

ENERGOPROJEKT ENTEL A.D. BEOGRAD

Summary Financial Statement for the year ended
December 31, 2023 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 financial statements of Energoprojekt Entel a.d. Beograd (hereinafter: the Company), stated in thousand of USD, which comprise the summary balance sheet as at December 31, 2023 and the corresponding summary income statement for the year then ended, are derived from the audited financial statements of the Company for the year ended December 31, 2023.

Our report dated April 16, 2024, expressed an unmodified opinion on the Company's financial statements for the year 2023.

Independent Auditor's opinion issued on audited financial statements of the Company for the year ended December 31, 2023 is attached.

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

The financial statements of the Company for the year ended December 31, 2019, were audited by another auditor who expressed an unmodified opinion on those statements on March 31, 2020.

Belgrade, May 17, 2024


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RSM Serbia d.o.o.
Beograd-Noví Beograd

Stanimirka Svičević
Certified Auditor

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SUMMARY BALANCE SHEET

As at December 31, 2023

(in 000 USD)

	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
ASSETS					
Non-Current Assets					
Intangible assets	25	18	31	14	25
Property, plant and equipment	6.022	5.079	5.459	6.040	5.560
Long-term financial placements and receivables	217	209	221	240	219
Total non-current assets	6.264	5.306	5.711	6.294	5.804
Current Assets					
Prepayments	148	57	86	100	44
Receivables and accruals	5.422	5.359	5.889	4.140	5.385
Cash and cash equivalents	310	183	671	1.339	719
Total current assets	5.880	5.599	6.646	5.579	6.148
TOTAL ASSETS	12.144	10.905	12.357	11.873	11.952
OFF-BALANCE SHEET ITEMS	2.824	1.940	2.861	2.208	2.842
EQUITY AND LIABILITIES					
Equity					
Initial capital	1.675	1.675	1.675	1.675	1.675
Reserves	217	217	217	217	217
Revaluation reserves	3.962	3.024	3.205	3.482	3.175
Retained earnings / (Loss)	3.706	2.985	3.334	3.552	3.510
Total equity	9.560	7.901	8.431	8.926	8.577
LONG-TERM LIABILITIES AND PROVISIONS					
Long-term provisions	405	415	673	1.100	1.342
Other long-term liabilities	0	0	0	0	4
Deferred tax liabilities	521	543	574	618	569
Total long-term liabilities and provisions	926	958	1.247	1.718	1.915
SHORT-TERM LIABILITIES					
Short-term financial liabilities	0	0	0	0	0
Trade and other payables	1.658	2.046	2.679	1.229	1.460
Total short-term liabilities	1.658	2.046	2.679	1.229	1.460
TOTAL EQUITY AND LIABILITIES	12.144	10.905	12.357	11.873	11.952
OFF-BALANCE SHEET ITEMS	2.824	1.940	2.861	2.208	2.842

SUMMARY INCOME STATEMENT

For the year ended December 31, 2023

(in 000 USD)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
OPERATING REVENUE					
Sales	7.503	7.154	9.114	8.237	11.100
Other operating income	-	-	-	-	-
Total operating income	7.503	7.154	9.114	8.237	11.100
OPERATING EXPENSES					
Costs of materials	225	214	228	237	215
Costs of salaries fringe benefits and other personal expenses	4.571	4.205	4.721	4.652	4.998
Depreciation and provisions	138	165	230	204	954
Other operating expenses	2.139	2.012	3.306	2.115	3.815
Total operating expenses	7.073	6.596	8.485	7.208	9.982
Profit /(loss) from operations	430	558	629	1.029	1.118
Finance income/ (expenses) - net	2.469	2.079	2.471	1.786	26
Other income/ (expenses) - net	-17	165	333	357	-35
Profit / (loss) before tax	2.882	2.802	3.434	3.172	1.109
Income tax	(238)	(208)	(236)	(259)	(297)
Deferred tax income / (expense) for the period	49	(1)	(5)	6	8
Net profit / (loss)	2.693	2.593	3.193	2.919	820

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

Balance sheet items

2023 1 USD = 105,8671 RSD

2022 1 USD = 110,1515 RSD

2021 1 USD = 103,9262 RSD

2020 1 USD = 95,6637 RSD

2019 1 USD = 104,9186 RSD

Income Statement items

2023 1 USD = 108,4143 RSD

2022 1 USD = 111,8607 RSD

2021 1 USD = 99,4925 RSD

2020 1 USD = 103,0272 RSD

2019 1 USD = 105,2762 RSD

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Translation of the Auditors' Report issued in the Serbian language

Independent auditor's report

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

Opinion

We have audited the financial statements of Energoprojekt Entel a.d. Beograd (hereinafter: the Company), which comprise the statement of financial position as at December 31, 2023, and the income and other comprehensive income statements, statement of changes in shareholder's equity and statement of cash flows for the year then ended, and notes to 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 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 information

Management is responsible for the other information. The other information comprises the Annual Business Report for the year ended December 31, 2023. The company, as the parent legal entity, defined, in Article 34 of the Internal Rulebook on Accounting, that in accordance with the requirement of Article 41 of the Accounting Law, the Annual Business Report and the Consolidated Annual Business Report are presented as one report that should contain information of importance for the economic as whole. Accordingly, we expect that the Annual Business Report will be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information 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 other information and in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Business Report, if we conclude that there is a materially significant misstatement of other information, we are required to inform those charged with governance about that fact and to disclose that fact.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with accounting regulations prevailing in the Republic of Serbia, based on the Law on Accounting, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 auditing standards applicable in the Republic of Serbia 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.

Kao deo revizije u skladu sa standardima revizije primenjivim u Republici Srbiji, mi primenjujemo profesionalno prosuđivanje i održavamo profesionalni skepticizam tokom revizije. Isto tako, mi:

As part of an audit in accordance with auditing standards applicable in the Republic of Serbia, 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 management 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.

Belgrade, April 16, 2024



Stanimirka Svičević, Stanimirka Svičević, Certified Auditor

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