage-produced eggs is entering the Latvian and Baltic markets, luring consumers with low prices. This is not the path we have chosen – APF Holdings aims to be a leader in ethical and sustainable egg production, and we believe that we will succeed in this relatively soon.

In the first half of this year, alongside efficient production, we have also been actively implementing our development plans. In May, we signed a construction contract for the construction of two new poultry facilities. The construction costs for the project will be €2.728 million, which represents 30% of the total project investment. The groundwork has already been completed,

and construction has begun. The first facility will be commissioned by the end of this year, and the second – in April of next year. These new facilities will enable us to increase our egg production by 73 million eggs per year, reaching a total of 180 million eggs annually. These laying hen facilities will be among the most modern in Europe, allowing APF Holding to offer cage-free eggs both in the Baltic region and export markets.

Additionally, in May, we concluded an agreement with Big Dutchman, the leading manufacturer of agricultural equipment, which will equip both new laying hen facilities. The investment in the new equipment will be €4 million. The equipment will be installed alongside the construction of the two laying hen facilities.

At the same time, we are also actively working to make APF Holdings a fully circular economy-based company. This will allow us to provide consumers with sustainably produced eggs and egg products that meet the latest consumption trends.

We are the first company in the industry to have fully transitioned to using only renewable energy for our operations as of July 1st this year. Currently, APF Holdings has also started using its own solar park, which during the summer months provides all the electricity for the company's poultry facilities, accounting for approximately 25% of the company's total annual electricity consumption.

As usual, you can read more details about our operations this year further in this report.

THE MOST SIGNIFICANT EVENTS IN THE FIRST 6 MONTHS OF 2024

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NEW PRODUCTS

Eggjoy

By continuously implementing a sustainability strategy, APF Group is gradually transitioning to more environmentally friendly solutions in all areas of the company's operations. During



the reporting period, we developed and have already launched a new product on the market – Eggjoy – cage-free eggs packaged in eco-friendly RPET plastic packaging. We have been offering this product on the market since early June, and the first sales campaigns have already been implemented in Rimi Latvia and Lidl in all three Baltic countries.

RPET is special because its composition is made up of up to 99% recycled material, and this type of packaging can be recycled an unlimited number of times. The production of Eggjoy packaging uses 16 times less water than traditional cardboard packaging and does not use any wood components. Therefore, by choosing this packaging, each consumer contributes to reducing CO₂ emissions and preserving natural resources. The packaging design uses natural, water-soluble colors.

Eggjoy brand RPET packaging is also significantly cheaper than cardboard, takes up less space in warehouses, and is more fire-resistant. We continue to develop the Eggjoy brand and plan to offer two new Eggjoy packages for M and L-sized eggs in the third quarter of 2024.

NEW MARKETS AND COLLABORATIONS

Fiteg² Product Demonstrations in Estonia



In February, APF Group introduced the Fiteg² egg white smoothie to Estonian consumers for the first time, offering two delightful flavours: Mango and Apple&Vanilla. These innovative, protein-rich and healthy ready-to-drink (RTD) smoothies were made available for purchase in 17 Rimi hypermarkets across Estonia.

To give consumers the opportunity to get acquainted with this new product, which is entirely different in the protein drink segment as it is made from egg whites, product tastings were organized in 8 Rimi hypermarkets in Tallinn, allowing customers to experience the unique flavours for themselves.

The Fiteg² Apple&Vanilla smoothie garnered a more favourable reception, which we attribute to our geographical and historical food consumption habits. Consumers highlighted pleasant taste, complemented by a subtle vanilla aftertaste. The product's aroma and smooth texture were particularly appreciated.

Both flavours of Fiteg² egg white smoothies, according to customer feedback, stand out with their balanced taste. During tastings, we observed that customers expressed a desire to purchase them again.

We plan to continue implementing our sales and marketing strategies till the end of 2024. Our commitment is to ensure that Fiteg² egg white smoothies are available in the regular assortment of Rimi Estonia, providing greater accessibility to potential RTD Fiteg² buyers in Estonia.



Strategic Partnerships in the Baltic Region

In the first half of 2024, APF Group has made significant strides in expanding our market presence and reinforcing our commitment through new strategic partnerships in the Baltic countries. We have successfully established cooperation with several new major retailers, including Sky, Maxima (Latvia, Estonia, Lithuania), and Lidl (Lithuania). Additionally in June 2024, we have signed a contract with Prisma (Estonia), effective from 15 July.

We have also expanded the network for our egg white smoothies, Fiteg², in Latvia. Fiteg² is now available to customers at Virši gas stations.

APF Group has initiated collaborations with notable food producers such as Lāči and the innovative Horeca player Ezītis miglā. Furthermore, we have commenced cooperation with the culinary department of Maxima Latvia, following their announcement to switch from cage eggs to cage-free eggs. This transition also aligns with the broader goal of promoting animal welfare and sustainable sourcing.

APPROACHING IPO GOALS

Contract Signed and Construction of New Poultry Facilities in Alūksne Commenced



On 22 May 2024, APF Group signed a cooperation agreement with the construction company SIA Aimasa. The contract was awarded through a public competitive bidding process. The total investment for the construction of two new poultry facilities will amount to 2.728 million euros.

The ground works have been finished, and the construction works have commenced. The first facility will be operational by the end of this year, and the second will be completed by April next year. The total area of the new facilities will be approximately 4,700 m², increasing APF Group's egg production by 73 million eggs per year, reaching a total of 180 million eggs annually. These layer hen facilities will be among the most modern in Europe, allowing APF Group to offer cage-free eggs both in the Baltic region and in export markets.

This investment will significantly increase production capacity and strengthen APF Group's position as a modern and sustainable producer.

APF Group Invests in Advanced Egg Production Equipment with Big Dutchman Partnership

In May 2024, APF Group entered into a significant agreement with Big Dutchman, a leading manufacturer of agricultural equipment. This collaboration focuses on outfitting double barn facilities for laying hens, with an investment of 4 million euros, ensuring the highest welfare standards

The installation of the new equipment will proceed in tandem with the construction of the double barn facilities, overseen by SIA Aimasa. Big Dutchman will supply APF Group with state-of-the-art aviary

systems for cage-free hens, manure collection systems, automated egg counting solutions, and climate control technology to enhance the welfare of the laying hens. Additionally, APF Group will pioneer the use of emission reduction solutions in the Baltics, significantly mitigating environmental impact.

By choosing one of the world's foremost and most innovative egg production equipment suppliers, APF Group is set to develop a fully sustainable production facility. The implementation of advanced production equipment will not only increase efficiency and reduce costs but also improve production processes, resulting in significant benefits for our shareholders and all consumers of APF Group's eggs and egg products.

This agreement with Big Dutchman is a pivotal part of our growth strategy, as outlined during last year's APF Group initial public offering.

The Construction of Warehouse and Egg Processing Production Facilities is in Full Swing

For the warehouse building and egg processing production facilities, which we began constructing at the end of 2023, the topping-out ceremony was celebrated, and the exterior walls and roof were erected in the first half of 2024.

Parallel to the progress of the construction work, the APF Group's team, together with representatives from Dayton Latvia, successfully conducted equipment testing (Factory Acceptance Test) at DION Engineering, the assembler and manufacturer of the egg processing line in Bulgaria. The equipment is intended for the production of liquid egg products and is equipped with an egg breaking machine. The tested equipment is planned to be installed in September 2024. The building is scheduled to be handed over for operation in October 2024, when we also plan to start the production process.

This is a significant milestone in the history of APF Group, as with the launch of new egg product production, APF Group will transform from a primary egg producer into a food production company. This transition will help expand the customer portfolio, especially in the Horeca and B2B sectors, as well as conquer new markets.



Approval of APF Group's Expansion Plans and Future Development Opportunities

In the first half of 2024, the Alūksne Municipality Council approved the APF Group's expansion plans, marking the completion of the Environmental Impact Assessment process. The EIA development took over two years, during which the environmental impact of emissions was modelled from various perspectives.

We have currently submitted documents and are applying for an A category permit to conduct polluting activities, which is necessary for APF Group's future development. In accordance with this development, the number of laying hens is planned to increase from 425,000 to 1,674,000. Consequently, APF Group will double its workforce and significantly increase tax revenues for both the local municipality and the country.

This step is essential for the long-term development and growth of APF Group, enhancing our market position and fostering economic growth in the region.

SUSTAINABILITY

Moving Towards Sustainability

APF Group is actively moving towards a fully circular economy to provide our consumers with sustainably produced eggs and egg products that adhere to the best welfare principles in the industry.

In February 2024, APF Group reaffirmed its commitment to energy management standards by receiving the international ISO 50001 certification. This certification highlights our guidelines for optimizing energy consumption and our dedication to continuously improving our energy management systems.





Introduction of Solar Energy

In Spring, Alūksnes putnu ferma has started using its solar park, with energy production commencing after successful tests in the spring. The full commissioning of the solar park is planned for October. The solar park has a capacity of 250 kWp and is equipped with 384 solar panels. During the summer months, this park provides all the electricity consumption for Alūksne Poultry Farm's chicken coops, accounting for approximately 25% of the company's total annual electricity consumption. The total investment in the solar energy park exceeds 240 thousand euros, and the project was implemented in cooperation with SIA Ignitis Latvia. During the first half of the year, the new solar park already produced 156,297 KWh, and during full operation, it will reduce at least 249 tons of CO₂ emissions annually.

The solar park project is just one part of our investment and development program promised to investors during last year's initial public offering. Step by step, we are bringing this development vision to life, and we are currently working on a biogas plant project. This project will allow the processing of waste generated during egg production. Investors will be informed separately about these events as soon as we begin their implementation.



Transition to Renewable Energy

Starting from 1 July, APF Group has fully transitioned to using renewable electric energy for its operations. APF Group has signed an electricity supply contract with SIA Ignitis Latvia, which provides for the purchase of electricity only from renewable sources. The company has received a certificate as proof of this step. This means that from mid-summer, APF Group will offer only “green eggs” to the market – eggs produced using environmentally friendly electricity. This decision was made to meet the growing consumer demand for sustainably produced eggs in both the Baltic and European markets.

CONTINUING TO FOSTER GOODNESS

In June 2023, APF Group signed a partnership agreement with the food bank Paēdušai Latvijai. In our first year of collaboration, we managed to assist 818 people. Committed to continuing our efforts, we have extended this partnership for another year to support families and seniors across various regions of Latvia.

We also continue to support various charity foundations and organizations. Every year, we participate in and support the Bērnu rīts charity fund with Easter events for children and youth. For many years, we have also supported the charity association Latvian Humanitarian Aid Center, which provides assistance to families in the Grobiņa area.

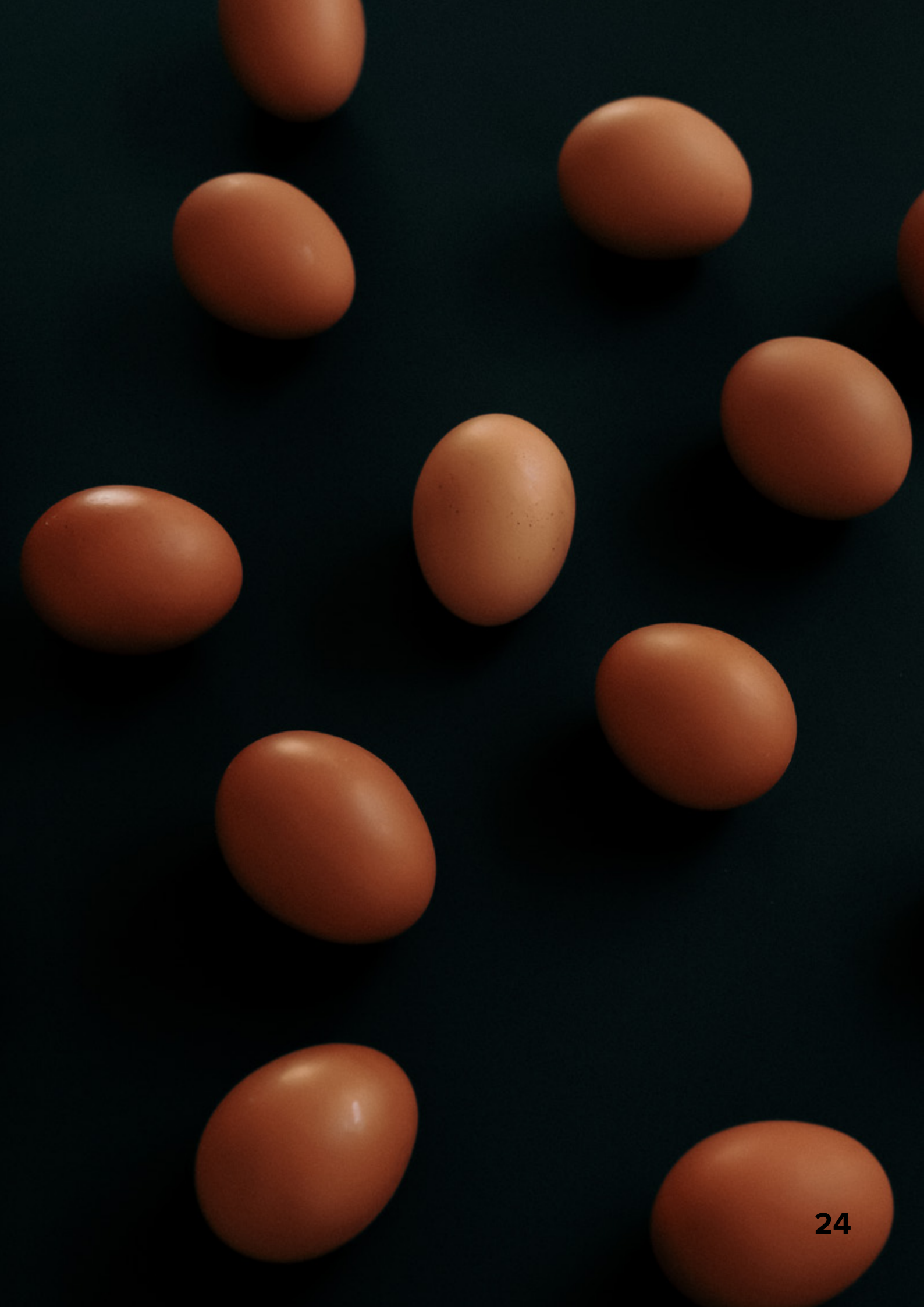
Our commitment goes beyond egg production and sales. We actively support various cultural and entertainment events in the Alūksne community, such as the Alūksne Rally, Alūksne Triathlon, and the international Alūksne Judo Tournament.

APF Group is dedicated to promoting public health and an active lifestyle, emphasizing that it is not only related to proper nutrition and eating habits but also a source of positive thinking. We are pleased to be partners and supporters of various sports events for children and adults.

Some notable examples include our collaboration with My Fitness sports club and our support for the beach volleyball tournaments in Ogre. We continue to support the Baltic SKDUN karate competitions. We actively participated in the sports games organized by our office space owner, Business Garden, providing participants with delicious omelettes and our innovative egg white smoothies. Additionally, we delighted children with tasty breakfasts during the expedition in Pededze, organized by the association Vanagkalns.

By fostering goodness, we are determined to support and promote positive changes in our society.





APF GROUP'S SALES RESULTS FOR THE FIRST HALF OF 2024



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• all birds including 100% free-range
cage-free egg
• kulti dahan olak
EggJoy
A 10
• örrekanade munad
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Kuning
Lilin

In the first half of 2024, the total number of eggs sold by APF Group decreased compared to the same period in 2023. In the first six months, 48 million eggs were sold, which is 7 percentage points less than the 51.9 million eggs sold in the corresponding period of the previous year. This reduction was influenced by the specific characteristics of the laying hens' cyclorama and the exceptionally large imports of eggs from Ukraine, which forced APF Group to decrease its production capacity in the second quarter of 2024.

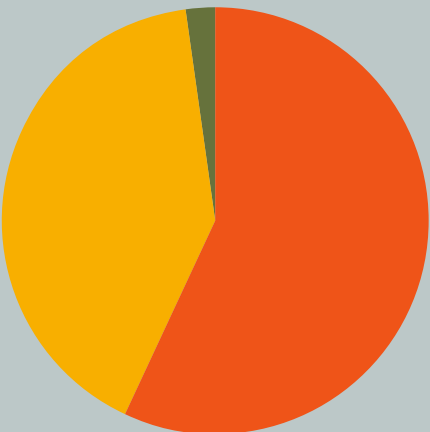
Positively, the share of cage-free-eggs reached 80% in the first half of 2024. Of these, 78% were cage-free barns and 2% were laid in free-range conditions. This marks a significant increase compared to the first six months of 2023, when the share of cage-free eggs was 49%, and caged eggs accordingly for 51%.

It is worth noting that the reduction in the number of caged eggs was affected by the flock replacement in the winter of 2024.



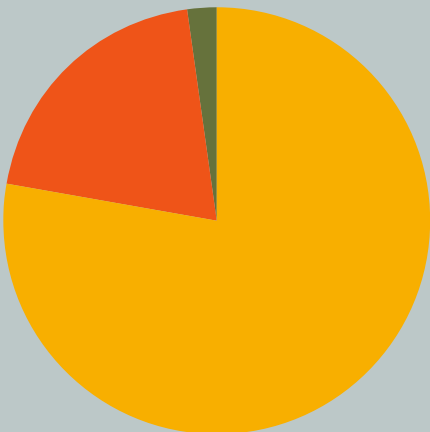
The reduction in the sales of caged eggs was compensated by an increase in the sales of cage-free eggs. The number of caged-free eggs laid in barns increased by 51% in the first six months of 2024 compared to the first half of the previous year. The sales of eggs laid in free-range conditions also showed a positive trend, rising from 0.71 million in the first six months of 2023 to 1.1 million eggs in the first half of 2024, which similarly resulted in a 51% increase.

Egg sales by method of hen keeping (1H2023)



- Cage-free barn 48%
- Enriched cage (small groups) 51%
- Free range 1%

Egg sales by method of hen keeping (1H2024)



- Cage-free barn 78%
- Enriched cage (small groups) 20%
- Free range 2%

During the reporting period APF Group achieved a modest 3 percentage point increase in the share of eggs sold in the Retail segment compared to the first half of the previous year. 70% of all eggs sold in the first six months of 2024 were sold to end consumers, while 30% went to Industrial segment clients. This growth is closely linked to several new cooperation agreements, including with Sky, Maxima, Lidl, as well as increasing demand from Rimi stores in Estonia and Lithuania.

The new cooperation agreements and new product also helped to expand and sell more APF Group's products in retail throughout the Baltics.

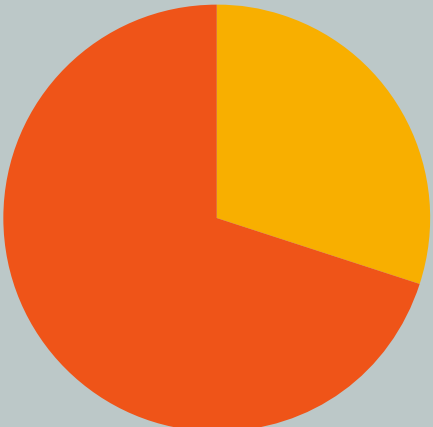
For example, in June, a new product, Eggjoy, was successfully launched – cage-free barn eggs in environmentally friendly RPET packaging. The product was offered in Rimi Latvia and Lidl stores in the Baltics and quickly became popular among consumers by selling 1.8 million of Eggjoy eggs within three weeks.

Egg sales by sales segments (1H2023)



- Industrial 33%
- Retail 67%

Egg sales by sales segments (1H2024)



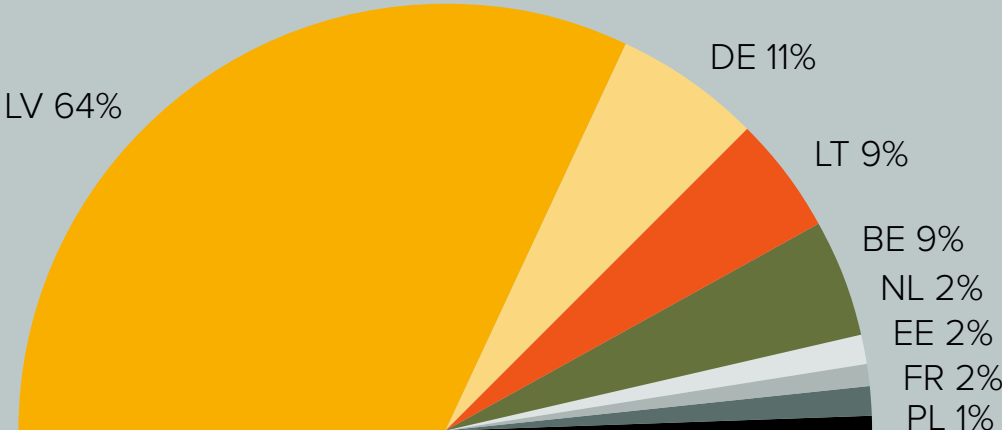
- Industrial 30%
- Retail 70%



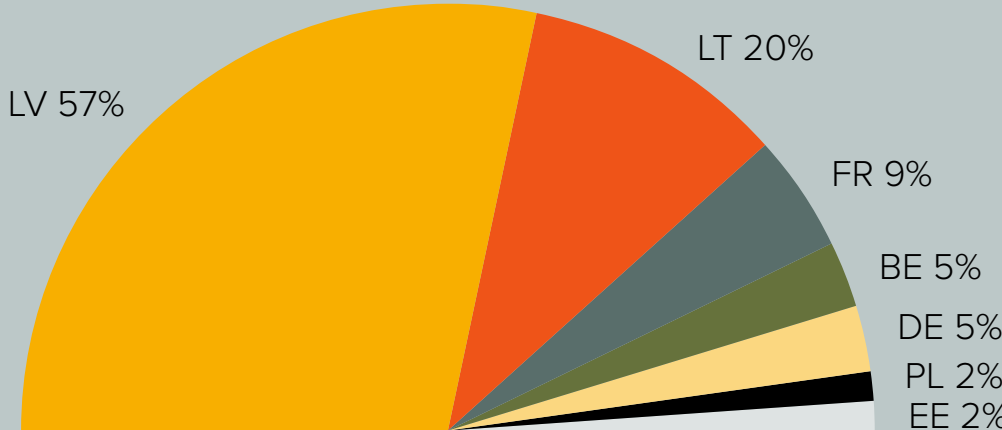
Despite intense competition from egg producers from third countries, APF Group’s egg export volume increased by 11% in the first half of 2024, reaching 43% of all eggs sold. This growth is directly linked to APF Group’s goal of developing new markets and expanding its network of partners outside Latvia, especially focusing on the Baltic region.

The APF Group managed to increase the share of egg sales in the Baltic states to 80%, compared to 75% in the first half of 2023. We are particularly pleased that egg sales volumes in Lithuania have more than doubled compared to the same period last year. This happened because Lithuanian supermarkets transitioned to selling cage-free eggs much faster than Latvian stores.

Egg sales by countries (1H2023)



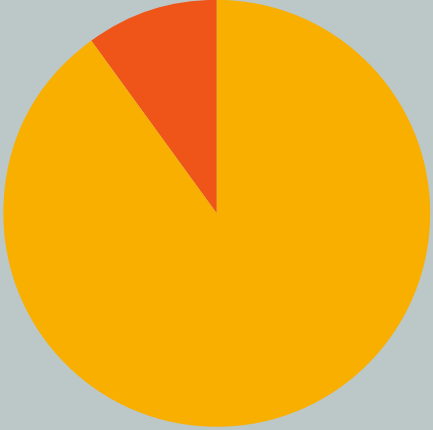
Egg sales by countries (1H2024)



The proportion of private label (PL) egg sales increased in the first half of 2024, reaching 38% of the total sales. This change is linked to the major retail chains' commitment to phasing out caged eggs in their private labels and replacing them with more sustainable alternatives. The growing interest in these changes was shown by Rimi retail network.

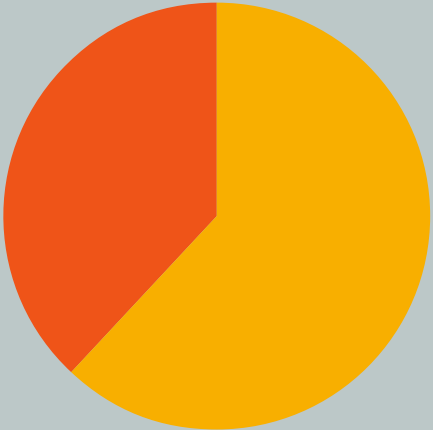
Growth was also driven by a new cooperation agreement with the Maxima retail chain across the Baltic states, thanks to which APF Group expanded not only its private label presence in the Baltic states but also offered its own brand of cage-free barn eggs, The Chick Game, to Maxima customers.

Egg sales distribution: branded eggs vs private labels (1H2023)



- Branded 90%
- PL 10%

Egg sales distribution: branded eggs vs private labels (1H2024)



- Branded 85%
- PL 15%



In the first half of 2024 a significant price drop of around 20% was observed for caged eggs. This decline was driven by the large volume of egg imports from third countries, affecting not only Latvia but also the entire European market. Most of these imports were caged eggs (Category 3) from Ukraine. In the first half of 2024, Ukrainian egg imports reached a historic high, almost matching the total import volume of 2023, which in turn was the previous historical record, i.e., the number of eggs imported from Ukraine in 2023 more than doubled the amount imported in 2022

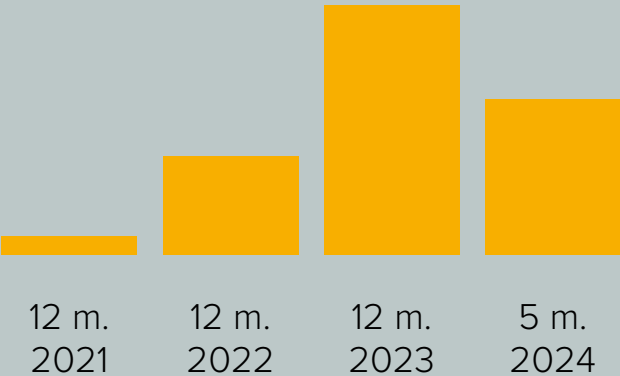
Although Ukrainian eggs are not produced in compliance with all EU requirements, their lower price significantly impacted demand in both smaller store chains and the industrial egg segment.

The lower prices of caged eggs also influenced the prices of barn-laid eggs, given the currently low demand for barn-laid eggs from retailers. The average egg prices in Latvia, Lithuania, and Poland were 16%-25% lower compared to the end of 2023. Only in Estonia were egg prices and the price of APF Group's eggs (after a reduction in production capacity) higher than in other countries in the region.

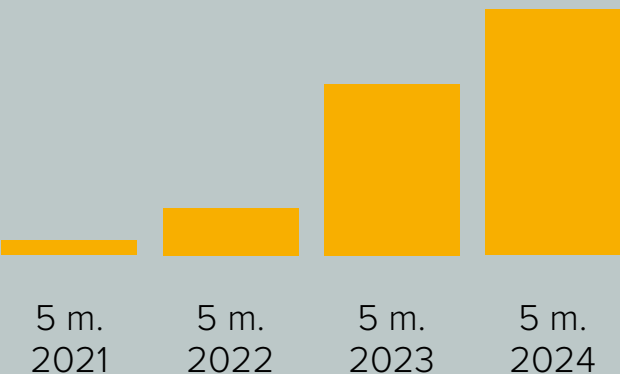
In response to the critical situation in the industry, the European Commission swiftly implemented (reinstated) a sector protection mechanism starting on 1 July 2024. This involves an import tariff on eggs produced in third countries, which had been completely removed since 2022. The APF Group believes that this protection mechanism will stabilize the industry within 2-3 months, but the market will fully recover only after supermarkets transition to selling barn-laid eggs.

APF Group actively collaborates with industry representatives, the Latvian United Poultry Association, and responsible ministries on legislative changes to prevent the internal EU market from being flooded with non-EU standard-compliant and more than twice as cheap products. This is essential to reduce market distortions, as well as the impact on local producers, food safety and consumer health.

Egg import from Ukraine total



Egg import from Ukraine JAN-MAY



Fiteg² Egg White Smoothie Sales

Last year (2023) in May, APF Group introduced a new innovative egg product to the Latvian market - egg white smoothies Fiteg². This product became available in Rimi and Stockmann stores. Thanks to active promotion of the product in both 2023 and the first half of 2024, APF Group significantly increased the shelf presence of Fiteg² and expanded its availability by initiating new partnerships. Fiteg² is now also available at Virši gas stations and Sky store network.

We continue to actively promote Fiteg² outside Latvia as well. In February, a sales campaign was organized in Rimi hypermarkets in Estonia, as well as product demonstrations in eight stores in Tallinn. Fiteg² received very positive feedback from customers.

In the first half of 2024, APF Group sold three times more Fiteg² egg smoothies than during the previous year. We see great potential for this product and continue working on promoting Fiteg² in Latvia and the Baltic countries.

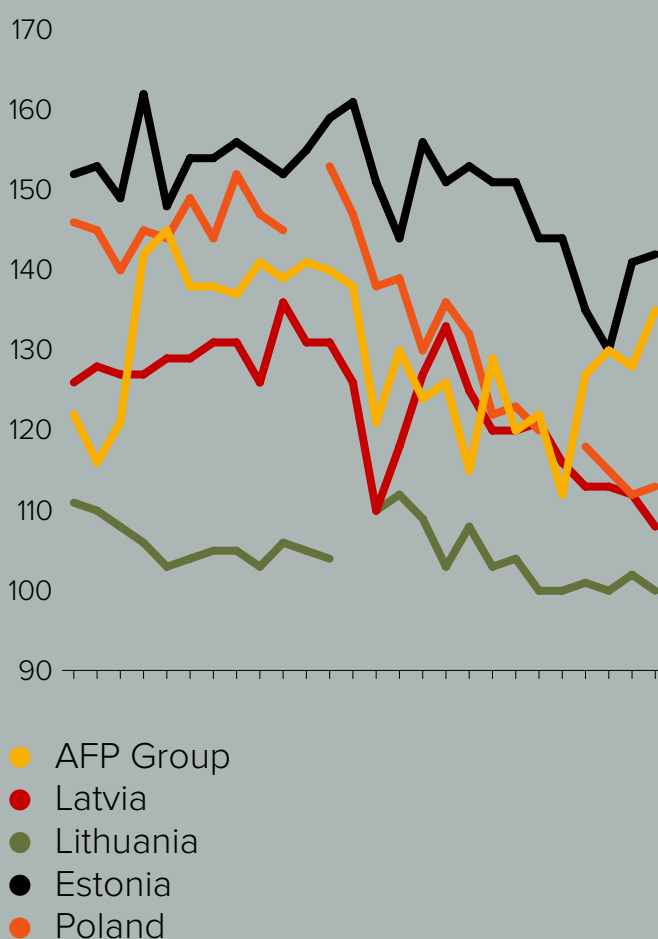
APF Group is committed to continuing its growth by offering high-quality and reliable products in other European countries as well. The company's strategic approach confirms its commitment to ensuring the availability of high-quality products both locally and internationally, promoting sustainable growth and development. This will ensure long-term success and value for our investors.



FINANCIAL INDICATORS

After the rapid price increase in 2022-2023 in the first half of 2024, the egg market experienced a significant price drop caused by the large import of eggs from third countries, which affected not only Latvia but also all of Europe. Mainly caged eggs from Ukraine were imported. In the first half of 2024, Ukrainian egg imports reached a new historic record – almost as many eggs were imported as in the entire year of 2023, which had been the previous historic record, i.e., in 2023, the number of eggs imported from Ukraine was more than twice the amount imported in 2022. Ukrainian eggs are not produced in compliance with EU requirements, but their lower price significantly affected demand both in smaller retail chains and the industrial egg segment. The lower prices for caged eggs also affected the prices of barn eggs, given the still relatively low demand for barn eggs from retailers. To prevent the sale of eggs below cost, APF Group has decided to reduce production capacity during the summer period of 2024, which will in turn increase the share of fixed costs in the cost price of eggs. Nevertheless, this decision, according to management, will allow APF Group to operate with operational profit.

Egg producers' sales prices in the Baltics and Poland 1H2024



The average prices of egg producers in Latvia, Lithuania, and Poland at the end of the reporting period were 16%-25% lower compared to the prices at the end of 2023, and only the average egg prices in Estonia and APF Group (after the reduction of production capacity) were higher than in other countries in the region.

In response to the critical situation in the sector, the European Commission swiftly introduced (reinstated) an industry protection mechanism – an import duty on eggs produced in third countries, which had previously been completely removed since 2022. APF Group management believes that this protection mechanism will stabilize the situation in the sector within 2-3 months, but the market will fully recover only after Retail transition to the sale of cage-free eggs.

As a result of these circumstances, APF Group's turnover and gross profitability are 15% and 31% lower than in 1H23, respectively, and APF Group closed 1H24 with operational losses (EBIT) amounting to 120 thousand EUR. However, it should be

noted that APF Group is in an investment phase and is also rebuilding existing fixed assets within this framework. As a result of these activities, several old objects have been excluded from fixed assets. These costs reduced APF Group's EBIT indicator by 285 thousand EUR, but these costs are not related to APF Group's operational activities, and excluding these costs, APF Group's EBIT indicator would be positive and reach 166 thousand EUR (hereinafter – adjusted EBIT).

APF Group's adjusted EBITDA has reached 960 thousand EUR, which is 49% less than in the first half of 2023, but it still remains in positive territory despite the extraordinary circumstances and the challenging situation in the industry. It should also be noted that the impact of uncontrolled imports of eggs produced in Ukraine was already felt in the second half of 2023, and during that period, it negatively affected APF Group's performance. However, in the first half of 2024, APF Group managed to restructure and significantly reduce its feed costs despite the contract terms, and as a result of these actions, APF Group's gross profitability in the first half of 2024 is 11% higher than in the second half of 2023. Its adjusted EBIT was more than twice as high, and the adjusted EBITDA was 4% higher in the first half of 2024 compared to the second half of 2023. These circumstances confirm that the APF Group's team is capable of effectively coping with even the most challenging market conditions and turning negative trends in a positive direction.



For the development of Investment Phase IV in 1H24, APF Group has secured new financing from the Polish investment fund CVI, which increased APF Group's total external financial liabilities by 48% in this half-year. However, considering that the new liabilities are long-term, APF Group's current liquidity ratio has significantly improved, and along with the reduction in other short-term liability positions, APF Group's liquidity indicator has increased to 2.8 compared to 1.8 at the end of 2023.

In addition, it is worth noting that the company's debt burden has not significantly changed compared to previous periods, as APF Group's equity has also increased, i.e., the ratio of total external financial liabilities to the average adjusted equity remains at the level (1.1x), which is close to the 2023 results - 1.0x, and the net total external financial liabilities to the adjusted EBITDA indicator remains at the level of 3.3x, which is close to the 2022 result.

Despite the challenges that APF Group faced in the first half of 2024 due to changes in egg prices, the Group has secured the necessary funding for the implementation of Investment Phase IV, and it is being carried out according to the previously agreed plan. Improvements in the Group's profitability are evident, and its financial burden remains manageable under the current circumstances. The management team continues to execute the approved development strategy and is confident in its correctness, considering the upcoming market changes, i.e., the shift away from caged eggs, which is already being implemented by APF Group's clients.



**Key ratios and indicators
(management data) (EUR '000)**

2022 2023 1H23 2H23 1H24

Net turnover	11,230	13,319	6,988	6,331	5,907
Cost of goods sold	-9,129	-9,775	-4,802	-4,973	-4,397
Gross profit	2,101	3,544	2,186	1,358	1,510
EBIT	952	1,135	1,064	71	-120
EBIT (adjusted)*	952	1,135	1,064	71	166
Net profit for the period	331	527	802	-275	-477
EBITDA (adjusted)	2,101	2,798	1,879	919	960
Profitability and sustainability ratio					
1. Gross margin (%)	18.7%	26.6%	31.3%	21.5%	25.6%
2. EBIT (adjusted) margin (%)	8.5%	8.5%	15.2%	1.1%	2.8%
3. Net margin (%)	2.9%	4.0%	11.5%	-4.3%	-8.1%
4. EBITDA (adjusted) margin (%)	18.7%	21.0%	26.9%	14.5%	16.3%
5. ROE (%)	17.4%	10.4%	53.4%	-9.9%	-13.9%
6. ROCE (%)	9.7%	10.1%	23.1%	1.2%	2.2%
7. ROA (%)	2.5%	3.4%	12.1%	-3.6%	-5.5%
Liquidity ratios					
8. Current ratio (x)	0.7	1.8	0.8	1.8	2.6
9. Quick ratio (x)	0.3	1.3	0.3	1.3	1.7
10. Working capital	-1,524	3,002	-653	3,002	3,160
Leverage ratios					
11. External debt/AVG adjusted equity (x)	3.3	1.0	1.8	0.9	1.1
12. Net external debt/annualized EBITDA (adjusted) (x)	3.0	0.6	1.4	0.9	3.3

1. Gross profit/Net sales * 100
2. Adjusted EBIT/Net Sales * 100
3. Profit for the reporting period/Net sales * 100
4. Adjusted EBITDA/Net sales * 100
5. Profit for the reporting period/(Average equity capital increased by shareholder loans) * 100
6. Adjusted EBIT/(Average assets – Average short-term liabilities) * 100
7. Profit for the reporting period/Average total assets * 100

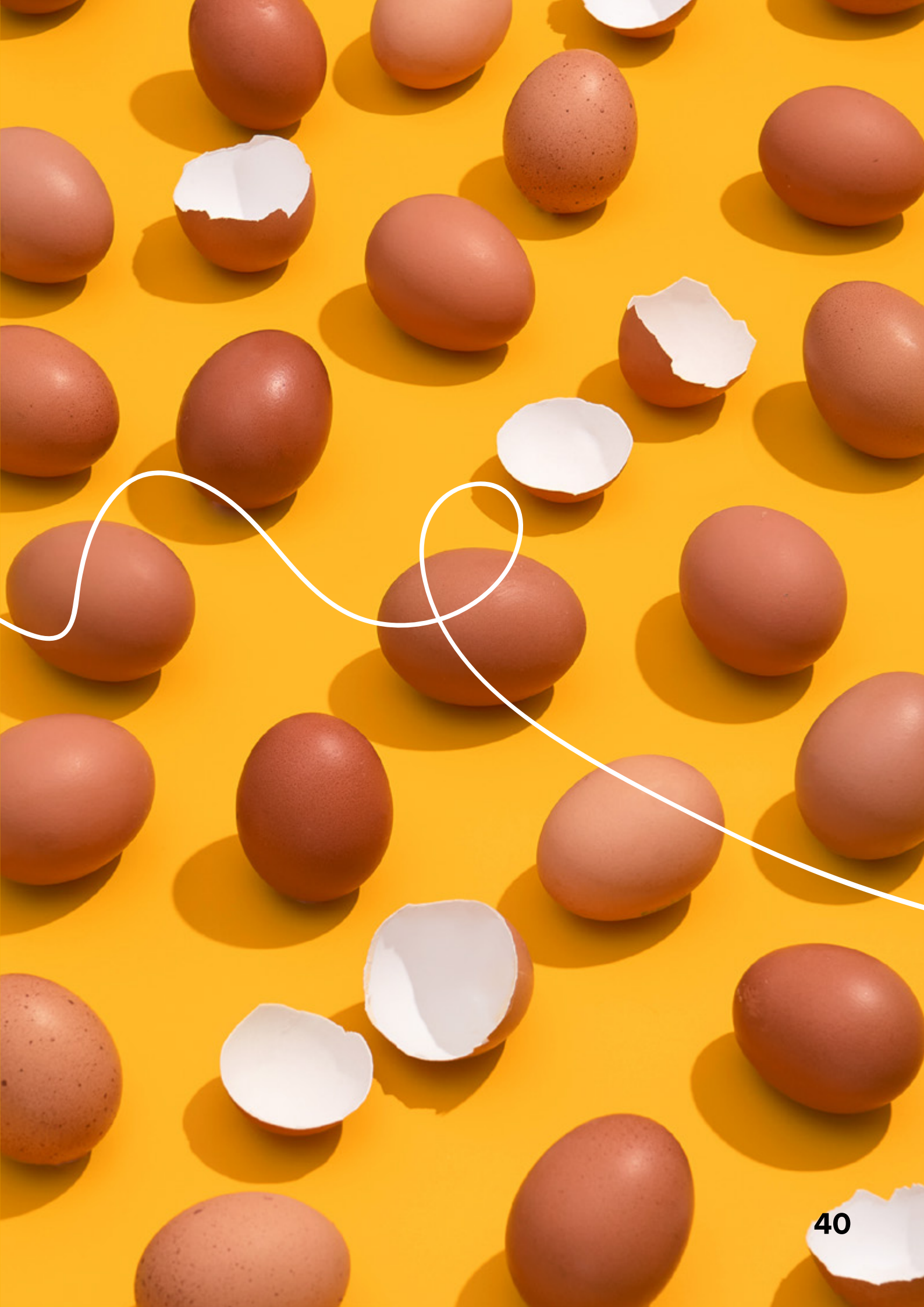
8. Current assets/Short-term liabilities
9. (Current assets – Inventory)/Short-term liabilities
10. Current assets – Short-term liabilities
11. (Financial liabilities – Shareholder loans)/Average equity capital increased by shareholder loans
12. (Financial liabilities – Shareholder loans – Cash)/Adjusted EBITDA

* adjusted for net loss from disposal of fixed assets in FY 2024

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



A



INCOME STATEMENT



		01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	Notes	EUR unaudited	EUR unaudited
Revenue	(3)	5,906,875	6,987,840
Costs of goods sold or services provided	(4)	(4,396,989)	(4,801,885)
Gross profit or losses		1,509,886	2,185,955
Distribution expenses	(5)	(426,626)	(460,764)
Administrative expenses	(6)	(914,905)	(715,526)
Other operating income	(7)	51,862	111,382
Other operating expenses	(8)	(339,808)	(56,804)
Interest and similar income incl.	(9)	19,088	788
a) from other parties		19,088	788
Interest and similar expenses incl.	(10)	(370,276)	(247,499)
a) from related companies		(1,063)	(31,359)
b) from other parties		(369,213)	(216,140)
Profit or losses before corporate income tax		(470,779)	817,532
Corporate income tax for the financial year	(11)	(6,095)	(15,893)
Profit or losses for the financial year		(476,874)	801,639

Notes on pages 51 to 75 are an integral part of these financial statements.

BALANCE SHEET

	Notes	30.06.2024 EUR unaudited	31.12.2023 EUR audited
ASSETS			
Non-current assets			
Intangible assets			
Concessions, patents, licenses, trademarks and similar rights	(12)	801	568
Other intangible assets	(12)	24,698	27,564
Creation of intangible investments	(12)	22,004	22,004
Total intangible assets		47,503	50,136
Fixed assets, investment properties and biological assets			
Immovable properties			
a) land plots, buildings and engineering structures	(13)	4,027,332	4,093,435
Leasehold improvements	(13)	43,699	49,392
Technological equipment and machinery	(13)	5,108,139	5,546,201
Other fixed assets	(13)	316,271	301,472
Fixed assets under development and construction in progress	(13)	1,072,930	185,644
Advances for fixed assets	(13)	1,682,326	333,640
Total fixed assets:		12,250,697	10,509,784
Non-current financial investments			
Participation in capital of associates		105	105
Other loans and non-current receivables	(14)	77,272	90,606
Total non-current financial investments		77,377	90,711
Total non-current assets		12,375,577	10,650,631

	Notes	30.06.2024 EUR unaudited	31.12.2023 EUR audited
Current assets			
Inventories			
Raw materials and consumables	(15)	332,106	375,454
Finished goods and goods for sale	(16)	54,462	39,141
Fauna and flora			
a) animals and annual plantings	(17)	1,176,273	997,424
Advances for inventories		235,750	400,000
Total inventories		1,798,591	1,812,019
Account receivable			
Trade receivables	(18)	1,240,894	701,115
Receivables from associates		100	100
Other receivables	(19)	377,705	497,437
Deferred expenses	(20)	86,650	75,419
Accrued income		754,533	334,923
Total receivables		2,459,882	1,608,994
Cash and bank	(21)	857,983	3,315,668
Total current assets		5,116,456	6,736,681
Total assets		17,492,033	17,387,312

	Notes	30.06.2024 EUR unaudited	31.12.2023 EUR audited
EQUITY, PROVISIONS AND LIABILITIES			
Equity			
Share capital	(22)	5,727,930	5,727,930
Share premium	(22)	3,761,390	3,761,390
Reserves:			
f) other reserves	(23)	775	775
Retained earnings or uncovered losses brought forward from previous years		(3,410,547)	(3,937,606)
Current year profit or losses		(476,874)	527,059
Total equity		5,602,674	6,079,548
Liabilities			
Non-current liabilities			
Loans against debentures	(24)	7,089,658	-
Loans from banks	(25)	-	3,167,477
Other borrowings	(26)	480,258	1,572,763
Trade payables		-	423,826
Deferred income	(29)	2,362,706	2,408,798
Total non-current liabilities		9,932,622	7,572,864



	Notes	30.06.2024	31.12.2023
		EUR	EUR
		unaudited	audited
Current liabilities			
Loans against debentures	(24)	127,930	-
Loans from banks	(25)	22,172	1,189,683
Other borrowings	(26)	13,740	516,030
Advances from customers	(27)	89,650	99,650
Trade payables		1,068,325	1,170,827
Taxes and state social insurance payments		218,607	317,492
Other creditors	(28)	93,518	87,275
Deferred income	(29)	92,184	92,184
Accrued liabilities	(30)	230,611	261,759
Total current liabilities		1,956,737	3,734,900
Total liabilities		11,889,359	11,307,764
Total equity, provisions and liabilities		17,492,033	17,387,312

Notes on pages 51 to 75 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY



	Share capital	Share premium	Reserves	Retained earnings	Total
	EUR	EUR	EUR	EUR	EUR
31.12.2022	4,700,000	0	775	(3,937,606)	763,169
Profit for the period	-	-	-	801,639	801,639
30.06.2023	4,700,000	-	775	(3,135,967)	1,564,808
31.12.2023	5,727,930	3,761,390	775	(3,410,547)	6,079,548
Profit for the year	-	-	-	(476,874)	(476,874)
30.06.2024	5,727,930	3,761,390	775	(3,887,421)	5,602,674

Notes on pages 51 to 75 are an integral part of these financial statements.

CASH FLOW STATEMENT

		01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	Notes	EUR unaudited	EUR unaudited
Cash flow from operating activities			
Profit or losses before corporate income tax		(470,779)	817,532
Adjustments for:			
depreciation and impairment of fixed assets	(13)	206,824	191,403
depreciation and impairment of intangible assets	(12)	6,896	3,996
interest and similar revenue	(9)	(19,088)	(788)
interest and similar expenses	(10)	370,276	247,499
Profit or loss prior to changes in current assets and current liabilities		94,129	1,259,642
Increase or decrease of account receivable		(850,888)	70,936
Increase or decrease of inventory		13,428	(129,772)
Increase or decrease of account payables and other liabilities		(310,116)	(11,584)
Gross cash flow generated from operating activities		(1,053,447)	1,189,222
Interest payments		(243,680)	(281,846)
Corporate income tax payments		(9,390)	(853)
Net cash flow generated from operating activities		(1,306,517)	906,523



	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
Notes	EUR unaudited	EUR unaudited
Cash flow from investing activities		
Acquisition of fixed and intangible assets	(2,290,957)	(124,563)
Proceeds from sale of fixed and intangible assets	69,966	3,471
Loans issued	(100)	(44,434)
Repayment of loans	-	44,284
Interest received	19,088	788
Net cash flow generated from investing activities	(2,202,003)	(120,454)
Cash flow from financing activities		
Loans received	7,160,000	324,170
Repayment of loans	(6,109,165)	(1,023,961)
Finance lease payments	-	(5,117)
Net cash flow generated from financing activities	1,050,835	(704,908)
Net cash flow in the financial year	(2,457,685)	81,161
Cash and cash equivalents at the beginning of the financial year	3,315,668	64,397
Cash and cash equivalents at the end of the financial year	(21) 857,983	145,558

Notes on pages 51 to 75 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(1) APF Group's parent company

AS APF Holdings (hereinafter - the Company) is a company registered in the Register of Enterprises of the Republic of Latvia. As of 30 June 2024, these consolidated financial statements contain information on the entity and its subsidiaries as a whole (hereinafter - APF Group).



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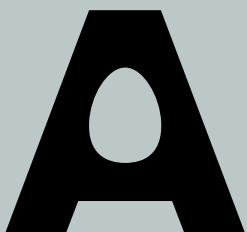


(2) APF Group's subsidiaries

A subsidiary is a company under significant influence of the parent company, when the parent company directly or indirectly influences the financial and operating policies of the subsidiary with the purpose to gain from its operations. Subsidiary's financial information is included in the consolidation starting from the date when the significant influence starts until the loss of the significant influence.

a) Subsidiaries included in the consolidation:

- Subsidiary of APF Group SIA Alūksnes putnu ferma, which was acquired by the company in August 2017 for a total value of EUR 3,000,000. As of 30 June 2024, registered and fully paid-up share capital amounts to EUR 3,000,000.
- Subsidiary of APF Group APF trading, SIA, which the company has established on 16.02.2017 for a total value of EUR 2,800. As of 30 June 2024, registered and fully paid-up share capital amounts to EUR 2,800.
- Subsidiary company of APF Group SIA Oluksne, which the company has established on 15.02.2017 for a total value of EUR 2,800. As of 30 June 2024, registered and fully paid-up share capital amounts to EUR 2,800.
- Subsidiary of APF Group SIA Preiļu putni, which the company has established on 02.02.2021 for a total value of EUR 2,800. As of 30 June 2024, registered and fully paid-up share capital amounts to EUR 2,800.
- Subsidiary of APF Group, SIA APF Energy, which the company has established on 12.10.2021 for a total value of EUR 2,800. As of 30 June 2024, registered and fully paid-up share capital amounts to EUR 2,800.



Name	Address	Type of operations	Participating interest	
			30.06.2024	31.12.2023
			%	%
SIA Alūksnes putnu ferma	Putni, Ziemeņa Parish, Alūksnes Municipality, LV-4301	poultry farming	100	100
SIA APF Trading	Mārupes Municipality, Mārupe, 4 Malduguņu Street, LV-2167	wholesaling of milk, milk products and eggs and edible fats and oils	100	100
SIA Oluksne	Putni, Ziemeņa Parish, Alūksnes Municipality, LV-4301	personnel placement services	100	100
SIA Preiļu putni	Mārupes Municipality, Mārupe, 4 Malduguņu Street, LV-2167	poultry farming, active activity not yet started	100	100
SIA APF Energy	Marupes Municipality, Mārupe, 4 Malduguņu Street, LV-2167	gas production, active activity not yet started	100	100

(3) Revenue

01.01.2024- 01.01.2023-
30.06.2024 30.06.2023

EUR

EUR

a) By operating activities

Income from egg sales	5,703,604	6,752,810
Proceeds from the disposal of by-products	80,768	90,717
Income from the sale of live birds	90,546	124,396
Proceeds from the sale of egg products	23,877	8,705
Other revenue	8,080	11,212
	5,906,875	6,987,840

b) By location

Income from sales of goods/services in Latvia	3,859,791	4,694,653
Income from sales of goods in EU	2,040,172	2,282,243
Income from sales of goods in other countries	6,912	10,944
	5,906,875	6,987,840



(4) Costs of goods sold or services provided

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Costs of raw materials and materials	2,593,132	3,097,991
Depreciation of birds	795,417	779,201
Wages payable	294,679	220,348
Depreciation of fixed assets and intangible assets	174,330	175,239
Cost of value of materials and goods purchased	130,444	82,025
Costs of buying-in of birds	85,931	121,082
Subcontracting, outsourcing and outsourcing services	76,759	105,103
State mandatory social insurance contributions	68,947	51,310
Utility costs	46,134	40,321
Transport services	33,397	29,829
Cost of purchasing goods sold	18,421	6,272
Provisions for changes in value of finished products	-	(2,366)
Rental of storage space	-	797
Other production costs	79,398	94,733
	4,396,989	4,801,885

(5) Distribution expenses

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Transport costs	309,661	327,553
Consultancy costs	-	9,840
Advertising expenses	41,069	9,917
Wages payable	6,206	-
Participating associations	5,664	5,332
State mandatory social insurance contributions	1,464	-
Rental of storage space	660	-
Other sales costs	61,902	108,122
	426,626	460,764



(6) Administrative expenses

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Salary expenses	382,788	276,209
Transport costs	90,641	44,216
State mandatory social insurance contributions	89,889	64,864
Professional services costs	49,447	47,761
Depreciation of fixed assets and intangible assets	36,043	15,267
Rent expenses	34,413	52,899
Research and development expenses	28,024	23,274
Office maintenance costs	20,925	29,695
Insurance payments	17,327	13,319
Unused leave reserve	9,834	-
Business assessment	-	7,500
Cost of business trips	7,035	891
Communication services	3,256	3,106
Ancillary cost of cash turnover	1,007	852
Security services	600	600
Representation costs	-	35
Other administration costs	143,676	135,038
	914,905	715,526

(7) Other operating income

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Revenue write-offs for future periods	46,092	46,092
Income from the sublease of premises	1,200	4,464
Revenues from the creditor's waiver of claims against APF Group	-	44,284
Other income	4,570	16,542
	51,862	111,382

(8) Other operating expenses

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Net loss from disposal of fixed and intangible assets	285,230	-
Fines paid	17,480	7,486
Unused leave reserve	5,370	10,339
Real estate tax	2,481	1,139
Representation costs	-	64
Other costs	29,247	37,776
	339,808	56,804



(9) Interest and similar income

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
b) from other parties		
Other interest income	19,088	788
Total interest and similar income	19,088	788

(10) Interest and similar expenses

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
a) from related companies		
Interest charge	1,063	31,359
	1,063	31,359
b) from other parties		
Interest charge	369,213	214,337
Other expenses	0	1,803
	369,213	216,140
Total interest and similar expenses	370,276	247,499

(11) Corporate income tax

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Corporate income tax for the reporting period	6,095	15,893
	6,095	15,893



(12) Intangible assets

	Concessions, patents, licenses, trademarks and similar rights	Other intangible assets	Creation of intangible investments	Total
	EUR	EUR	EUR	EUR
Initial cost				
31.12.2022	8,940	30,678	12,627	52,245
Purchase	-	5,730	5,662	11,392
30.06.2023	8,940	36,408	18,289	63,637
Depreciation				
31.12.2022	(8,552)	(10,763)	-	(19,315)
Calculated	(41)	(3,955)	-	(3,996)
30.06.2023	(8,593)	(14,718)	-	(23,311)
Net carrying amount 31.12.2022	388	19,915	12,627	32,930
Net carrying amount 30.06.2023	347	21,690	18,289	40,326
Initial cost				
31.12.2023	9,215	48,061	22,004	79,280
Purchase	118	-	4,145	4,263
Reclassification between intangible assets	185	3,960	(4,145)	-
30.06.2024	9,518	52,021	22,004	83,543
Depreciation				
31.12.2023	(8,647)	(20,497)	-	(29,144)
Calculated	(70)	(6,826)	-	(6,896)
30.06.2024	(8,717)	(27,323)	-	(36,040)
Net carrying amount 31.12.2023	568	27,564	22,004	50,136
Net carrying amount 30.06.2024	801	24,698	22,004	47,503

(13) Fixed assets

	Land and buildings	Long-term investments in leased fixed assets	Technolog- ical equip- ment and machinery	Other fixed assets	Costs of fixed asset creation and construc- tion work in progress	Advance payments for fixed assets	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Initial cost							
31.12.2022	4,746,121	16,092	6,600,316	406,758	160,922	-	11,930,209
Purchase	-	963	-	7,116	105,092	-	113,171
Disposals	-	-	-	-12,483	-	-	(12,483)
Reclassification between other asset items	-	34,744	-	41,930	(76,674)	-	-
30.06.2023	4,746,121	51,799	6,600,316	443,321	189,340	-	12,030,897
Depreciation							
31.12.2022	(559,857)	-	(833,514)	(218,130)	-	-	(1,611,501)
Calculated	(57,780)	(2,104)	(110,313)	(21,206)	-	-	(191,403)
Disposals	-	-	-	12,422	-	-	12,422
30.06.2023	(617,637)	(2,104)	(943,827)	(226,914)	-	-	(1,790,482)
Net carrying amount 31.12.2022	4,186,264	16,092	5,766,802	188,628	160,922	-	10,318,708
Net carrying amount 30.06.2023	4,128,484	49,695	5,656,489	216,407	189,340	-	10,240,415



	Land and buildings	Long-term investments in leased fixed assets	Technolo- gical equip- ment and machinery	Other fixed assets	Costs of fixed asset creation and construc- tion work in progress	Advance payments for fixed assets	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Initial cost							
31.12.2023	4,768,837	56,932	6,600,316	525,854	185,644	333,640	12,471,223
Purchase	-	-	-	37,611	900,397	1,348,686	2,286,694
Disposals	(7,422)	-	(457,783)	(880)	-	-	(466,085)
Reclassification between other asset items	-	-	-	13,111	(13,111)	-	-
30.06.2024	4,761,415	56,932	6,142,533	575,696	1,072,930	1,682,326	14,291,832
Depreciation							
31.12.2023	(675,402)	(7,540)	(1,054,115)	(224,382)	-	-	(1,961,439)
Calculated	(58,681)	(5,693)	(107,334)	(35,116)	-	-	(206,824)
Disposals	-	-	127,055	73	-	-	127,128
30.06.2024	(734,083)	(13,233)	(1,034,394)	(259,425)	-	-	(2,041,135)
Net carrying amount 31.12.2023	4,093,435	49,392	5,546,201	301,472	185,644	333,640	10,509,784
Net carrying amount 30.06.2024	4,027,332	43,699	5,108,139	316,271	1,072,930	1,682,326	12,250,697

(14) Other loans and non-current receivables

	30.06.2024	31.12.2023
	EUR	EUR
Operational lease agreement first drawdown non-current part (up to 5 years)	77,272	90,606
	77,272	90,606

(15) Raw materials and consumables

	30.06.2024	31.12.2023
	EUR	EUR
Feed, feed components and vitamins	183,260	229,750
Packaging	123,952	120,442
Other	24,894	25,262
	332,106	375,454



(16) Finished goods and goods for sale

	30.06.2024	31.12.2023
	EUR	EUR
Chicken eggs	50,850	34,663
Finished products	85	96
Egg products	3,527	4,382
	54,462	39,141

(17) Biological assets

	30.06.2024	31.12.2023
	EUR	EUR
Laying hens	1,176,273	997,424
	1,176,273	997,424

APF Group recognize laying hens value at their cost price, which is reduced (depreciated) during the productive time of the laying hens.

(18) Trade receivables

	30.06.2024	31.12.2023
	EUR	EUR
Book value of trade receivables	1,267,017	727,238
(Provisions for bad and doubtful debts)	(26,123)	(26,123)
	1,240,894	701,115

Special provisions amounting to 100% of their principal amount are being created for doubtful receivables at the end of financial years.

(19) Other receivables

	30.06.2024	31.12.2023
	EUR	EUR
Debts for rendered construction assurance services	84,598	413,357
Guarantee instalment	22,579	21,719
Other debtors	270,528	62,361
	377,705	497,437



(20) Deferred expenses

	30.06.2024	31.12.2023
	EUR	EUR
Operational lease agreement first draw-down current part	26,668	27,064
Insurance payments	1,718	1,977
Other expenses	58,264	46,378
	86,650	75,419

(21) Cash and bank

	30.06.2024	31.12.2023
	EUR	EUR
Cash at bank on current accounts	850,066	3,312,885
Cash on hand	7,917	2,783
	857,983	3,315,668

(22) Share capital

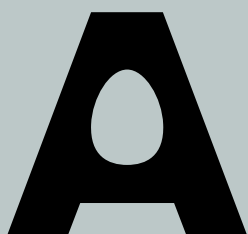
On 30 June 2024, the registered and fully paid-up share capital of the parent company of APF Group amounts to EUR 5,727,930, consisting of 5,727,930 ordinary shares with a nominal value of EUR 1 each.

During the 2022 accounting year, part of the loans received were capitalised and the share capital of the parent company of APF Group was increased by EUR 3,000,000. The increase in share capital was recorded in the Enterprise Register in March 2023.

In November 2023, the initial placement/issue of the shares of the Company was completed, attracting additional capital in the amount of EUR 5,252,722, of which EUR 1,027,930 was recognized as an increase in the share capital and EUR 4,224,792 was recognized as a share issue premium. The share issue premium was further reduced by costs directly related to the initial placement of shares and state grant for such costs in the net amount of EUR 463,402.

(23) Reserves

According to the Latvian statutory requirements the Company created reserves in the previous periods. These legal requirements are no more effective in the financial year. These reserves are expected to be reclassified to retained earnings.



(24) Loans against bonds

	30.06.2024	31.12.2023
	EUR	EUR
Non-current		
Bond financing from CVI funds	7,089,658	-
	7,089,658	-
Current		
Bond financing from CVI funds	127,930	-
	127,930	-

(25) Loans from banks

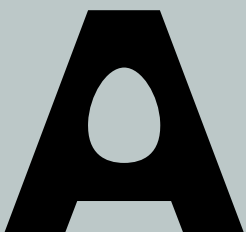
	30.06.2024	31.12.2023
	EUR	EUR
Non-current		
AS Attīstības finanšu institūcija Altum - loan	-	821,428
AS Baltic International Bank - loan	-	2,346,049
	-	3,167,477
Current		
AS Attīstības finanšu institūcija Altum - loan	-	670,451
AS Baltic International Bank - loan	-	87,972
AS Signet banka - loan	-	431,249
AS Citadele banka - overdrafts	22,172	11
	22,172	1,189,683

(26) Other borrowings

	30.06.2024	31.12.2023
	EUR	EUR
Non-current		
Borrowings from individuals	237,416	237,416
Borrowings from the parent company	221,087	1,307,867
Borrowings from legal entities	21,755	27,480
	480,258	1,572,763
Current		
Borrowings from legal entities	13,740	516,030
	13,740	516,030

(27) Advance payments from customers

	30.06.2024	31.12.2023
	EUR	EUR
Advance payments received on goods and services	89,650	99,650
	89,650	99,650



(28) Other creditors

	30.06.2024	31.12.2023
	EUR	EUR
Employee wages	74,851	78,631
Other creditors	18,667	8,644
	93,518	87,275

(29) Deferred income

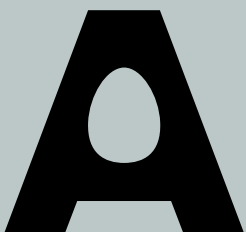
	30.06.2024	31.12.2023
	EUR	EUR
Non-current		
EU co-financing for the acquisition of assets - non-current part	2,362,706	2,408,798
	2,362,706	2,408,798
Current		
EU co-financing for the acquisition of assets - current part	92,184	92,184
	92,184	92,184

(30) Accrued liabilities

	30.06.2024	31.12.2023
	EUR	EUR
Accrued trade payables	127,314	174,665
Accrued unused annual leave expenses	97,182	80,387
Other accrued liabilities	6,115	6,707
	230,611	261,759

(31) Average number of employees

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
Average number of employees during the reporting period	65	54



(32) Remuneration to the management

	01.01.2024- 30.06.2024	01.01.2023- 30.06.2023
	EUR	EUR
Remuneration of a Members of the Management Board	170,554	133,477
	170,554	133,477

The remuneration shown includes only remuneration of the management of the APF Group's parent company.

(33) Financial risk management

Financial risks related to the financial instruments of APF Group are mainly the interest rate risk, the liquidity risk and the credit risk. The Management of APF Group seeks to minimize potential adverse effects of the financial risks on APF Group's financial position. APF Group does not use derivative financial instruments to hedge certain risk exposures.

Market risk – interest rate risks

APF Group accepts the interest risk it derives from loans with variable interest rates. Derivatives are not used.

Credit risk

APF Group is exposed to credit risk related to the debts of its buyers and principals. APF Group shall control its credit risk by constantly assessing the history of repayment of customer debts and determining the credit conditions for each customer separately. In addition, Concern continuously monitors the balances

of receivables in order to reduce the possibility of irrecoverable debts arising.

Liquidity risk

APF Group controls its liquidity risk by maintaining an appropriate amount of cash and cash equivalents.

Capital management

In order to ensure the sustainable development of APF Group and the sufficiency of capital, the Management of APF Group regularly monitors the compliance of financial data of APF Group with market benchmarks, including regular monitoring of liquidity ratios (short-term liabilities to current assets), adequacy of the equity (equity to total assets) and adjusted EBITDA (earnings before interest payments, taxes, depreciation and amortisation, as well as other irregular income and expenses, changes of the carrying amount of laying hens, donations and state aid received, etc.).

(34) Subsequent events

There are no subsequent events since the last date of the financial year until the date of signing of financial statements, which would have a significant effect on the financial position of the Company.







2024