



# Linda Nektar

## ANNUAL REPORT

**reporting period:** 01.01.2023 – 31.12.2023

**financial year:** 01.01.2023 - 31.12.2023

**business name:** aktsiaselts Linda Nektar

**register code:** 10211034

**street:** Valga mnt 4

**small town:** Kobela alevik

**rural municipality:** Antsla vald

**county:** Võru maakond

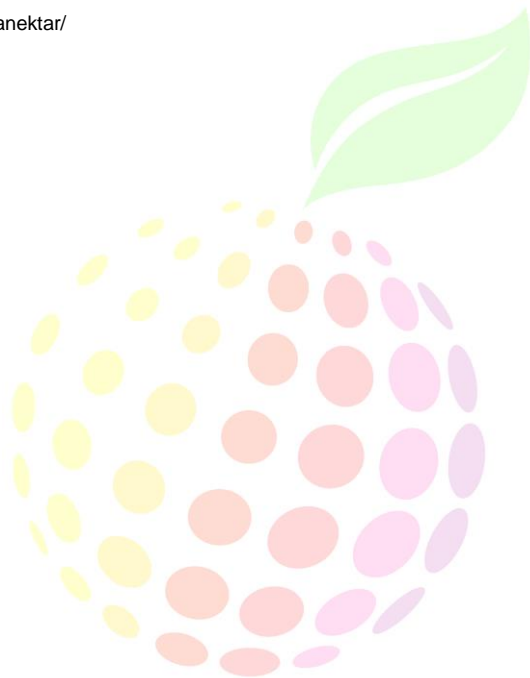
**postal code:** 66407

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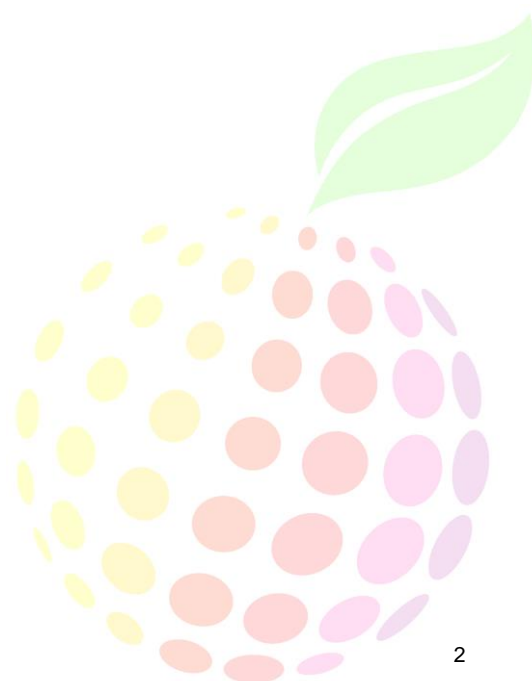
**web address:** www.lindanektar.ee

**LinkedIn:** <https://www.linkedin.com/company/lindanektar/>



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## Management report

In 2023 AS Linda Nektar (The Company's) turnover was EUR 2.49m, aligning within the range of updated management guidance of EUR 2.45 – 2.5m announced by the Company on 5 December 2023. Net profitability came in with a loss of EUR 0.13m. This largely reflects a period of consciously-reduced throughput (volumes) and the associated level of fixed costs impacting expenses. Management's reasoning of doing this relates to the strategy of not pursuing volume of certain products at any cost, particularly if there is a perceived risk of a negative operating result due to high volatility of variable costs. At the same time, increased throughput those products at zero or negative profitability unnecessarily decreases the operational efficiency of equipment in the longer term.

Sales activity outside of the Baltic region and Finland have been expanded further via an ongoing diversification strategy (including outside of the EU). Any scaling activity (significantly increased volumes) is dependent on the clients concerned deciding to move ahead with the launch of particular products in various jurisdictions. This provides management sound argumentation to retain sufficient operational capacity for such events even if their timing is somewhat demanding to predict. The aforementioned strategy is shored up by the Company's ability to retain positive operating cash flow as well as net cash balances (including debt).

The Company continues to invest in various sustainable practices such as the previously mentioned solar project to help enable its own efficiencies as well as providing customers with improved carbon footprint initiatives throughout the production and distribution chain.

### Financial review

In 2023 AS Linda Nektar (The Company's) turnover was EUR 2,489,789 (12022: EUR 3,786,852). This marked a decrease of 34.3% year-on-year. The H2 2023 unaudited revenue decreased by 26.7% compared to H1 2023, amounted up to EUR 1,053,147 (H1 2023: EUR 1,436,642). The Company ended the 2023 in a net loss of EUR 130,660 (2022: net profit EUR 270,903).

As of 31 December 2023, the Company's total assets came to EUR 3,762,147 (31.12.2022: EUR 4,137,806) marking a decrease of 9.1% year-on-year. Current assets amounted to EUR 1,215,241 (31.12.2022: EUR 1,474,446) or 32.3% of total assets. Fixed assets amounted to EUR 2,546,906 (31.12.2022: EUR 2,663,360) or 67.7% of the balance sheet total. Cash and cash equivalents came to EUR 316,256 (31.12.2022: EUR 294,451). The Company retains its conservative financial leverage policy with a surplus net cash position after taking into account bank debt (see below for additional comments). Operating cash flow for the 2023 was a positive EUR 342,762 (2022: EUR 552,831).

The liabilities of AS Linda Nektar totalled EUR 282,483 (31.12.2022: EUR 369,467) and equity amounted to EUR 3,479,664 (31.12.2022: EUR 3,768,339). In 2023, the Company signed a renewable energy loan agreement to fund the construction of the solar farm in Kobela. As of 31 December 2023, there were loan commitments of EUR 146,752 for investments.

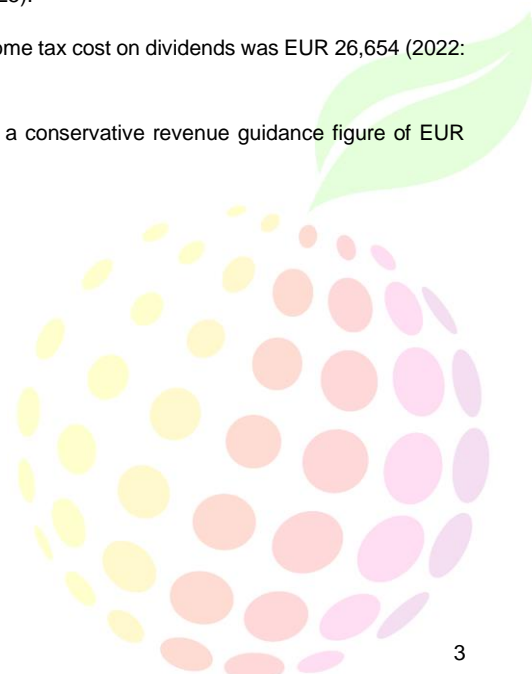
A total of EUR 353,822 was invested into fixed assets (2022: EUR 821,626). Depreciation costs in 2023 amounted to EUR 353,883 (2022: EUR 435,004). Some investments will be implemented through support provided by the Agricultural Registers and Information Board (ARIB) as part of Rural Development Plan measure 4 'Investments into fixed assets'. The subsidy will be paid out if the investment is implemented no later than H2 2024. In 2023, the Company received partial grant in the amount of EUR 116,417. Assets acquired with the help of government grants are recorded in the balance sheet at net acquisition cost, i.e., the acquisition cost, less government grants received for the purpose of acquiring assets.

As of 31 December 2023, the Company had 15 employees, one Management Board Member, and four Supervisory Board Members. Labour costs in 2023 (including taxes) amounted to EUR 514,856 (2022: EUR 476,525).

In 2023, the Company paid EUR 158,014 in dividends (2022: EUR 158,014). The income tax cost on dividends was EUR 26,654 (2022: EUR 27,584).

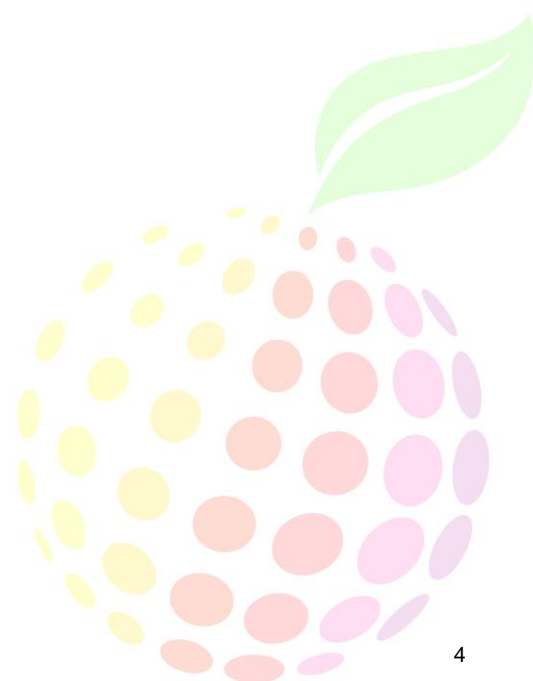
Taking into account the present operating environment management is forecasting a conservative revenue guidance figure of EUR 2.5m, effectively reflecting a flat outcome compared with 2023.

Kadri Rauba  
CEO



**Financial Ratios**

		2023	2022
Current Ratio = Current Assets / Current Liabilities	x	4.97	3.99
Quick ratio = (Current Assets – Inventories) / Current Liabilities	x	2.70	2.19
Working Capital = Current Assets - Current Liabilities		970 613	1 104 979
Equity Ratio = Total Equity / Total Assets*100	%	92.49	91.07
Net Profit Margin= Net Profit / Sales Revenue*100	%	-5.25	7.15
Debt to Assets= Total Liabilities / Total Assets	x	0.08	0.09

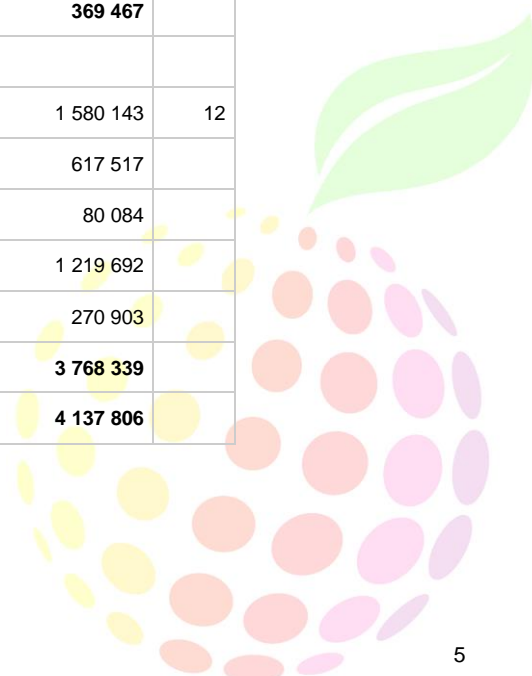


## The annual accounts

### Statement of financial position

(In Euros)

	31.12.2023	31.12.2022	Note
Assets			
Current assets			
Cash and cash equivalents	316 256	294 451	2
Receivables and prepayments	343 528	515 099	3
Inventories	555 457	664 896	4
<b>Total current assets</b>	<b>1 215 241</b>	<b>1 474 446</b>	
Non-current assets			
Receivables and prepayments	68	45	3
Property, plant and equipment	2 534 034	2 647 768	6
Intangible assets	12 804	15 547	7
<b>Total non-current assets</b>	<b>2 546 906</b>	<b>2 663 360</b>	
<b>Total assets</b>	<b>3 762 147</b>	<b>4 137 806</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	108 897	0	8
Payables and prepayments	135 731	369 467	9
<b>Total current liabilities</b>	<b>244 628</b>	<b>369 467</b>	
Non-current liabilities			
Loan liabilities	37 855	0	8
<b>Total non-current liabilities</b>	<b>37 855</b>	<b>0</b>	
<b>Total liabilities</b>	<b>282 483</b>	<b>369 467</b>	
Equity			
Issued capital	1 580 143	1 580 143	12
Share premium	617 517	617 517	
Statutory reserve capital	93 629	80 084	
Retained earnings (loss)	1 319 035	1 219 692	
Reporting period profit (loss)	-130 660	270 903	
<b>Total equity</b>	<b>3 479 664</b>	<b>3 768 339</b>	
<b>Total liabilities and equity</b>	<b>3 762 147</b>	<b>4 137 806</b>	



## Income statement

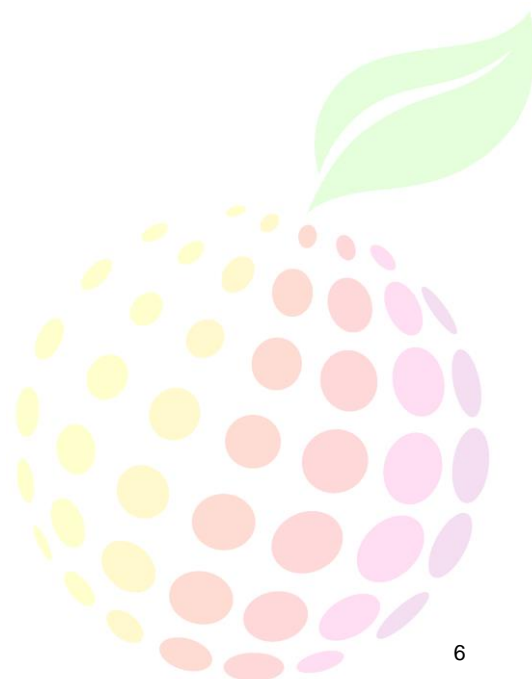
(In Euros)

	2023	2022	Note
Revenue	2 489 789	3 786 852	13
Other income	0	13 824	
Changes in inventories of finished goods and work in progress	14 068	224 182	
Raw materials and consumables used	-1 495 920	-2 528 575	14
Other operating expenses	-245 237	-284 899	15
Employee expenses	-514 856	-476 525	16
Depreciation and impairment loss (reversal)	-353 883	-435 004	6,7
Other expenses	-883	-1 428	
<b>Operating profit (loss)</b>	<b>-106 922</b>	<b>298 427</b>	
Interest income	3 952	60	
Interest expenses	-1 036	0	
<b>Profit (loss) before tax</b>	<b>-104 006</b>	<b>298 487</b>	
Income tax expense	-26 654	-27 584	17
<b>Reporting period profit (loss)</b>	<b>-130 660</b>	<b>270 903</b>	

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## Statement of cash flows

(In Euros)

	2023	2022	Note
Cash flows from operating activities			
Operating profit (loss)	-106 922	298 427	
Adjustments			
Depreciation and impairment loss (reversal)	353 883	435 004	6,7
Other adjustments	0	-13 790	11
<b>Total adjustments</b>	<b>353 883</b>	<b>421 214</b>	
Changes in receivables and prepayments related to operating activities	171 548	53 020	
Changes in inventories	107 883	-353 268	
Changes in payables and prepayments related to operating activities	-156 976	147 232	
Income tax refund (paid)	-26 654	-27 584	17
Proceeds from government grants	0	13 790	11
<b>Total cash flows from operating activities</b>	<b>342 762</b>	<b>552 831</b>	
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	-429 028	-751 561	6,7
Proceeds from government grants	116 417	0	11
Interest received	3 952	60	
<b>Total cash flows from investing activities</b>	<b>-308 659</b>	<b>-751 501</b>	
Cash flows from financing activities			
Loans received	166 000	0	8
Repayments of loans received	-19 248	0	8
Interest paid	-1 036	0	
Dividends paid	-158 014	-158 014	17
<b>Total cash flows from financing activities</b>	<b>-12 298</b>	<b>-158 014</b>	
<b>Total cash flows</b>	<b>21 805</b>	<b>-356 684</b>	
Cash and cash equivalents at beginning of period	294 451	651 135	2
<b>Change in cash and cash equivalents</b>	<b>21 805</b>	<b>-356 684</b>	
Cash and cash equivalents at end of period	316 256	294 451	2

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## Statement of changes in equity

(In Euros)

	Issued capital	Share premium	Statutory reserve capital	Retained earnings (loss)	Total
<b>31.12.2021</b>	<b>1 580 143</b>	<b>617 517</b>	<b>73 948</b>	<b>1 383 842</b>	<b>3 655 450</b>
Reporting period profit (loss)	0	0	0	270 903	270 903
Declared dividends	0	0	0	-158 014	-158 014
Changes in reserves	0	0	6 136	-6 136	0
<b>31.12.2022</b>	<b>1 580 143</b>	<b>617 517</b>	<b>80 084</b>	<b>1 490 595</b>	<b>3 768 339</b>
Reporting period profit (loss)	0	0	0	-130 660	-130 660
Declared dividends	0	0	0	-158 014	-158 014
Changes in reserves	0	0	13 545	-13 546	-1
<b>31.12.2023</b>	<b>1 580 143</b>	<b>617 517</b>	<b>93 629</b>	<b>1 188 375</b>	<b>3 479 664</b>

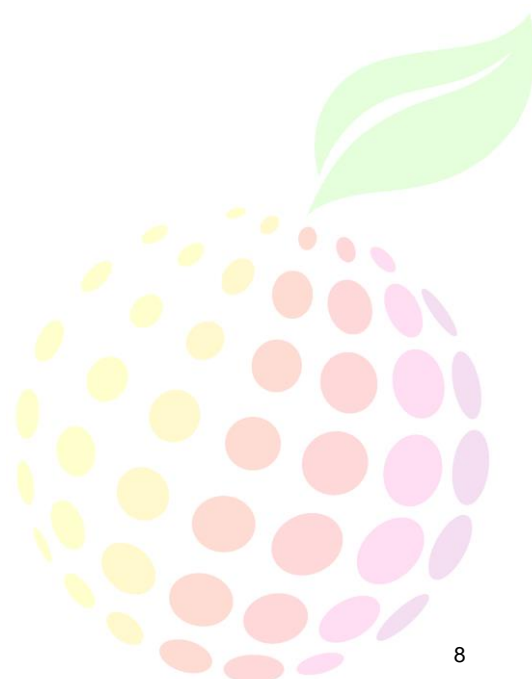
The minimum share capital allowed by the Articles of Association of AS Linda Nektar is 1,200,000 euros, and the maximum share capital is 4,800,000 euros. The share has a nominal value of 1 euro. A total of 1,580,143 shares have been issued.

As of 31 December 2023, the Company had 183 shareholders (31.12.2022: 172 shareholders).

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## Notes

### Note 1 Accounting policies

#### General information

The 2023 Financial Statements of AS Linda Nektar have been prepared in accordance with Estonian financial reporting standard. The main requirements of the Estonian financial reporting standard have been stipulated in the Accounting Act of the Republic of Estonia and supplemented by the guidelines issued by the Accounting Board of the Republic of Estonia.

The Company belongs to the small business category. The Annual Report 2023 is compiled completely according to the regulations introduced for mid-sized companies.

The financial statements have been prepared in euros.

#### Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents are cash on hand, demand deposits in banks.

#### Foreign currency transactions and assets and liabilities denominated in a foreign currency.

Foreign currency transactions are recorded based on the currency exchange rate valid on the transaction date. Monetary entries denominated in foreign currency are translated on the basis of the currency exchange rates of the European Central Bank officially valid on the balance sheet date. Foreign exchange gains and losses from revaluation are recorded in the income statement.

Foreign exchange gains and losses are recorded under revenue and expenses in the income statement of the reporting period.

#### Receivables and prepayments

Accounts receivable are short-term receivables generated in the course of ordinary business, except for receivables from other group companies and associated companies. Accounts receivable are recorded at amortised cost (i.e. nominal value less possible write-downs).

Accounts receivable are evaluated on an individual basis, if possible. If the evaluation of the receivables on an individual basis proves impossible, only the material receivables will be evaluated. Other receivables are evaluated as a set of receivables, considering the information available regarding the customer's previous debts. Collection of receivables, which have been previously expensed as doubtful receivables, are reported as an adjustment to doubtful receivables.

All other receivables (accrued income, loans granted, other short-term and long-term receivables), except for receivables held for trading, are recorded at amortised cost. Receivables held for trading are recorded at their fair value.

#### Inventories

Raw materials are recorded at cost, consisting of the purchase price, non-refundable taxes and direct transportation costs and other expenses directly related to the acquisition, incurred upon bringing the inventories to their present condition and location, less discounts and subsidies.

Finished products and work-in-progress are recorded at production cost, consisting of the direct production costs (cost of raw materials), staff remuneration and a proportional part of the production overheads (depreciation of production buildings and equipment).

The acquisition cost of inventories is calculated based on the FIFO (Raw materials) and individual cost (Work in progress and finished goods) method.

#### Plant, property and equipment and intangible assets

Assets with an acquisition cost of over 1,000 euros and a useful life of over 1 year are recorded as property, plant and equipment (PPE) in the balance sheet. Assets with a useful life of over 1 year, but an acquisition cost of less than 1,000 euros, are recorded as low-value items (in inventories) and are fully expensed when the asset is taken into use. Low-value items that have been expensed are accounted for off-balance sheet.

PPE are initially recorded at acquisition cost, consisting of the purchase price and expenses incurred with the aim of taking the asset item into use. Subsequent to initial recognition, PPE are recorded at net book value. PPE constructed for own use is recorded at acquisition cost, consisting of the actual manufacturing expenses.

Depreciation is calculated on a straight-line basis, depending on the estimated useful life of the asset item:

- production buildings: 15-16 years, improvements: 5 years
- other buildings: 15-16 years, improvements: 5 years

- facilities: 5 -15 years, improvements: 3 years
- machinery and equipment: 3-10 years
- IT equipment: 3-5 years
- office furniture: 3-7 years
- means of transport: 5 years
- tools and equipment: 3-5 years
- software: 5 years
- other intangible assets: 3 years

Land is not depreciated.

#### Leases

##### Accounting entity as lessor

Operating lease payments are recorded during the rental period as income based on the straight-line method.

##### Accounting entity as lessee

Operating lease payments are recorded during the rental period as expenses based on the straight-line method.

#### Financial liabilities

All financial liabilities (accounts payable, loans taken, accrued expenses, bonds issued, other short-term and long-term payables) are initially accounted for at their acquisition cost, which includes all expenses directly related to the acquisition. Subsequent to initial recognition, financial liabilities are recorded based on the amortised cost method.

As a rule, the amortised cost of short-term financial liabilities equals their nominal value. Therefore, short-term financial liabilities are recorded in the balance sheet at the payable amount. The amortised cost of long-term liabilities is calculated based on the effective interest rate method.

#### Government grants

Assets acquired with the help of government grants are recorded in the balance sheet at net acquisition cost, i.e. the acquisition cost, less government grants received for the purpose of acquiring assets (the acquisition cost of assets received free of charge is zero). Subsequent to initial recognition, the acquired assets are measured according to Accounting Board standard number 5 for tangible and intangible fixed assets.

Government grants allocated for operating expenses will be charged to income, if the collection of the grant is certain and the conditions related to the grant have been fulfilled. If the conditions for recognition of the government grant under income have not been met, the grant will be recorded under liabilities in the balance sheet. The corresponding liability is recorded under current or non-current liabilities in the balance sheet, depending on when the conditions related to the government grant are met.

#### Revenue recognition

Revenue and expenses are recognised on an accrual basis, based on the matching principle. Income statement format No 1 is used.

Revenue is recognised on an accrual basis under the revenue recognition principle. Revenues from the sales of goods are recorded at the moment the right of ownership is transferred to the buyer.

#### Expense recognition

Expenses on vacation pay are recorded in the period when they are incurred. The vacation reserve is adjusted on an annual basis at the end of each financial year. The earned vacation pay is charged to expenses in the income statement and recorded in the balance sheet under current liabilities to employees.

#### Taxation

According to the Income Tax Act of the Republic of Estonia, legal entities are not subject to income tax on profits earned. Corporate income tax is paid on fringe benefits, gifts, donations, costs of entertaining guests, dividends and payments not related to business operations. Thus, in Estonia there are no differences between the tax bases and the carrying amounts of assets, which would give rise to a deferred income tax asset or liability.

From 1 January 2015, the tax rate on dividends payable is 20/80 of the amount paid out as net dividends. The corporate income tax arising from the payment of dividends is accounted for as an expense in the period when dividends are declared.

From 2019, a tax rate of 14/86 can be applied to dividend payments. The more beneficial tax rate can be used for dividend payments in the amount of up to the average dividend payment during the three preceding years that were taxed with the tax rate of 20/80.

### Related parties

For the purposes of the financial statements of AS Linda Nektar, the following are considered related parties:

- owners (parent company and owners of the parent company);
- management board and higher management;
- close relatives of the above persons, and the companies related to them.

### Share-based Payments

Option contracts are carried in the balance sheet at their fair value. The fair value of services (work contribution) provided by employees to the entity in return for shares is recognised as employee costs in the income statement and as an equity reserve from the date of granting the share option and during the period when the services have been provided. The fair value of the services received is determined on the fair value of equity instruments (market price) granted to employees at the grant date. The market price of the share is the closing price of the share on the last day of the financial year in the Nasdaq First North Alternative Market. Derivatives (such as these option contracts) are revalued at balance sheet date according to the change in fair value of the instrument.

## Note 2 Cash and cash equivalents

(In Euros)

	31.12.2023	31.12.2022
Cash on hand	30	8
Bank accounts	316 226	294 443
<b>Total cash and cash equivalents</b>	<b>316 256</b>	<b>294 451</b>

## Note 3 Receivables and prepayments

(In Euros)

	31.12.2023	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	209 560	209 560	0	
Accounts receivables	209 560	209 560	0	
Tax prepayments and receivables	124 175	124 175	0	5
Prepayments	9 861	9 793	68	
Deferred expenses	7 312	7 244	68	
Other paid prepayments	2 549	2 549	0	
<b>Total receivables and prepayments</b>	<b>343 596</b>	<b>343 528</b>	<b>68</b>	

	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	334 996	334 996	0	
Accounts receivables	334 996	334 996	0	
Tax prepayments and receivables	176 129	176 129	0	5
Prepayments	4 019	3 974	45	
Deferred expenses	3 827	3 782	45	
Other paid prepayments	192	192	0	
<b>Total receivables and prepayments</b>	<b>515 144</b>	<b>515 099</b>	<b>45</b>	

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## Note 4 Inventories

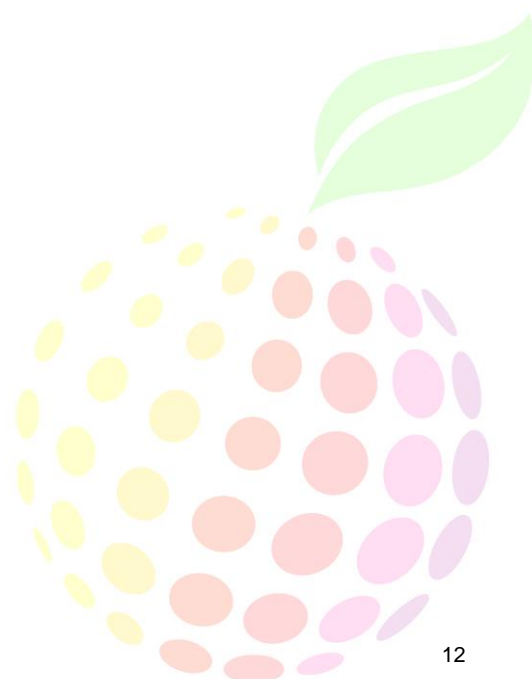
(In Euros)

	31.12.2023	31.12.2022
Raw materials	169 160	265 038
Work in progress	319 454	306 174
Finished goods	66 843	66 097
Inventory prepayments	0	27 587
<b>Total Inventories</b>	<b>555 457</b>	<b>664 896</b>

## Note 5 Tax prepayments and liabilities

(In Euros)

	31.12.2023		31.12.2022	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax	9 194	0	29 156	0
Personal income tax	0	6 611	0	8 304
Fringe benefit income tax	0	1 202	0	1 350
Social tax	0	12 660	0	15 311
Contributions to mandatory funded pension	0	396	0	508
Unemployment insurance tax	0	616	0	764
Excise duty tax	69 450	0	69 450	0
Other tax prepayments and liabilities	0	207	0	267
Prepayment account balance	45 531	0	77 523	0
<b>Total tax prepayments and liabilities</b>	<b>124 175</b>	<b>21 692</b>	<b>176 129</b>	<b>26 504</b>



## Note 6 Property, plant and equipment

(In Euros)

	Land	Buildings				Machinery and equipment	Other property, plant and equipment			Unfinished projects and prepayment	Total
			Transportation	Computers and computer systems	Other machinery and equipment			Unfinished projects	Pre-payments		
<b>31.12.2021</b>											
Carried at cost	35 010	1 640 916	74 724	17 606	3 726 205	3 818 535	85 392	124 280	0	124 280	5 704 133
Accumulated depreciation	0	-657 148	-14 852	-15 887	-2 670 570	-2 701 309	-75 776	0	0	0	-3 434 233
<b>Residual cost</b>	<b>35 010</b>	<b>983 768</b>	<b>59 872</b>	<b>1 719</b>	<b>1 055 635</b>	<b>1 117 226</b>	<b>9 616</b>	<b>124 280</b>	<b>0</b>	<b>124 280</b>	<b>2 269 900</b>
Acquisitions and additions	0	42 041	0	1 570	29 567	31 137	12 280	734 013	2 155	736 168	821 626
Acquisition of land and buildings, except new buildings and renovations	0	42 041						0	0	0	42 041
Other acquisitions and additions	0		0	1 570	29 567	31 137	12 280	734 013	2 155	736 168	779 585
Depreciation	0	-106 947	-13 956	-1 694	-290 064	-305 714	-6 103	0	0	0	-418 764
Impairment loss	0	0	0	0	0	0	0	-10 517	0	-10 517	-10 517
Reclassifications	0	0	0	0	13 315	13 315	0	-27 792	0	-27 792	-14 477
Reclassifications from unfinished projects	0	0	0	0	13 315	13 315	0	-27 792	0	-27 792	-14 477
<b>31.12.2022</b>											
Carried at cost	35 010	1 682 957	74 724	18 128	3 765 359	3 858 211	97 672	819 984	2 155	822 139	6 495 989
Accumulated depreciation	0	-764 095	-28 808	-16 533	-2 956 906	-3 002 247	-81 879	0	0	0	-3 848 221
<b>Residual cost</b>	<b>35 010</b>	<b>918 862</b>	<b>45 916</b>	<b>1 595</b>	<b>808 453</b>	<b>855 964</b>	<b>15 793</b>	<b>819 984</b>	<b>2 155</b>	<b>822 139</b>	<b>2 647 768</b>
Acquisitions and additions	0	212 865	0	3 020	20 038	23 058	2 827	102 361	8 046	110 407	349 157
Acquisition of land and buildings, except new buildings and renovations	0	1 110						0	0	0	1 110
Acquisition of buildings, new building, renovations		211 755						0	0	0	211 755
Other acquisitions and additions			0	3 020	20 038	23 058	2 827	102 361	8 046	110 407	136 292
Depreciation	0	-108 835	-11 978	-1 415	-217 438	-230 831	-6 808	0	0	0	-346 474
Reclassifications	0	2 155	0	0	32 358	32 358	0	-32 358	-2 155	-34 513	0
Reclassifications from prepayments	0	2 155	0	0	0	0	0	0	-2 155	-2 155	0
Reclassifications from unfinished projects	0	0	0	0	32 358	32 358	0	-32 358	0	-32 358	0
Other changes	0	0	0	0	0	0	0	-116 417	0	-116 417	-116 417
<b>31.12.2023</b>											
Carried at cost	35 010	1 897 977	74 724	19 619	3 799 601	3 893 944	97 762	773 570	8 046	781 616	6 706 309
Accumulated depreciation	0	-872 930	-40 786	-16 419	-3 156 190	-3 213 395	-85 950	0	0	0	-4 172 275
<b>Residual cost</b>	<b>35 010</b>	<b>1 025 047</b>	<b>33 938</b>	<b>3 200</b>	<b>643 411</b>	<b>680 549</b>	<b>11 812</b>	<b>773 570</b>	<b>8 046</b>	<b>781 616</b>	<b>2 534 034</b>

In 2023 AS Linda Nektar wrote off non-current assets which were unfit for use and were technically out-dated. The acquisition cost of these assets was EUR 22,421 and impairment loss EUR 52. In 2022 AS Linda Nektar wrote off non-current assets of acquisition cost EUR 3,855 and impairment loss EUR 420.

As at 31 December 2023, outstanding payables to suppliers of the non-current assets amounted to EUR 3,520 (31.12.2022: EUR 80,281).

## Note 7 Intangible assets

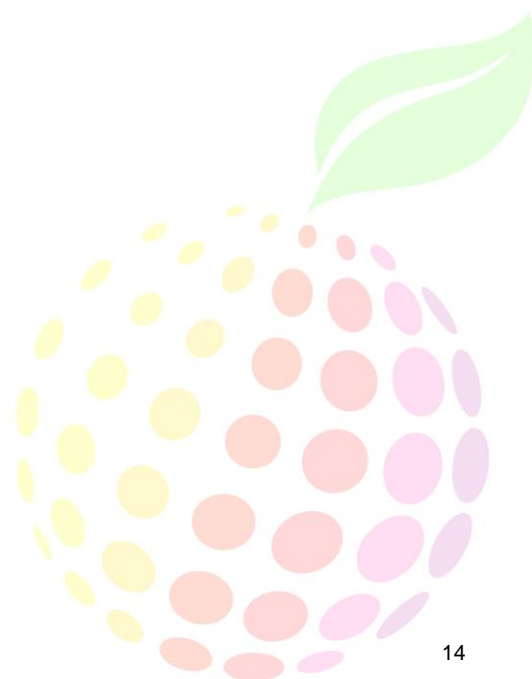
(In Euros)

	Computer software	Other intangible assets	Unfinished projects and prepayments	Total
<b>31.12.2021</b>				
Carried at cost	10 649	8 449	900	19 998
Accumulated depreciation	-10 154	-3 051	0	-13 205
<b>Residual cost</b>	<b>495</b>	<b>5 398</b>	<b>900</b>	<b>6 793</b>
Depreciation	-495	-5 229	0	-5 724
Other changes	0	14 478	0	14 478
<b>31.12.2022</b>				
Carried at cost	10 649	22 927	900	34 476
Accumulated depreciation	-10 649	-8 280	0	-18 929
<b>Residual cost</b>	<b>0</b>	<b>14 647</b>	<b>900</b>	<b>15 547</b>
Acquisitions and additions	0	4 665	0	4 665
Depreciation	0	-7 408	0	-7 408
<b>31.12.2023</b>				
Carried at cost	10 649	27 591	900	39 140
Accumulated depreciation	-10 649	-15 687	0	-26 336
<b>Residual cost</b>	<b>0</b>	<b>11 904</b>	<b>900</b>	<b>12 804</b>

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## Note 8 Loan commitments

(In Euros)

	31.12.2023	Allocation by remaining maturity		Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years			
Non-current loans						
Investment loan	146 752	108 897	37 855	5.59%	EUR	14.04.2025
<b>Loan commitments total</b>	<b>146 752</b>	<b>108 897</b>	<b>37 855</b>			

Carrying amount of collateral assets	31.12.2023
Land	6 700
Buildings	843 813
<b>Total</b>	<b>850 513</b>

## Note 9 Payables and prepayments

(In Euros)

	31.12.2023	Within 12 months	Note
Trade payables	98 041	98 041	
Employee payables	9 853	9 853	
Related parties' payables	260	260	18
Tax payables	21 692	21 692	5
Other payables	5 885	5 885	
Other accrued expenses	5 715	5 715	
Other payables	170	170	
<b>Total payables and prepayments</b>	<b>135 731</b>	<b>135 731</b>	

	31.12.2022	Within 12 months	Note
Trade payables	324 912	324 912	
Employee payables	13 794	13 794	
Related parties payables	780	780	18
Tax payables	26 504	26 504	5
Other payables	3 477	3 477	
Other accrued expenses	1 607	1 607	
Other payables	1 870	1 870	
<b>Total payables and prepayments</b>	<b>369 467</b>	<b>369 467</b>	

## Note 10 Contingent liabilities and assets

(In Euros)

	31.12.2023	31.12.2022
Contingent liabilities		
Distributable dividends	961 724	1 202 756
Income tax liability on distributable dividends	226 651	287 839
<b>Total contingent liabilities</b>	<b>1 188 375</b>	<b>1 490 595</b>

## Note 11 Grants

(In Euros)

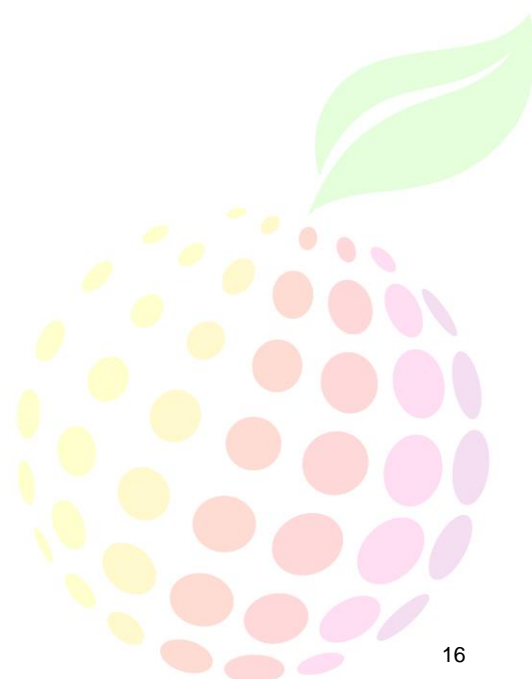
	2023		2022	
	Received	Recognized in the income statement	Received	Recognized in the income statement
Grants for operating expenses				
EAS	0	0	13 790	13 790
<b>Total grants for operating expenses</b>	<b>0</b>	<b>0</b>	<b>13 790</b>	<b>13 790</b>
	2023		2022	
	Received	Recognized in assets at cost	Received	Recognized in assets at cost
Grants for acquisition of non-current assets				
ARIB	116 417	-116 417	0	0
<b>Total grants for acquisition of non-current assets</b>	<b>116 417</b>	<b>-116 417</b>	<b>0</b>	<b>0</b>

## Note 12 Share capital

(In Euros)

	31.12.2023	31.12.2022
Share capital	1 580 143	1 580 143
Number of shares (pcs)	1 580 143	1 580 143
Nominal value of shares	1	1

See detailed information in Statement of changes in equity (summary section).





## Note 13 Net sales

(In Euros)

	2023	2022
Net sales by geographical location		
Net sales in European Union		
Estonia	1 302 988	1 618 366
Finland	379 532	347 421
Latvia	695 465	1 781 584
Lithuania	17 070	20 362
Spain	62 685	13 500
Other EU	25 649	5 619
<b>Total net sales in European Union</b>	<b>2 483 389</b>	<b>3 786 852</b>
Net sales outside of European Union		
United Kingdom	4 850	0
Kenya	1 550	0
<b>Total net sales outside of European Union</b>	<b>6 400</b>	<b>0</b>
<b>Total net sales</b>	<b>2 489 789</b>	<b>3 786 852</b>
Net sales by operating activities		
Manufacture of cider and other fruit wines	2 475 158	3 761 857
Sale of goods/services	14 631	24 995
<b>Total net sales</b>	<b>2 489 789</b>	<b>3 786 852</b>

## Note 14 Goods, raw materials and services

(In Euros)

	2023	2022
Raw materials	-1 135 333	-2 045 651
Services	-360 587	-482 924
<b>Total goods, raw materials and services</b>	<b>-1 495 920</b>	<b>-2 528 575</b>

## Note 15 Miscellaneous operating expenses

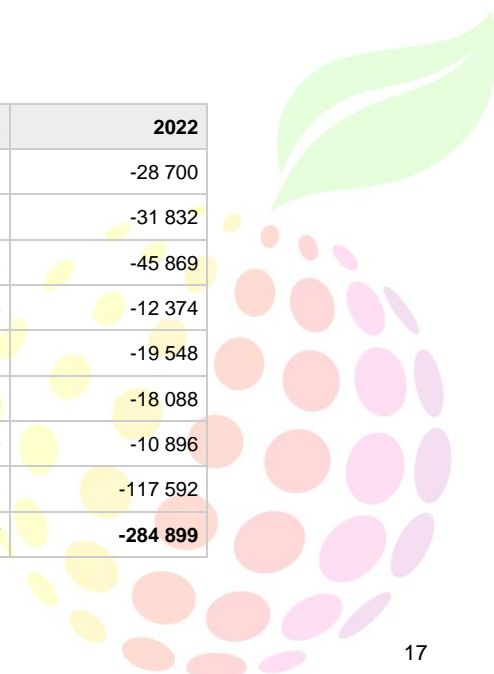
(In Euros)

	2023	2022
Research and development expenses	-18 335	-28 700
Travel expenses	-31 955	-31 832
Training expenses	-53 226	-45 869
State and local taxes	-12 464	-12 374
"First North" costs	-21 025	-19 548
Legal and audit expenses	-24 813	-18 088
Communications	-11 950	-10 896
Other	-71 469	-117 592
<b>Total miscellaneous operating expenses</b>	<b>-245 237</b>	<b>-284 899</b>

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## Note 16 Labour expense

(In Euros)

	2023	2022
Wage and salary expense	-388 537	-359 531
Social security taxes	-126 319	-116 994
<b>Total labour expense</b>	<b>-514 856</b>	<b>-476 525</b>
Average number of employees in full time equivalent units	20	19
Average number of employees by types of employment:		
Person employed under employment contract	15	14
Member of management or controlling body of legal person	5	5

## Note 17 Income tax

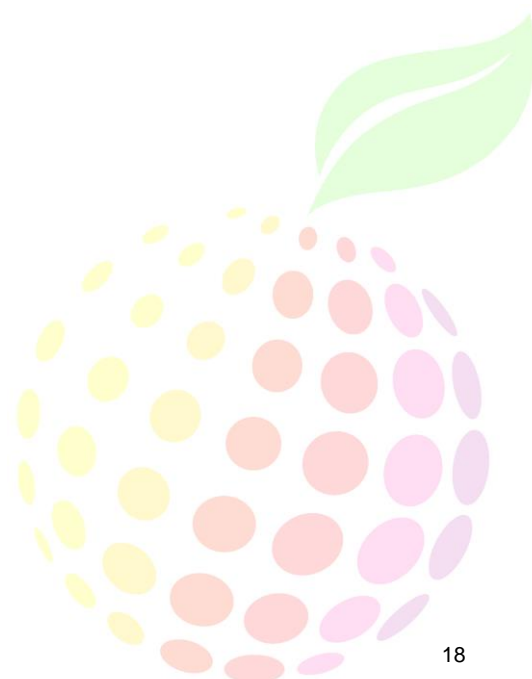
(In Euros)

Income tax expense components	2023		2022	
	Taxable amount	Income tax expense	Taxable amount	Income tax expense
Declared dividends	158 014	26 654	158 014	27 584
Estonia	152 036	25 646	152 031	26 539
Other countries	5 978	1 008	5 983	1 045
<b>Total</b>	<b>158 014</b>	<b>26 654</b>	<b>158 014</b>	<b>27 584</b>

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## Note 18 Related parties

(In Euros)

Name of accounting entity's parent company	Fermex International OÜ
Country where accounting entity's parent company is registered	Estonia

### Related party balances according to groups

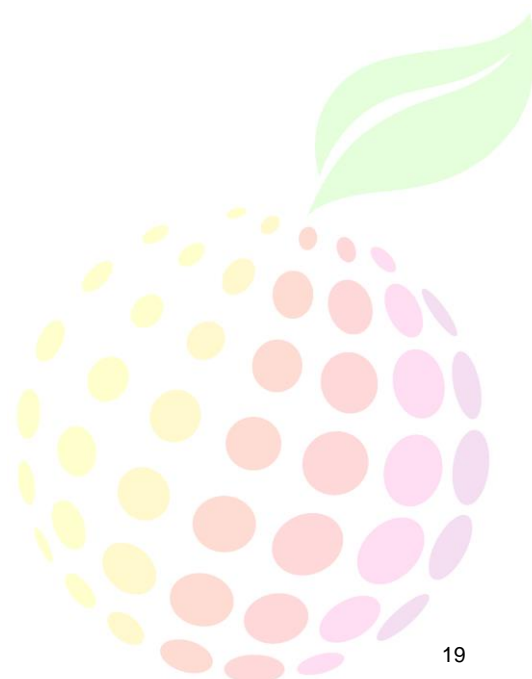
SHORT TERM	31.12.2023	31.12.2022
<b>Payables and prepayments</b>		
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	260	780
<b>Total payables and prepayments</b>	<b>260</b>	<b>780</b>

BOUGHT	2023	2022
	Services	Services
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	1 560	4 060
<b>Total bought</b>	<b>1 560</b>	<b>4 060</b>

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	2023	2022
Remuneration	90 750	91 250

For the purposes of the financial statements of AS Linda Nektar, the following are considered related parties:

- owners (parent company and owners of the parent company);
- management board and higher management;
- close relatives of the above persons, and the companies related to them.



## Signatures

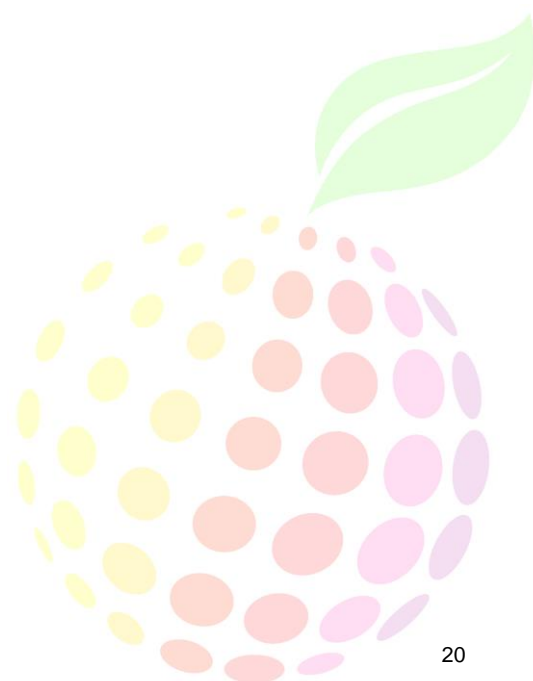
The management has prepared the management report and financial statements of AS Linda Nektar for financial year 01.01.2023 – 31.12.2023 and confirms that the Report provides a true and fair view of the business operations.

Report completion date: 18.03.2024



Kadri Rauba

CEO



**INDEPENDENT AUDITOR'S REPORT**  
(Translation of the Estonian original)**To the Shareholders of AS Linda Nektar****Opinion**

We have audited the financial statements of AS Linda Nektar (the Company), which comprise the balance sheet as at December 31, 2023, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Estonian financial reporting standard.

**Basis for Opinion**

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

**Other Information**

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

Our opinion on the financial statements does not cover the Management report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management report and, in doing so, consider whether the Management report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management report, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with Estonian financial reporting standard, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA (EE)s will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA (EE)s, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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



Janno Greenbaum  
Sworn Auditor  
License number 486

Grant Thornton Baltic OÜ  
License number 3  
Pärnu mnt 22, 10141 Tallinn  
March 18, 2024