

## BALANCE SHEET

<b>ASSETS</b>		<b>Notes No.</b>	<b>2024.12.31</b>	<b>2023.12.31.</b>
<b>A.</b>	<b>NON-CURRENT ASSETS</b>		<b>10 805 150</b>	<b>4 325 095</b>
1.	INTANGIBLE ASSETS		7 558	6
1.1.	Development works			
1.2.	Goodwill			
1.3.	Computer software	1	5	5
1.4.	Concessions, patents, licenses, trademarks and similar rights			
1.5.	Other intangible assets	1	7 553	1
1.6.	Paid advance payments			
2.	TANGIBLE ASSETS		10 705 518	4 135 578
2.1.	Land	2	1 484 772	1 310 972
2.2.	Buildings and constructions	2	225 622	260 368
2.3.	Plant and machinery	2	658 293	1 539 137
2.4.	Transport means	2	553 600	539 118
2.5.	Other fixtures, fittings and tools	2	114 947	141 946
2.6.	Investment property		---	---
2.6.1.	Land			
2.6.2.	Buildings			
2.7.	Paid advance payments and works of tangible asset construction (production) in progress	2	7 668 284	344 037
3.	FINANCIAL ASSETS			104 000
3.1.	Shares of Group's companies			
3.2.	Loans to the Group's companies			
3.3.	Amounts receivable from the Group's companies			
3.4.	Shares of associates			
3.5.	Loans to associates			
3.6.	Amounts receivable from associates			
3.7.	Long-term investments			
3.8.	Amounts receivable after one year	3		104 000
3.9.	Other financial assets			
4.	OTHER NON-CURRENT ASSETS		92 074	85 511
4.1.	Deferred income tax assets	4	92 074	85 511
4.2.	Biological assets			
4.3.	Other assets			

<b>ASSETS</b>		<b>Notes No.</b>	<b>2024.12.31.</b>	<b>2023.12.31.</b>
<b>B.</b>	<b>CURRENT ASSETS</b>		<b>22 084 195</b>	<b>19 465 409</b>
1.	Inventories		14 238 853	13 091 270
1.1.	Raw materials, materials and components	5	18 274	15 680
1.2.	Production and work in progress			
1.3.	Production			
1.4.	Goods for resale	5	14 008 614	13 016 204
1.5.	Biological assets			
1.6.	Non-current tangible assets for resale			
1.7.	Paid advance payments	5	211 965	59 386
2.	AMOUNTS RECEIVABLE WITHIN ONE YEAR		7 841 363	6 372 053
2.1.	Trade receivables	7	6 805 310	5 885 638
2.2.	Receivables from Group's companies			
2.3.	Receivables from associates			
2.4.	Other amounts receivable	7	1 036 053	486 415
3.	Short-term investments		---	---
3.1.	Shares of the Group's companies			
3.2.	Other investments			
4.	CASH AND CASH EQUIVALENTS	8	3 979	2 086
<b>C.</b>	<b>COSTS OF FUTURE PERIODS AND ACCUMULATED INCOME</b>	<b>6</b>	<b>691 613</b>	<b>564 693</b>
	<b>TOTAL ASSETS:</b>		<b>33 580 958</b>	<b>24 355 197</b>

<b>EQUITY AND LIABILITIES</b>		<b>Notes No.</b>	<b>2024.12.31.</b>	<b>2023.12.31.</b>
<b>D.</b>	<b>EQUITY CAPITAL</b>		<b>10 972 850</b>	<b>10 215 462</b>
1.	CAPITAL		748 515	619 685
1.1.	Authorized (subscribed) or main capital	9	1 000 000	1 000 000
1.2.	Subscribed unpaid capital (-)			
1.3.	Own shares (-)		(251 485)	(380 315)
2.	SHARE PREMIUM		2 875 000	2 875 000
3.	REVALUATION RESERVE (RESULTS)			
4.	RESERVES		900 000	900 000
4.1.	Legal reserve or reserve capital	9	100 000	100 000
4.2.	To acquire own shares		800 000	800 000
4.3.	Other reserves			
5.	RETAINED PROFIT (LOSS)	10	6 449 335	5 820 777
5.1.	Reporting year profit (loss)		1 416 025	1 595 027
5.2.	Previous year profit (loss)		5 033 310	4 225 750
<b>E.</b>	<b>GRANTS, SUBSIDIES</b>			
<b>F.</b>	<b>PROVISIONS</b>		---	---
1.	Provisions for pensions and similar obligations			
2.	Tax provisions			
3.	Other provisions			
<b>G.</b>	<b>AMOUNTS PAYABLE AND OTHER LIABILITIES</b>		<b>21 827 397</b>	<b>13 798 625</b>
1.	AMOUNTS PAYABLE AFTER ONE YEAR AND OTHER NON-CURRENT LIABILITIES		301 456	322 736
1.1.	Debt liabilities	11	301 456	296 407
1.2.	Payables to credit institutions	11		
1.3.	Received advance payments			
1.4.	Trade payables			
1.5.	Amounts payable on the basis of bills of exchange and cheques			
1.6.	Amounts payable to the Group's companies			
1.7.	Amounts payable to associates			
1.8.	Other amounts payable and non-current liabilities	12		26 329

<b>EQUITY AND LIABILITIES</b>		<b>Notes No.</b>	<b>2024.12.31.</b>	<b>2023.12.31.</b>
<b>2.</b>	<b>AMOUNTS PAYABLE WITHIN ONE YEAR AND OTHER CURRENT LIABILITIES</b>		<b>21 525 941</b>	<b>13 475 889</b>
2.1.	Debt liabilities	11	152 688	137 585
2.2.	Payables to credit institutions	11	5 945 626	4 885 149
2.3.	Received advance payments	13	63 641	54 104
2.4.	Trade payables	13	14 133 226	7 183 804
2.5.	Amounts payable on the basis of bills of exchange and cheques	11		
2.6.	Amounts payable to the Group's companies	13		
2.7.	Amounts payable to associates			
2.8.	Income tax liabilities	13	85 453	60 923
2.9.	Liabilities related to employment	13	362 776	270 847
2.10.	Other amounts payable and current liabilities	13	782 531	883 477
<b>H.</b>	<b>ACCUMULATED COSTS AND INCOME OF FUTURE PERIODS</b>	<b>14</b>	<b>780 711</b>	<b>341 110</b>
	<b>TOTAL EQUITY AND LIABILITIES:</b>		<b>33 580 958</b>	<b>24 355 197</b>

## PROFIT (LOSS) STATEMENT

Line No.	Items	Notes No.	2024	2023
1.	SALES REVENUE	15	31 871 711	35 180 439
2.	COST OF SALES	16	(24 971 887)	(28 319 499)
3.	CHANGE IN FAIR VALUE OF BIOLOGICAL ASSETS			
4.	GROSS PROFIT (LOSS)		<b>6 899 824</b>	<b>6 860 940</b>
5.	Sales costs	16	(162 074)	(93 221)
6.	General and administrative costs	16	(5 082 142)	(4 833 518)
7.	Results from other activities	15	296 075	111 503
8.	Income from investments in parent companies, subsidiaries and associates			
9.	Income from other long-term investments and loans			
10.	Other income from interest or similar source	17	220 742	197 814
11.	Impairment in the value of financial assets and short-term investments			
12.	Interest and similar costs	17	(387 705)	(285 602)
13.	PROFIT (LOSS) BEFORE TAX		<b>1 784 720</b>	<b>1 957 916</b>
14.	Income tax	18	(228 890)	(289 932)
15.	NET PROFIT (LOSS)		<b>1 555 830</b>	<b>1 667 984</b>

## STATEMENT OF CHANGES IN EQUITY

	Paid-up authorized or main capital	Share premium	Own shares (-)	Revaluation reserve		Reserves provided for by law		Other reserves	Retained profit (loss)	Total
				Non-current tangible assets	Financial assets	Legal or reserve capital	To acquire own shares			
1 <b>Balance as of December 31, 2022</b>	<b>1 000 000</b>	<b>2 875 000</b>	<b>(453 272)</b>	---	---	<b>100 000</b>	<b>500 000</b>	---	<b>6 182 284</b>	<b>10 204 012</b>
2 Result of changes in accounting policy										0
3 Result of material error corrections										0
4 <b>Recalculated balance as of December 31, 2022</b>	<b>1 000 000</b>	<b>2 875 000</b>	<b>(453 272)</b>	---	---	<b>100 000</b>	<b>500 000</b>	---	<b>6 182 284</b>	<b>10 204 012</b>
5 Correction of errors from previous year										
6 Increase (decrease) in the value of effective hedging instrument										---
7 Acquired (sold) own shares			72 957							72 957
8 Profit (loss) not recognized in the profit (loss) statement									(72 957)	(72 957)
9 Reporting period net profit (loss)									1 667 984	1 667 984
10 Dividends									(1 656 534)	(1 656 534)
11 Other payouts										---
12 Formed reserves							300 000		(300 000)	---
13 Used reserves										---
14 Increase (decrease) in authorized capital or contributions by shareholders (share return)										---
15 Other increase (decrease) in authorized or main capital										---
16 Contributions to cover losses										---
17 <b>Balance as of December 31, 2023</b>	<b>1 000 000</b>	<b>2 875 000</b>	<b>(380 315)</b>	---	---	<b>100 000</b>	<b>800 000</b>	---	<b>5 820 777</b>	<b>10 215 462</b>

	Paid-up authorized or main capital	Share premium	Own shares (-)	Revaluation reserve		Reserves provided for by law		Other reserves	Retained profit (loss)	Total
				Non-current tangible assets	Financial assets	Legal or reserve capital	To acquire own shares			
18										---
19										---
20			128 830							128 830
21									(139 806)	(139 806)
22									1 555 830	1 555 830
23									(787 466)	(787 466)
24										---
25										---
26										---
27										---
28										---
29										---
30	<b>1 000 000</b>	<b>2 875 000</b>	<b>(251 485)</b>	---	---	<b>100 000</b>	<b>800 000</b>	---	<b>6 449 335</b>	<b>10 972 850</b>

## STATEMENT OF CASH FLOWS (INDIRECT)

Line No.	Items	Notes No.	2024	2023
1.	Operating cash flows			
1.1.	Net profit (loss)		1 555 830	1 667 984
1.2.	Depreciation and amortization costs		430 079	426 924
1.3.	Elimination of results from transferred non-current tangible and intangible assets		(38 618)	(21 106)
1.4.	Elimination of results from financing and investing activities		330 807	137 743
1.5.	Elimination of other non-monetary items		(3 122 096)	565 803
1.6.	Decrease (increase) in amounts receivable from Group's companies and associates			
1.7.	Decrease (increase) in other amounts receivable after one year		104 000	---
1.8.	Decrease (increase) in deferred income tax assets		(6 563)	(2 954)
1.9.	Decrease (increase) in inventories, excluding the paid advance payments		(995 004)	(2 207 687)
1.10.	Decrease (increase) in paid advance payments		(152 579)	115 874
1.11.	Decrease (increase) in trade receivables		(919 672)	(98 872)
1.12.	Decrease (increase) in receivables from the Group's companies and associates			
1.13.	Decrease (increase) in other amounts receivable		(758 645)	773 133
1.14.	Decrease (increase) in short-term investments		---	58 236
1.15.	Decrease (increase) in costs of future periods and accumulated income		(126 920)	(338 492)
1.16.	Increase (decrease) in provisions			
1.17.	Increase (decrease) in non-current trade payables and received advance payments			
1.18.	Increase (decrease) in amounts payable after one year on the basis of bills of exchange and cheques			
1.19.	Increase (decrease) in non-current payables to Group's companies and associates			
1.20.	Increase (decrease) in current trade payables and received advance payments		6 958 959	(2 934 551)
1.21.	Increase (decrease) in amounts payable within one year on the basis of bills of exchange and cheques		---	---
1.22.	Increase (decrease) in current payables to Group's companies and associates			
1.23.	Increase (decrease) in income tax liabilities		24 530	(282 701)
1.24.	Increase (decrease) in liabilities related to employment		91 929	(16 877)
1.25.	Increase (decrease) in other amounts payable and liabilities		(127 275)	(524 682)



Line No.	Items	Notes No.	2024	2023
1.26.	Increase (decrease) in accumulated costs and income of future periods		439 601	(1 707 883)
	Net operating cash flows		<b>3 688 363</b>	<b>(4 390 108)</b>
<b>2.</b>	Cash flows from investing activities			
2.1.	Acquired non-current assets (investments excluded)		(7 776 753)	(1 744 473)
2.2.	Transferred non-current assets (investments excluded)		195 091	124 864
2.3.	Acquired long-term investments		---	---
2.4.	Transferred long-term investments		---	---
2.5.	Provided loans		(216 760)	(1 416 239)
2.6.	Recovered loans		425 765	2 089 151
2.7.	Received dividends, interest		44 966	117 219
2.8.	Other increases in cash flows from investing activities			
2.9.	Other decreases in cash flows from investing activities			
	Net cash flows from investing activities		<b>(7 327 692)</b>	<b>(829 478)</b>
<b>3.</b>	Cash flows from financing activities			
3.1.	Cash flows related to shareholders		(798 441)	(1 656 534)
3.1.1.	Issued shares			
3.1.2.	Shareholders' contributions to cover losses			
3.1.3.	Own shares acquired		(10 975)	
3.1.4.	Paid dividends		(787 466)	(1 656 534)
3.2.	Cash flows related to other sources of financing		4 439 663	4 479 064
3.2.1.	Increase in financial payables		4 945 626	5 885 149
3.2.1.1.	Acquired loans		4 945 626	5 885 149
3.2.1.2.	Issued bonds			
3.2.2.	Decrease in financial payables		(505 963)	(1 406 085)
3.2.2.1.	Returned loans		---	(1 000 000)
3.2.2.2.	Acquired bonds		---	---
3.2.2.3.	Paid interest		(375 773)	(254 962)
3.2.2.4.	Lease (financial lease) instalments		(130 190)	(151 123)
3.2.3.	Increase in other liabilities of the Company			
3.2.4.	Decrease in other liabilities of the Company			
3.2.5.	Other increase in cash flows from financing activities			
3.2.6.	Other decrease in cash flows from financing activities			
	Net cash flows from financing activities		<b>3 641 221</b>	<b>2 822 529</b>
<b>4.</b>	Effect of changes in currency exchange rates on the balance of cash and cash equivalents			
<b>5.</b>	Net increase (decrease) in cash flows		<b>1 893</b>	<b>(2 397 055)</b>
<b>6.</b>	Cash and cash equivalents at the beginning of the period		2 086	2 399 141
<b>7.</b>	Cash and cash equivalents at the end of the period		3 979	2 086

## EXPLANATORY NOTES

### General information

East West Agro, AB (the Company) is a public limited liability company registered in the Centre of Registers on August 4, 2006. Company's address is Tikslo str.10, Kumpių vil., Kauno distr.

Authorized capital of the Company amounts to 1.000.000 EUR and includes 1.000.000 ordinary registered shares with nominal value of EUR 1 each.

Operating activity of the Company is wholesale and retail in agricultural machinery and spare parts of the agricultural machinery.

East West Agro, AB operates in Kaunas, Šiauliai and Kupiškis districts. The main administrative and production facilities are located at Tikslo str.10, Kumpiai vil, Kaunas district. Šiauliai district subdivision is in the building owned by the Company at Plento str.51, Kairiai. Activities in Kupiškis area are carried out at Technikos str. 8A, Kupiškis, and activities in Plungė area are carried out at Dobilų str. 7, Truikių vil., Plungė district.

Reporting financial year average listed number of employees concluded to 81, previous financial year average listed number of employees concluded to 79.

The financial year of the Company begins on January 1 and ends on December 31.

### Accounting Policy

#### Basis for Accounting

Financial statements of the Company are prepared in accordance with the Republic of Lithuania law on accounting and financial reporting and the provisions of Business Accounting Standards valid on 01/01/2024.

When managing the accounting records and preparing the financial statements the Company follows general accounting principles: entity, going concern, periodicity, consistency, monetary measure, accrual, comparison, prudence, neutrality and content relevance.

Financial statements are prepared on the basis of accrual and going concern principles. According to the accrual principle the impact of transactions and other events is acknowledged when it occurs and is registered in accounting records and presented in the financial statements of the related period. Additionally, financial statements are prepared under assumption that the Company has no intentions or necessity to be liquidated or to reduce the scope of operations significantly.

#### Non-current Intangible Assets

Non-current intangible assets are recognized at acquisition cost less accumulated amortization and losses of impairment in value. Amortization is calculated following the straight-line method. Useful life period and amortization method are both reviewed at the end of every reporting period with prospective execution of any changes in accounting evaluation.

The following intangible asset groups and useful life periods are determined:

<u>Non-current intangible asset group</u>	<u>Useful life period</u>
Computer software	3 years
Other intangible assets	4 years

### ***Non-current Tangible Assets***

Non-current tangible assets are assets that the Company manages and controls, from which the Company expects economic benefit in the future periods, which shall be used for over one year, acquisition (production) cost of which can be reliably measured and the value of which is higher than the determined minimal asset value for that group.

Non-current tangible assets are recognized at acquisition (production) cost less accumulated depreciation and accumulated losses of impairment in value, if they exist.

Depreciation of non-current tangible assets is calculated following the straight-line method. Liquidation value is determined and is equal to EUR 0,29.

Assets with acquisition value higher than EUR 144,81 and useful life period longer than one year are capitalized. Mobile phones are recognized as non-current assets only in cases, where their value exceeds EUR 434,43.

The following useful life periods on the basis of asset groups are determined:

<u>Non-current tangible assets group</u>	<u>Useful life period (in years)</u>
Mobile phones	3 years
Plant and machinery	10 years
Inventory, furniture	6 years
Transport means	6 -10 years
Cargo vehicles	4 years
Computer hardware and means of connection	3 years
Other tangible assets	4 years

At the end of each year the Company reviews non-current asset useful life periods, balance values and depreciation methods and evaluates the impact of change, if it exists, and recognizes it prospectively.

Repair and maintenance costs related to non-current tangible assets already in the exploitation are added to the book value of non-current tangible assets, if they prolong the asset's useful life period or improve its beneficial features. All other incurred repair costs are recognized as costs in the profit (loss) statement at the time they are incurred.

Repair costs on leased assets and/or assets exploited under the beneficial-use contract, which prolong the useful life period of leased asset or improve the beneficial features, are attributed to the asset and are recognized as costs during the remaining lease period.

Assets acquired under financial lease are depreciated applying the same useful life periods as applied to owned assets.

Profit earned or losses incurred after the transfer of non-current tangible asset are recognized in the profit (loss) statement of the same year.

## ***Inventories***

Inventories are recognized at net cost or net realizable value, depending on which one is lower. Net realizable value is recognized at sales price under regular business conditions less calculated production completion costs and possible selling costs.

Net cost of inventories includes costs of acquisition, transportation and preparation for sale. Net cost of spare parts is calculated following the FIFO method, large technique method of specific prices. When calculating the net cost of goods, the Company includes part of received discounts for yet unsold goods acquired from suppliers.

Inventories in transit are recognized when the risks and rewards of ownership have been transferred to the Company.

Inventories are managed by dividing them into machinery and spare parts. If the inventories are in stock for over than 4 years it is devaluated by 20 per cent, those stored for over 5 years by 50 per cent and those in storage for over 6 years by 100 per cent.

## ***Loans and Amounts Receivable***

Trade receivables, loans and other amounts receivable under fixed instalments or instalments calculated following the determined method and which are not traded in active market are recognized as Loans and Amounts Receivable.

Initially loans and amounts receivable are recognized at acquisition cost and in subsequent periods are accounted for at amortized cost applying the effective interest rate method less any losses of impairment in value. Interest income is recognized applying the effective interest rate method, except for current amounts receivable, as recognition of their interest would be insignificant.

## ***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, cash on the way and cash in bank accounts, and other current and very liquid investments of up to three months (from the date of the contract), which can be readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

## ***Financial Assets***

Financial assets are stated at cost basis. Direct acquisition costs are included in the cost of a financial asset.

## ***Impairment in the Value of Financial Assets***

Financial assets are evaluated at each date of financial statements to determine whether indications of impairment in value exist. It is considered that the value of financial asset decreases when objective factors exist in a form of an outcome of one or several events that took place after initial recognition of financial asset and which influenced expected future cash flows from financial asset.

The book value of total financial assets is directly reduced by calculated losses of impairment in value. The sole exception is trade receivables the book value of which is reduced through the provisions account. When the trade receivable is irrecoverable, its amount is written off through provisions account. Previously written off, but recovered amounts reduce the provisions account. Changes in book values of provisions are recognized as profit or loss.

If the amount of losses of impairment in value for subsequent periods decreases and that decrease can be objectively linked to an event, which occurred after the losses of impairment in value were recognized, the previously recognized losses of impairment in value are restored through profit or loss, but only until the book value of

investment on the day of reversing the losses of impairment in value does not exceed the amortized cost, which would have existed, if the losses of impairment in value would not have been recognized in the previous periods.

### ***Effective Interest Rate Method***

Effective interest rate method is a method applied to distribute the amortized cost estimate of financial assets and liabilities and interest income and costs within a respective period. Effective interest rate is an interest rate that accurately discounts estimated future cash flows (including all paid or received taxes, which are integral part of effective interest rate, transaction costs and other payments or discounts) to net initial recognition book value within the foreseen period of financial assets and liabilities or (if applicable) within a respective period that is shorter.

### ***Deferred costs***

Deferred costs are occurred when the company on the current and prior periods paid the coming periods continuing services which amount will be uniformly recognized as an expense in future periods when incurred.

### ***Equity Capital and Reserves***

Equity capital of the Company includes paid-up part of the authorized capital, share premium, legal reserve, revaluation reserve and retained profit (loss).

Ordinary registered shares are measured at their par value. Amount received for sold shares exceed of their nominal value is presented as share premium. Additional costs related to new share emission reduce share premium. Any profit or loss related to sale, emission or annulment of own shares is not recognized in the income statement.

According to the Law on Companies of the Republic of Lithuania the legal reserve must amount to 1/10 of the authorized capital. If the legal reserve is insufficient, 1/20 of net profit is to be attributed until the required amount is reached. The amount which exceeds the amount of stated legal reserve can be redistributed when distributing the profit of the Company. If a legal reserve is used to cover the losses of the Company, it must be formed again.

The account of retained profit (loss) includes accumulated and not yet distributed profit or not yet covered losses for the current and previous reporting periods.

Profit appropriation is registered in the accounting records of the Company when the owners pass a respective decision to distribute the profit, i.e., at the date of the shareholder meeting regardless of the profit earning period.

### ***Financial liabilities***

Financial liabilities are recorded in the accounting when the Company assumes an obligation to pay cash or settle other financial assets. Payables for goods and services are measured at cost, i.e., the value of the assets or services received. At the beginning of the loan, they are stated at cost and subsequently measured at amortized cost. Accrued interest is accounted for in other items payable.

Financial liabilities include payables for goods and services received, loans and finance lease liabilities.

Current liabilities are liabilities that must be settled within one year from the balance sheet date.

### ***Income***

Income is recognized on the basis of accrual principle, i.e., registered in the accounting records when it is earned, irrespective of money receipts. Income is measured at fair value taking into consideration granted and planned discounts as well as returns and write-downs of sold goods.

Sales revenue is recognized, registered in accounting records and presented in the financial statements when the goods are sold, and the income amount is reliably evaluated. Income from rendered services is recognized, registered in accounting records and presented in the financial statements when the transaction is completed, and the amount of income and expenses related to the service transaction and its completion can be measured reliably.

Profit from used non-current asset transfer and other income not related to the operating activity of the Company and received from third parties, excluding financing activity income and extraordinary gain, are attributed to the income from other activities.

Positive result of changes in currency exchange rates, received interest, fines and interest on overdue payments covered by clients, received dividends, reversal of investment value impairment is all considered to be income from financing activity.

### **Costs**

Costs are recognized in the accounting records following accrual and comparison principles in the reporting period, during which the related income is earned, irrespective of the time the money was spent. Expenses, which are not related to the income earned in the reporting period, but intended for income earning in the future periods, are registered in the accounting records and presented in the financial statements as the assets.

Cost of sales comprises expenses incurred during the current reporting period and related to goods sold and services rendered during the current period. This account includes only that part of costs, which is related to products, goods sold, and services rendered during the reporting period.

Operating costs comprise expenses incurred during the current period and related to the operating activities of the Company and providing the basis for reporting period income earning, but they do not depend on the amount of sold products, goods and services. Operating costs are recognized, registered in the accounting records and presented in the financial statements of the reporting period they are incurred in. Depreciation of buildings, insurance, salaries of employees in administration, advertising, business trips, stationaries, car exploitation, press subscription, staff training costs and other costs, not attributable to costs from other activities and (or) financing activities, are included in operating costs.

Losses incurred from sold used non-current assets and other costs, which are not related to the operating activity of the Company but are incurred when earning the income from other activities, are attributable to the costs from other activities.

Negative result of changes in currency exchange rates, paid fines and interest on overdue payments, interest and liability fees related to financial payables and impairment in investment value are all considered to be expenses from financing activities.

### **Accrued costs**

Amounts recognized in the period of the current and previous periods for the continuing services received as an expense of the company, for which the company has undertaken to pay in future periods.

During the reporting period and previous reporting periods, the cost of sales recognized in respect of sales of goods under which the company has undertaken to pay in future reporting periods.

### **Accounting for Lease**

Lease is recognized as financial lease when according to the lease terms basically all risk and benefit attached to the ownership of an asset is transferred. All other leases are classified as operating lease.

## The Company acting as a Lessee

Assets leased under financial lease are initially recognized as Company's assets in the value equal to the fair value of leased assets at the beginning of the lease or, if lower, current value of minimal lease instalments. Respective lessor's liability is presented in the balance sheet as financial lease liability.

Lease instalments are distributed between financial costs and coverage of unpaid liabilities to reflect the permanent indicator of return on liability on the basis of non-covered liability balance. Financial costs are immediately recognized as profit or loss. Non-fixed lease charges are recognized as costs of the period when they are incurred.

## **Foreign Currency**

Transactions in foreign currency are presented in Euro applying the official currency rate announced by the Bank of Lithuania on the day of transaction, which is approximately equal to market rate. At the end of each reporting period monetary items denominated in foreign currency are converted on the basis of the rate on that day.

Non-monetary items denominated in foreign currency and recognized at fair value are converted applying the interest rate of the day when the fair value was determined. Non-monetary items recognized at acquisition cost and expressed in foreign currency are not converted.

Monetary assets and liabilities are converted into Euro applying the rate on the financial statements date. Income and costs incurred due to changes in currency rates when converting monetary assets or liabilities into Euro are included into profit (loss) statement of the reporting period.

## **Income Tax**

Income tax costs reflect the amount of payable current year tax and deferred tax.

### Current Year Tax

Current year income tax is paid considering the taxable income for the year. Taxable profit differs from profit presented in the profit (loss) statement, as it does not include items of income or costs that are taxable or included the following year, and additionally it does not include items that are never taxable or included. Income tax is calculated applying a tax rate valid or determined before the end of reporting period. In both 2024 and 2023 an income tax rate of 15 per cent is applicable to the Company.

### Deferred Tax

Deferred tax is recognized on the basis of temporary differences between the book values of assets and liabilities in the financial statements and their respective tax basis. Deferred tax liabilities are recognized as a total for all temporary differences and deferred tax assets are only recognized in a part that will likely reduce the current taxable profit in the future when realizing temporary differences. Those assets and liabilities are not recognized, if temporary differences are related to goodwill or if assets or liabilities recognized in the course of transaction (other than business merger) do not affect either taxable, or financial income.

## **Financial Risk Management Policy**

### Credit Risk

The Company is not subject to significant credit risk concentration, as it is distributed among a big number of buyers.

Credit risk related to funds in the banks is limited, as the Company pursues transactions with banks that have sufficient credit ratings attributed by foreign rating agencies.

### Interest Rate Risk

The Company borrows funds under fixed and varied interest rates. The Company manages the risk by maintaining an appropriate combination of loans with fixed and varied interest rates.

As of December 31, 2024 and December 31, 2023 the Company did not apply any derivative financial instruments with the purpose to manage the risk of interest rate fluctuations.

### Liquidity Risk

The Company manages liquidity risk by maintaining sufficient reserves, banking services and reserve credit instruments, constantly monitoring actual and forecasted cash flows and coordinating return terms for financial assets and liabilities.

The policy of the Company is to maintain enough cash and cash equivalents or to secure financing in credit lines of respective quantities seeking to fulfil liabilities foreseen in strategic plans.

### Foreign Currency Risk

Most of the Company's transactions concluded within the financial year ended on 31 December 2024, were evaluated in Euro and therefore the Company avoids significant risk of foreign currency exchange.

### **Provisions**

Provision is recognized when as a result of an event in the past the Company has a liability (legal or irrevocable) and it is probable that to fulfil it the Company will require resources that bring economic benefit, and the amount of that liability can be reliably measured.

An amount recognized in provision is the best estimate necessary to cover current reporting period liabilities considering risks and uncertainties arising from that liability. When a provision is recognized applying cash flows planned to cover liability, its book value is current value of those cash flows.

When it is expected that a part or a total of economic benefit required to cover provision will be recovered from a third party, a receivable amount is recognized as an asset, if it is certain that the compensation will be received, and an amount receivable can be reliably measured.

### **Related Parties**

Related parties include shareholders, employees, board members, their next of kin and entities, which directly or indirectly through a mediator control the Company or are controlled separately or together with another party, which is also recognized as related party.

### **Events after the Balance Sheet Date**

Events after the balance sheet date are economic events that take place between the balance sheet date and the date, on which the financial statements are prepared, presented for confirmation and signed by the head of the Company.

Events after the balance sheet date, which provide additional information concerning the Company's position on the financial statements date (events leading to adjustments), are reflected in the financial statements. Events after the balance sheet date, which are not leading to adjustment, are described in the notes, if their effect is material.



## Notes

## 1. Non-current Intangible Assets

Items	Computer software	Other intangible assets	Total
Acquisition value			
December 31, 2022	12 410	15 546	27 956
Acquired			---
Written-off (-)			---
Reclassifications			---
December 31, 2023	12 410	15 546	27 956
Acquired		10 458	10 458
Written-off (-)		11 676	11 676
Reclassifications			---
December 31, 2024	<b>12 410</b>	<b>14 328</b>	<b>26 738</b>
Accumulated amortization			
December 31, 2022	12 405	15 545	27 950
Calculated for the period			---
Written-off (-)			---
Reclassifications			---
December 31, 2023	12 405	15 545	27 950
Calculated for the period		2 905	2 905
Written-off (-)		11 675	11 675
Reclassifications			---
December 31, 2024	<b>12 405</b>	<b>6 775</b>	<b>19 180</b>
Balance value			
December 31, 2022	5	1	6
December 31, 2023	5	1	6
December 31, 2024	5	7 553	7 558

As of December 31, 2024 and December 31, 2023 the Company did not operate any intangible assets received free-of-charge.

Acquisition cost of fully amortized non-current intangible assets still used in Company's operations concluded to 16 280 EUR as of December 31, 2024 and 27 956 EUR as of December 31, 2023.

## 2. Non-current Tangible Assets

Items	Land	Buildings and constructions	Plant and machinery	Transport means	Other fixtures, fittings, tools and equipment	Construction contracts in progress	Total
Acquisition value							
December 31, 2022	<b>1 298 972</b>	<b>432 167</b>	<b>1 212 601</b>	<b>869 387</b>	<b>567 784</b>	<b>182 012</b>	<b>4 562 923</b>
Acquired	12 000	---	1 418 768	291 559	72 658	198 006	1 992 991
Written-off (-)	---	---	-785 024	-39 936	-4 883	---	-829 843
Reclassifications							
December 31, 2023	<b>1 310 972</b>	<b>432 167</b>	<b>1 846 345</b>	<b>1 121 010</b>	<b>635 559</b>	<b>380 018</b>	<b>5 726 071</b>
Acquired	173 800	---	144 555	230 884	42 000	7 324 247	7 915 486
Written-off (-)	---	---	-1 113 372	-36 860	-78 973	---	-1 229 205
Reclassifications							
December 31, 2024	<b>1 484 772</b>	<b>432 167</b>	<b>877 528</b>	<b>1 315 034</b>	<b>598 586</b>	<b>7 704 265</b>	<b>12 412 352</b>
Accumulated depreciation							
December 31, 2022		<b>137 053</b>	<b>291 294</b>	<b>451 993</b>	<b>428 254</b>	<b>35 981</b>	<b>1 344 575</b>
Calculated for the period	---	34 746	153 794	168 144	70 240	---	426 924
Written-off (-)	---	---	-137 880	-38 245	-4 881	---	-181 006
Transferred from item to item							
December 31, 2023		<b>171 799</b>	<b>307 208</b>	<b>581 892</b>	<b>493 613</b>	<b>35 981</b>	<b>1 590 493</b>
Calculated for the period	---	34 746	141 850	181 590	68 987	---	427 173
Written-off (-)	---	---	-229 823	-2 048	-78 961	---	-310 832
Reclassifications							
December 31, 2024		<b>206 545</b>	<b>219 235</b>	<b>761 434</b>	<b>483 639</b>	<b>35 981</b>	<b>1 706 834</b>
Balance value							
December 31, 2022	<b>1 298 972</b>	<b>295 114</b>	<b>921 307</b>	<b>417 394</b>	<b>139 530</b>	<b>146 031</b>	<b>3 218 348</b>
December 31, 2023	<b>1 310 972</b>	<b>260 368</b>	<b>1 539 137</b>	<b>539 118</b>	<b>141 946</b>	<b>344 037</b>	<b>4 135 578</b>
December 31, 2024	<b>1 484 772</b>	<b>225 622</b>	<b>658 293</b>	<b>553 600</b>	<b>114 947</b>	<b>7 668 284</b>	<b>10 705 518</b>

No indications of impairment in the value of non-current tangible assets were detected.

As of December 31, 2024, and December 31, 2023 the Company did not operate any tangible assets received free-of-charge.

Depreciation of Company's non-current tangible assets was recognized in the profit (loss) statement, item of comprehensive costs and amounted 427 174 EUR (2023 m. 426 924 EUR).

As of 31 December 2024, the building is pledged to Swedbank AB as a guarantor for the repayment of the investment loan received. The pledge ends on May 31, 2025.

#### Depreciated Assets in Use

Asset group	Acquisition cost (EUR)
Transport	319 447
Plant and machinery	11 469
Other equipment	350 967
<b>Total</b>	<b>681 883</b>

#### Balance Value of Leased Assets

Asset group	2024.12.31.	2023.12.31.
Transport	437 870	428 305
Plant and machinery	---	---

### 3. Amounts Receivable after One Year

Amounts receivables from 2 to 5 years	2024.12.31.	2022.12.31.
Long-term investments		
Long - term trade receivables		
Advance deposit for rent	---	104 000
Loans granted to buyers		
<b>Total:</b>	<b>---</b>	<b>104 000</b>

As of 31 December 2023, receivables after one year consist of an advance deposit of EUR 104,000 under long-term lease agreements, which is not discounted as it will be credited for the last lease payments. The lease agreement ends April 30, 2025.

## 4. Deferred Income Tax Assets

Taxable and deductible temporary differences	Basis for deferred tax assets	Rate %	Deferred income tax assets
<b>2024.12.31</b>			
Holiday accumulations	4 045	16	647
Inventory devaluation	251 056	16	40 169
Devaluation of bad and doubtful debts	320 362	16	51 258
<b>Total</b>	<b>575 463</b>	<b>X</b>	<b>92 074</b>
<b>2023.12.31</b>			
Holiday accumulations	2 504	15	376
Inventory devaluation	248 254	15	37 238
Devaluation of bad and doubtful debts	319 316	15	47 897
<b>Total</b>	<b>570 072</b>	<b>X</b>	<b>85 511</b>

## 5. Inventories and Paid Advance Payments

Items	Raw materials and components	Goods for resale	Paid advance payments	Total
<b>a) Acquisition cost of inventories</b>				
At the end of previous financial year	15 680	13 265 658	59 386	13 340 724
At the end of financial year	18 274	14 262 370	211 965	14 492 609
<b>b) Devaluation to net realizable value (reversal)</b>				
At the end of previous financial year		249 454		249 454
At the end of financial year		253 756		253 756
<b>c) Net realizable value at the end of financial year (a) - (b)</b>				
	<b>18 274</b>	<b>14 008 614</b>	<b>211 965</b>	<b>14 238 853</b>
Differences in evaluation if LIFO method was applied				---
Value of pledged inventories		14 008 614		---
Inventories held by third parties				---

As of 31 December 2024, all goods in turnover were pledged to Swedbank, AB as a guarantee for liability fulfilment. The pledge ends on May 31, 2025. Non-moving inventories were devaluated following the accounting policy. Discounts received from suppliers at the end of the year were included in sales cost (reduction), but the value of inventories was not reduced as a result.

## 6. Costs of Future Periods

	2024.12.31	2023.12.31
Insurance	675 882	552 614
Subscription	799	422
Other costs of future periods	14 932	11 657
<b>Total</b>	<b>691 613</b>	<b>564 693</b>

## 7. Amounts Receivable within One Year

	2024.12.31.	2023.12.31.
Trade receivables	6 998 609	6 072 982
Provided loans	559 189	366 632
Accountable persons	393	24 814
Income tax receivable from the budget	---	---
Salary subsidy receivable	---	---
Other amounts receivable	603 534	226 941
Doubtful debts (-)	(320 362)	(319 316)
<b>Total:</b>	<b>7 841 363</b>	<b>6 372 053</b>

As of December 31, 2024, all amounts receivable are pledged to Swedbank, AB as a guaranty for loan coverage. The pledge ends on May 31, 2025.

## 8. Cash

	2024.12.31.	2023.12.31.
Cash in bank	1 036	747
Cash on hand	2 943	1 339
<b>Total:</b>	<b>3 979</b>	<b>2 086</b>

As of December 31, 2024 funds in bank accounts are pledged to Swedbank, AB as a guarantee for loan coverage. The pledge ends on May 31, 2025.

## 9. Authorized Capital Structure

Items	Number of shares	Amount (EUR)
Share capital structure at the end of financial year		
1. On the basis of share types		
1.1. Ordinary shares	1 000 000	1 000 000
1.2. Preference shares		
1.3. Employee shares		
1.4. Special shares		
1.5. Other shares		
<b>TOTAL:</b>	<b>1 000 000</b>	<b>1 000 000</b>
2. State or municipal capital		
Own shares held by the company itself	(16 357)	(251 485)
Shares held by subsidiaries		

As of 31 December 2024, all shares were fully covered. Legal reserve is an obligatory reserve foreseen by the laws of the Republic of Lithuania. At least 5 per cent of net profit available for distribution is attributed to legal reserve annually until it reaches an amount equal to 10 per cent of authorized capital. It can be used solely to cover accumulated losses. As of 31 December 2024, legal reserve concluded to EUR 100.000 EUR (December 31, 2023 - 100 000 EUR).

## 10. Profit Appropriation Project

Items	Year	Amount (EUR)
Retained result – profit (loss)	2023.12.31.	5 820 777
Dividends 2023		(787 467)
Formed reserves to acquire own shares		
Net financial year result – profit (loss) 2023		1 416 025
Result – profit (loss) – available for appropriation	2024.12.31.	6 449 183
Contributions by shareholders to cover losses		
Transferred from reserves		
Profit available for appropriation		6 449 335
Profit appropriation:		
- Reserves provided for by law		
- Increase of authorized capital		
- Dividends		
- Other		
Retained result – profit (loss)		6 449 335

## 11. Financial Payables

	2024.12.31.	2023.12.31.
<b>Non-current payables (over 5 years)</b>	---	---
<b>Non-current payables (2 to 5 years)</b>	<b>301 456</b>	<b>296 407</b>
Credit lines and loans (a)		
Lease liabilities (b)	301 456	296 407
Investment loan (c)		
<b>Current liabilities</b>	<b>6 098 314</b>	<b>5 22 734</b>
Credit lines and loans (a)	5 945 626	4 885 149
Lease liabilities (b)	152 688	137 585
Investment loan (c)		
Amounts payable on the basis of bills of exchange		
<b>Total:</b>	<b>6 399 770</b>	<b>5 319 141</b>

(a) Swedbank overdraft unused (limit EUR 5 000 000), agreement expiration date of 31-05-2025. Information on pledged assets is provided in the section on non-current assets (Note 2), amounts receivable (Note 7), inventories (Note 5) and cash (Note 8).

(b) Leasing liabilities for Swedbank leasing, maturity date 2025-2029 years.

**12. Other amounts payables and long-term liabilities**

	<b>2024.12.31.</b>	<b>2023.12.31.</b>
Social insurance liabilities (a)		26 329
Liabilities under tax loan agreements (b)		
<b>Total:</b>		<b>26 329</b>

(a) The State Social Insurance Fund Board under the Ministry of Social Security and Labor has been granted a tax deferral until 15-07-2025.

**13. Amounts Payable within One Year**

	<b>2024.12.31.</b>	<b>2023.12.31.</b>
Amounts received in advance	63 641	54 104
Trade payables	14 133 226	7 183 804
Holiday accumulations	283 884	175 665
Social insurance liabilities	78 765	94 516
Income tax	85 453	60 923
Personal income tax liabilities	---	---
VAT liabilities	780 001	881 192
Liabilities to STI under tax loan agreements		
Other amounts payable	2 657	2 951
<b>Total:</b>	<b>15 427 627</b>	<b>8 453 155</b>

**14. Accumulated Costs and Income from Future Periods**

	<b>2024.12.31.</b>	<b>2023.12.31.</b>
Accumulated costs*	780 711	341 110

\* Revenue from the sale of goods recognized during the reporting period is recognized as the cost of sales in respect of which the company has undertaken to pay in future accounting periods.

**15. Income**

	<b>2024</b>	<b>2023</b>
Income from sold services and goods	<b>31 871 711</b>	<b>35 180 439</b>
Income from sold goods	30 801 745	34 201 414
Income from provided services	1 069 966	979 025
Income from other activities (result)	<b>296 075</b>	<b>111 503</b>
Profit from sold non-current assets	38 618	21 106
Other income	257 457	90 397

**16. Costs**

	<b>2024</b>	<b>2023</b>
Cost of sales	<b>24 971 887</b>	<b>28 319 499</b>
Cost of sold goods	24 971 887	28 319 499
Sales costs	<b>162 074</b>	<b>93 221</b>
Marketing costs	162 074	93 221
<b>General and administrative costs</b>	<b>5 082 142</b>	<b>4 833 518</b>
Rental costs	369 118	341 800
Salaries costs	3 024 115	2 856 503
Depreciation and amortization costs	430 079	426 924
Consulting costs	39 376	83 771
Car repair and maintenance costs	389 673	344 567
Other costs	829 781	779 953

**17. Financing and Investing Activities**

	<b>2024</b>	<b>2023</b>
<b>Income</b>	<b>220 742</b>	<b>197 834</b>
Interest	44 966	117 219
Fines and charges on overdue payments	175 776	80 595
Positive effect of changes in currency rates		20
<b>Costs</b>	<b>387 705</b>	<b>285 622</b>
Interest on received loans	289 951	179 994
Lease and factoring interest costs	34 384	25 013
Fines and charges on overdue payments	256	18 668
Negative effect of changes in currency rates	66	75
Other financial operating expenses	63 048	61 872
<b>Results</b>	<b>(166 963)</b>	<b>(87 788)</b>

The Company recognizes fines and charges on overdue payments at the time it is incurred.

**18. Income Tax Costs**

Income tax costs of the Company included declared income tax, which for 2024 concluded to EUR 235 453 (In 2023 – EUR 285 923). Also, the income tax income from the deferred tax asset is EUR 6 563 EUR (In 2023, the income tax income from the deferred tax asset amounted EUR 2 954).

**19. Transactions with Management and Other Related Persons**

The Managers of administration (2 persons) were paid EUR 206 162 of salary within 2024 (EUR 207 174 within 2023). The Manager owes a loan of EUR 101 000 to the Company. The Managers of administration received no other income, loans, guarantees or pay-outs.

The Board of the Company consists of three persons. During 2024 no loans, guarantees, other disbursements or accruals, or disposals of assets were made to a member of the company's board who is not an employee of the company.

**20. Rights and Obligations of the Company Not Indicated in the Balance Sheet**



The Company issued a guarantee in the amount of EUR 1.550.000 in favor of third persons, which was opened on 07-12-2015 and shall be valid until 31-05-2025.

## **21. Contingent Liabilities**

At the end of the reporting year the Company was not subject to any contingent liabilities.

## **22. Events after the Balance Sheet Date**

After the end of the financial year, prior to the approval of these financial statements, there were no other events that could have a material effect on these financial statements or should be further disclosed.

General manager

Gediminas Kvietkauskas

Chief accountant

Rasa Vensloviene