

RSM Serbia d.o.o., Beograd

ENERGOPROJEKT ENTEL A.D. BEOGRAD

Summary Consolidated Financial Statement for the year ended  
December 31, 2021 and

Independent Auditor's Opinion

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**RSM Serbia d.o.o. Beograd**

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**To the Management of Energoprojekt Entel a.d. Beograd**

The accompanying summary consolidated financial statements of Energoprojekt Entel a.d. Beograd and its subsidiaries (hereinafter: the Group), stated in thousand of USD, which comprise the summary consolidated balance sheet as at December 31, 2021 and the corresponding summary consolidated income statement for the year then ended, are derived from the audited consolidated financial statements of the Group for the year ended December 31, 2021.

Our report dated April 27, 2022, expressed an unmodified opinion on the Group's consolidated financial statements for the year 2021. The consolidated financial statements of the Group for the year ended December 31, 2020, were audited by another auditor who expressed an unmodified opinion on those statements on April 23, 2021.

Independent Auditor's opinion issued on audited consolidated financial statements of the Group for the year ended December 31, 2021 is attached.

Belgrade, June 01, 2022



RSM Serbia d.o.o.  
Beograd-Novl Beograd

Stanimirka Svičević  
Certified Auditor

## SUMMARY CONSOLIDATED BALANCE SHEET

As at December 31, 2021

(in 000 USD)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Intangible assets	85	20	39	51	69
Property, plant and equipment	8.722	9.696	9.547	10.066	10.690
Investment property	-	-	-	-	19
Long-term financial placements and receivables	15.900	15.341	14.846	13.785	10.914
<b>Total non-current assets</b>	<b><u>24.707</u></b>	<b><u>25.057</u></b>	<b><u>24.432</u></b>	<b><u>23.902</u></b>	<b><u>21.692</u></b>
<b>Current Assets</b>					
Prepayments	516	148	97	99	284
Receivables and accruals	27.154	27.967	30.891	33.073	29.719
Cash and cash equivalents	5.162	3.585	3.185	3.867	9.009
<b>Total current assets</b>	<b><u>32.832</u></b>	<b><u>31.700</u></b>	<b><u>34.173</u></b>	<b><u>37.039</u></b>	<b><u>39.012</u></b>
<b>TOTAL ASSETS</b>	<b><u>57.539</u></b>	<b><u>56.757</u></b>	<b><u>58.605</u></b>	<b><u>60.941</u></b>	<b><u>60.704</u></b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b><u>19.650</u></b>	<b><u>20.961</u></b>	<b><u>26.636</u></b>	<b><u>27.183</u></b>	<b><u>24.513</u></b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Initial capital	1.748	1.748	1.748	1.748	1.748
Reserves	230	249	228	232	241
Revaluation reserves	3.413	3.537	3.541	3.869	2.965
Retained earnings / (Loss)	33.425	33.994	33.017	29.068	30.501
<b>Total equity</b>	<b><u>38.816</u></b>	<b><u>39.528</u></b>	<b><u>38.534</u></b>	<b><u>34.917</u></b>	<b><u>35.455</u></b>
<b>LONG-TERM LIABILITIES AND PROVISIONS</b>					
Long-term provisions	6.037	7.079	7.858	6.840	7.306
Other long-term liabilities	-	-	7	17	45
Deferred tax liabilities	690	618	569	586	617
<b>Total long-term liabilities and provisions</b>	<b><u>6.727</u></b>	<b><u>7.697</u></b>	<b><u>8.434</u></b>	<b><u>7.443</u></b>	<b><u>7.968</u></b>
<b>SHORT-TERM LIABILITIES</b>					
Short-term financial liabilities	2	7	9	27	43
Trade and other payables	11.994	9.525	11.628	18.554	17.238
<b>Total short-term liabilities</b>	<b><u>11.996</u></b>	<b><u>9.532</u></b>	<b><u>11.637</u></b>	<b><u>18.581</u></b>	<b><u>17.281</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>57.539</u></b>	<b><u>56.757</u></b>	<b><u>58.605</u></b>	<b><u>60.941</u></b>	<b><u>60.704</u></b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b><u>19.650</u></b>	<b><u>20.961</u></b>	<b><u>26.636</u></b>	<b><u>27.183</u></b>	<b><u>24.513</u></b>

**SUMMARY CONSOLIDATED INCOME STATEMENT**

For the year ended December 31, 2021

(in 000 USD)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>OPERATING REVENUE</b>					
Sales	41.903	43.115	53.879	51.642	56.337
Other operating income	-	-	-	-	-
<b>Total operating income</b>	<b>41.903</b>	<b>43.115</b>	<b>53.879</b>	<b>51.642</b>	<b>56.337</b>
<b>OPERATING EXPENSES</b>					
Costs of materials	1.112	1.080	1.341	1.407	1.292
Costs of salaries fringe benefits and other personal expenses	24.152	26.408	31.570	30.812	32.328
Depreciation and provisions	998	976	2.745	1.138	3.194
Other operating expenses	13.574	11.596	14.797	13.998	14.461
<b>Total operating expenses</b>	<b>39.836</b>	<b>40.060</b>	<b>50.453</b>	<b>47.355</b>	<b>51.275</b>
<b>Profit / (loss) from operations</b>	<b>2.067</b>	<b>3.055</b>	<b>3.426</b>	<b>4.287</b>	<b>5.062</b>
<b>Finance income/ (expenses) - net</b>	<b>695</b>	<b>1.030</b>	<b>767</b>	<b>889</b>	<b>831</b>
<b>Other income/ (expenses) - net</b>	<b>818</b>	<b>131</b>	<b>60</b>	<b>204</b>	<b>5</b>
<b>Profit / (loss) before tax</b>	<b>3.581</b>	<b>4.216</b>	<b>4.253</b>	<b>5.380</b>	<b>5.898</b>
Income tax	(236)	(259)	(297)	(473)	(320)
Deferred tax income / (expense) for the period	(5)	6	8	(279)	1
<b>Net profit / (loss)</b>	<b>3.340</b>	<b>3.963</b>	<b>3.964</b>	<b>4.628</b>	<b>5.579</b>

The following official exchange rates were used for translation of the balance items from RSD into USD:

Consolidated Balance sheet items

2021 1 USD = 103,9262 RSD

2020 1 USD = 95,6637 RSD

2019 1 USD = 104,9186 RSD

2018 1 USD = 103,3893 RSD

2017 1 USD = 99,1155 RSD

Consolidated Income Statement items

2021 1 USD = 99,4925 RSD

2020 1 USD = 103,0272 RSD

2019 1 USD = 105,2762 RSD

2018 1 USD = 100,2784 RSD

2017 1 USD = 107,4987 RSD

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## Independent auditor's report

To the Board of directors and Assembly of Energoprojekt Entel a.d. Beograd

### Opinion

We have audited the consolidated financial statements of Energoprojekt Entel a.d. Beograd and its subsidiaries (hereinafter: the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated income and other comprehensive income statements, consolidated statement of changes in shareholder's equity and consolidated statement of cash flows for the year then ended, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with accounting regulations prevailing in the Republic of Serbia.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Serbia, and we have fulfilled our other 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 matter

The consolidated financial statements of the Group for the year ended December 31, 2020, were audited by another auditor who expressed an unmodified opinion on those statements on April 23, 2021.

### Other information

The Group's management is responsible for other information. Other information includes the Consolidated Annual Business Report for the year ended 31 December 2021. Our opinion on the consolidated financial statements does not apply to other information and we do not express any form of conclusion that provides assurance about them.

In connection with our audit of the consolidated financial statements, it is our responsibility to read other information and consider whether there is a material inconsistency between them and the consolidated financial statements or our comprehension gained during the audit, or otherwise, material misstatements.

Based on the work we performed during the audit of the consolidated financial statements, in our opinion the Consolidated Annual Business Report for 2021 was prepared in accordance with the requirements based on the Law on Accounting ("Službeni glasnik" of RS no. 73/2019 and 44/2021) and information that are disclosed in the Consolidated Annual Business Report for 2021 are, in all material matters, harmonized with the consolidated financial statements for the same business year.

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In addition, if, based on the work we have done, we conclude that there is a material misstatement of other information, we are required to disclose that fact in a report. In that sense, there is nothing that we should say in the report.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Belgrade, April 27, 2022

A handwritten signature in blue ink, appearing to read 'S. Svičević'.The logo for RSM Serbia d.o.o., featuring the text 'RSM Serbia d.o.o.' and 'Beograd-Noví Beograd' in blue, with a stylized 'RSM' logo above it.

Stanimirka Svičević, Certified Auditor