

UAB „Partnerystės projektai keturi“

Independent auditor's report, consolidated
financial statements and consolidated annual
report for the year ended on 31 December 2022

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Independent auditor's report on the audit of annual consolidated financial statements

To the shareholders of PP4 UAB

Opinion

We have audited the consolidated financial statements of PP4 UAB and its subsidiary (hereinafter - the Group), which comprise of the consolidated balance sheet as at 31 December 2022, the consolidated income statement, consolidated statement of changes in equity, the consolidated cash flow statement for the year then ended and related consolidated notes including summary of accounting policies and other explanatory notes (hereinafter – the Consolidated financial statements).

In our opinion, the Consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the requirements of the Law on Audit of Financial Statements of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as specified below.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 of this other information, we are required to report that fact. We have nothing to report in this regard.

In addition, our responsibility is to consider whether information included in the Group's annual report for the financial year for which the financial statements are prepared is consistent with the Consolidated financial statements and whether annual report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of financial statements, in our opinion, in all material respects:

- The information given in the Group's annual report for the financial year for which the Consolidated Financial Statements are prepared is consistent with the Consolidated Financial Statements; and
- The Group's annual report has been prepared in accordance with the requirements of the Law on Financial Reporting by Undertakings of the Republic of Lithuania.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the Consolidated financial statements in accordance with the International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of the Consolidated 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 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.

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

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We shall 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.

Mazars Lithuania Audit, UAB

Audit company's certificate No. 001521

Katažina Kozlovskienė

Auditor's certificate No. 000551

Vilnius, 29 December 2023

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

	Notes	31 December 2022	31 December 2021
ASSETS			
A. NON-CURRENT ASSETS			
I.		2 545	3 535
II.	4	2 422 808	143 443
		2 425 353	146 978
B. CURRENT ASSETS			
I.	5	321 175	-
II.		21 726	15 166
III.	6	142 652	23 728
IV.	7	10 173	5 060
		495 726	43 954
		2 921 079	190 932
EQUITY AND LIABILITIES			
C. EQUITY			
I.	8	2 500	2 500
II.	8	-	-
III.		(101 909)	(70 248)
		(99 409)	(67 748)
D. ACCOUNTS PAYABLE AND OTHER LIABILITIES			
I. NON-CURRENT LIABILITIES			
I.1.	9, 15	2 575 143	239 452
I.2.		1 686	-
		2 576 829	239 452
II. CURRENT LIABILITIES			
II.1.		434 879	19 107
II.2.	9, 15	7 000	-
II.3.		1 659	-
II.4.	15	121	121
		443 659	19 228
		3 020 488	258 680
		2 921 079	190 932

The accompanying consolidated explanatory notes form an integral part of these consolidated financial statements.

The financial statements were signed on 29 December 2023:

Signed electronically

Artūras Klangauskas
Director

Signed electronically

Živilė Jablonskytė
Person acting under power of attorney –
accountant of UAB „Eika“

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

		Notes	2022	2021
I.	REVENUE	10	2 268 122	143 443
II.	COST OF SALES	11	(2 166 821)	(67 085)
III.	GROSS PROFIT		101 301	76 358
IV.	GENERAL AND ADMINISTRATIVE EXPENSES	12	(103 168)	(83 745)
V.	OTHER INCOME		-	-
VI.	OTHER EXPENSES		-	-
VII.	OPERATING PROFIT (LOSS)		(1 867)	(7 387)
VIII.	FINANCE INCOME	4	11 243	-
IX.	FINANCE COSTS	13	(37 692)	(5 667)
X.	PROFIT (LOSS) BEFORE TAX		(28 316)	(13 054)
XI.	INCOME TAX		(3 345)	-
XII.	NET PROFIT (LOSS)		(31 661)	(13 054)
XIII.	OTHER COMPREHENSIVE INCOME			
XIII.1.	ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		-	-
XIII.2.	ITEMS THAT ARE OR MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		-	-
XIV.	TOTAL COMPREHENSIVE INCOME		(31 661)	(13 054)

The accompanying consolidated explanatory notes form an integral part of these consolidated financial statements.

The financial statements were signed on 29 December 2023:

Signed electronically

Artūras Klangauskas
Director

Signed electronically

Živilė Jablonskytė
Person acting under power of attorney –
accountant of UAB „Eika“

UAB „Partnerystės projektai keturi“

Company's registration number - 304950437, address – A. Goštauto g. 40B, Vilnius

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

	<u>Share capital</u>	<u>Legal reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Balance on 31 December 2020	2 500	-	(57 194)	(54 694)
Net profit (loss) for the year	-	-	(13 054)	(13 054)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(13 054)	(13 054)
Balance on 31 December 2021	2 500	-	(70 248)	(67 748)
Net profit for the year	-	-	(31 661)	(31 661)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(31 661)	(31 661)
Balance on 31 December 2022	2 500	-	(101 909)	(99 409)

The accompanying consolidated explanatory notes form an integral part of these consolidated financial statements.

The financial statements were signed on 29 December 2023:

Signed electronically

Artūras Klanguškas
Director

Signed electronically

Živilė Jablonskytė
Person acting under power of attorney –
accountant of UAB „Eika“

**CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES		
I.1. Net profit (loss) before tax	(28 316)	(13 054)
Adjustments for non-monetary expenses (income)		
I.2. Depreciation and amortisation expenses	990	428
I.3. Elimination of financing and investing activities result	1	-
I.4. Other non-monetary items	(6 561)	(15 166)
Changes in working capital		
I.5. (Increase) decrease in contract assets	(2 279 365)	(143 443)
I.6. (Increase) decrease in prepayments	(321 175)	-
I.7. (Increase) decrease in other receivables	(118 924)	(23 711)
I.8. Increase (decrease) in trade payables and other payable amounts	453 463	(32 110)
I.9. (Paid) interests	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	(2 299 887)	(227 056)
II. CASH FLOWS FROM INVESTING ACTIVITIES		
II.1. Acquisition of intangible assets and property, plant and equipment	-	(3 962)
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	(3 962)
III. CASH FLOWS FROM FINANCING ACTIVITIES		
III.1. Loans received	2 305 000	232 000
NET CASH FLOWS FROM FINANCING ACTIVITIES	2 305 000	232 000
IV. INCREASE (DECREASE) IN NET CASH FLOW	5 113	982
V. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5 060	4 079
VI. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	10 173	5 060

The accompanying consolidated explanatory notes form an integral part of these consolidated financial statements.

The financial statements were signed on 29 December 2023:

Signed electronically

Artūras Klangauskas
Director

Signed electronically

Živilė Jablonskytė
Person acting under power of attorney –
accountant of UAB „Eika“

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

1. General information

These consolidated financial statements have been prepared for UAB "Partnerystės projektai keturi" (hereinafter - the Company) and its controlled companies (hereinafter - the Group).

The Company was registered on 12 November 2018. The address of the Company is A. Goštauto st. 40B, LT-03163, Vilnius, Lithuania. The main activity of the Company is construction development.

In 2022 and 2021 December 31 the Group consisted of the Company and its subsidiary UAB "Samogitia miestelis", 100% of which shares were owned by the Company. UAB "Samogitia miestelis" was registered on 9 December 2020, its address is A. Goštauto st. 40B, LT-03163, Vilnius, Lithuania; its main activity is lease and exploitation of its owned or leased real estate.

The sole shareholder of the Group is UAB "Eika": company's registration number - 121191079, address - A. Goštauto str. 40B, LT-03163, Vilnius, Lithuania.

In 2022 the average number of the Group employees according to the list was 6 (in 2021 - 7).

2. Summary of significant accounting principles

2.1. Basis for preparation of financial statements

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter - IFRSs), as adopted by the European Union (hereinafter - the EU).

2.2. Consolidation principles

The financial statements comprise the financial statements of the parent company and its directly and indirectly controlled subsidiaries. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Control is generally obtained by holding more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of subsidiaries have been prepared using uniform accounting policies and for the same reporting period as that covered by the financial statements of the Group. On consolidation, all inter-company transactions, balances and unrealized gains and/or losses on transactions among the Group companies are eliminated.

Non-controlling interest represents a part of net profit and net assets which is not controlled by the Group. Non-controlling interest is reported separately in the statement of profit or loss. The share of equity attributable to the non-controlling interest and to the owners of the parent is shown separately in the consolidated statement of financial position.

2.3. Application of new and amended IFRS

New and/or amended standards and interpretations effective from 1 January 2022

The following standards, amendments to the existing standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current period and were adopted by the Group:

- Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and Annual Improvements 2018-2020 (effective for annual periods beginning on or after 1 January 2022);
- Amendments to IFRS 16 Leases: Covid 19 - Related Rent Concessions beyond 30 June 2021 (effective for annual periods beginning on or after 1 April 2021).

The application of these standards, amendments and interpretations had no material impact on the Group's financial statements.

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

Standards, amendments and interpretations to existing standards issued by IASB, adopted by EU, but not yet effective

At the date of authorisation of these financial statements, the Group has not early adopted the following new and revised IFRS standards, amendments and interpretations that have been issued but are not yet effective:

- IFRS 17 Insurance Contracts; including Amendments to IFRS 17 (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023).

The management of the Group does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Group in future periods.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been endorsed by EU

IFRSs currently endorsed by EU are not significantly different from the standards, endorsed by IASB, except the standards, amendments and interpretations that were not endorsed by EU (the effective dates are applicable to IFRS to full extent). These standards, amendments and interpretations are listed below:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current Date; Classification of Liabilities as Current or Non-current – Deferral of Effective date; Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024).

The management of the Group does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Group in future periods.

2.4. Functional and financial statements currency

The Group's functional and financial statements currency is euro.

2.5. Intangible assets

Intangible assets are measured initially at cost. Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Group and the cost of asset can be measured reliably. After initial recognition, intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The useful lives, residual values and the method of amortization are reviewed annually, to ensure that they are consistent with the expected pattern of use of intangible asset.

Costs incurred in order to restore or maintain the future economic benefits that the Group expects from the existing software are recognized as an expense when the restoration or maintenance work is carried out.

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

2.6. Property, plant and equipment

Property, plant and equipment are accounted for at acquisition cost less accumulated depreciation and the impairment losses, if any. The impairment losses are presented under general and administrative expenses.

The initial cost of property, plant and equipment comprises its acquisition price, including non-refundable purchase taxes and any directly attributable costs of bringing the asset to its condition and location for its intended use. Expenditures incurred after the property, plant and equipment have been put into operation, such as repair and maintenance costs, are charged to profit or loss in the period when the costs are incurred.

The depreciation is calculated on the straight-line basis over the following estimated useful life periods:

Group of assets	Useful life period, in years
Buildings	30
Structure	15
Machinery and equipment	5
Vehicles	6
Other fittings and fixtures	4
Other tangible assets	4

Every component of property, plant and equipment the cost of which is significant in respect of the total acquisition cost, is depreciated within a different period of time, complying with the most economically useful life duration thereof. The assets' residual values and useful lives are reviewed periodically to ensure that the period of depreciation is consistent with the expected pattern of economic benefits from items in property, plant and equipment. The impact of revision, if any, is recognised prospectively. The depreciation costs are presented under cost of sales and general and administrative expenses.

When assets are sold or written-off, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is recognized in profit or loss.

2.7. Impairment of non-financial assets

At each financial reporting date, the Group reviews the carrying amount of intangible assets and property, plant and equipment to determine whether there is any indication that the value of an asset has decreased. If such indications exist, the Group assesses the recoverable amount of the asset in order to measure the impairment (if any). When it is impossible to assess the recoverable amount of the asset, the Group calculates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less costs to sell and value in use. In determining value in use, estimates of future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and asset-specific risk.

If it is determined that the recoverable amount of an asset (or cash generating unit) is less than the carrying amount of the asset, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are immediately recognized as expense.

If the impairment loss is subsequently reversed, the carrying amount of the asset (or cash generating unit) is increased to the recoverable amount of the asset, but in such a way that the increased carrying amount does not exceed the carrying amount that would be determined if, in the previous year, that asset (or cash generating unit) would not be recognized for impairment losses. Reversal of impairment losses is immediately recognized as income.

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

2.8. Financial instruments

Financial assets

The financial assets of the Group include cash and cash equivalents, trade debtors and other receivables.

Trade debtors are initially recognized when they arise. Upon initial recognition, other financial assets are recognized when the Company become parties to the contractual provisions of the instrument. Financial assets (except for trade debtors without a significant financing component), if not measured at fair value through profit or loss, are initially measured at fair value plus transaction costs directly attributable with acquisition or issue. Trade debtors without a significant financing component are initially recognized at the transaction price.

Financial assets are classified in three groups according to their measurement:

- i. financial assets that are subsequently measured at amortized cost;
- ii. financial assets that are subsequently measured at fair value through other comprehensive income;
- iii. financial assets that are subsequently measured at fair value through profit or loss.

The classification of a financial asset depends on the financial asset management business model (assessing how the Group manages the financial assets to generate cash flows) and the characteristics of the contractual cash flows of the financial asset (whether contractual cash flows include only principal and interest payments).

Financial asset is stated at amortized cost if both of the following conditions are met:

- 1) financial asset is held within a business model the objective of which is to hold financial assets in order to collect contractual cash flows; and
- 2) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interests on the principal amount outstanding.

Financial assets that do not meet the above conditions are measured at fair value in profit or loss and other comprehensive income.

In 2022 and 2021 the Group had no financial assets, which, in subsequent periods, are measured at fair value in profit or loss and other comprehensive income.

Financial assets that are subsequently measured at amortized cost are measured using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating the interest income or expense over a period of time. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability or, where appropriate, a shorter period.

Financial assets at fair value through profit or loss are initially recognized at fair value in profit or loss. Subsequently, the fair value gain and loss, including any interest and dividends, is recognized in profit or loss and other comprehensive income.

Financial assets are derecognised when:

- i. the right to receive cash flows from the financial asset expires;
- ii. the Group retains the right to receive cash flows from the asset, but have agreed to pay in full without material delay to a third party under a 'pass through' arrangement;
- iii. the Group transfers their right to receive cash flows from assets and/or: (a) have transferred substantially all the risks and rewards of the financial asset; (b) have neither transferred nor retained substantially all the risks and rewards of the financial assets but have transferred control of the assets.

When the Group transfers rights to receive cash flows from an asset but neither transfer nor retain substantially all the risks and rewards of the asset nor transfer control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

The Group reduces the gross carrying amount of their financial asset if they cannot reasonably expect to recover all or part of the financial asset. A write-off is an event of derecognition.

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

Financial liabilities

The Group's financial liabilities comprise loans received, trade payables and other payables.

At the time of initial recognition, financial liabilities are recognised when the Group becomes a party to the contractual terms of the instrument.

Financial liabilities are divided into two groups according to their measurement:

- i. financial liabilities that are subsequently measured at amortised cost;
- ii. financial liabilities that are subsequently measured at fair value through profit or loss.

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-sale, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Group derecognises financial liabilities when their contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, the new financial liability is recognized at fair value under the modified terms of the contract.

In the event of derecognition of a financial liability, the difference between the carrying amount written off and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss in the statement of profit or loss and other comprehensive income.

Trade and other payables. Upon initial recognition, trade and other payables are recognized when the Group becomes a party to the contractual provisions. Trade and other payables are initially measured at fair value plus directly attributable transaction costs.

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on the net basis or to realise the asset and settle the liability simultaneously.

2.9. Impairment of financial assets

Impairment losses on financial assets measured at amortized cost are measured using the expected credit loss (ECL) model. Credit losses are measured at the present value of all cash losses (the difference between the cash flows that the Group holds under the contract and the cash flows the Group expects to receive). ECLs are discounted applying an effective interest rate.

At the end of each reporting period, the Group recalculates and records the allowance for expected credit losses, taking into account past events, current market conditions and future prospects. At the end of each financial period, the Group assesses whether there has been a material change in the credit risk of the financial instrument since initial recognition.

Expected credit losses on financial assets are measured at the amount of the impairment loss:

(a) 12-month expected credit losses; it is the expected credit loss that arises from the default of financial liabilities that is possible within 12 months from the date of the financial statements, or

b) all expected credit losses; that is, for all expected credit losses that arise from all possible defaults during the life of a financial asset. Impairment losses on all expected credit losses are calculated if the credit risk on such financial assets has increased significantly since initial recognition. For all other financial assets, expected credit losses are calculated based on 12-month expected credit losses.

**CONSOLIDATED EXPLANATORY NOTES
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

Expected credit losses are probabilistic weighted estimates of the present value of credit losses. They are measured as the difference between the present value of the cash inflows expected to be received from the Group's contractual flows and the cash flows expected to be received by the Group as a result of a number of future economic events, discounted at the effective interest rate of the financial asset.

The carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovering all or part of the asset. Non-recoverable assets are written off against recognized related impairment loss allowance, provided that all necessary steps have been taken to recover the asset and the amount of the loss has been determined. The amounts previously written off and collected in subsequent periods are credited to the impairment loss account within the statement of profit or loss and other comprehensive income.

2.10. Inventories

Inventories are initially recorded at acquisition cost. Subsequent to initial recognition, inventories are valued at the lower of cost or net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs related to sales. Cost of sale is determined by FIFO method. Net realizable value equals to estimated market price less the expenses related to disposal.

2.11. Lease

The Group first of all assesses whether the concluded contract qualifies for the lease. In case the contract qualifies for the lease (it provides the right to use defined asset for a certain period of time for a pre-defined price), the below described accounting principles are applied.

Finance and operating lease – the Group is the lessee

The Group recognises the right to use the assets and lease liability when the lease period commences. The right to use the asset during the initial recognition is accounted for at acquisition cost, which is composed of initial lease liability less discounts and lease contributions paid before the commencement of the lease period or on the first day of the lease period and increased by the amount of related direct expenses.

After the initial recognition the right to use the asset is depreciated on a straight-line basis over the period of the lease, except for the cases, when at the end of lease period the ownership of the asset is transferred to the Group or it is probable that at the end of the lease period the Group will exercise the option to purchase the asset. In such cases the right to use the asset is depreciated over the useful life of the assets. The right to use the asset is presented net of impairment losses (if any) and adjusted accordingly if the lease liability is reassessed due to the changes in the circumstances.

The initial amount of lease liability is recognized at present value of unpaid lease payments at the date of the lease period commencement. The discount rate applied equals to the interest rate indicated in the lease contract, if such is indicated, or to average alternative interest rate which the Group would likely pay to the borrower for the loan used for acquisition of the leased asset.

Short-term lease and lease of low-value assets

The Group decided not to recognise the right to use the assets and lease liability for short-term lease and lease of low-value assets. Such lease payments are recognised as expenses in profit or loss on straight-line basis over the period of the lease.

Operating lease – the Group as the lessor

Payments received under operating leases (net of any incentives given to the lessee) are recognized in profit or loss on a straight-line basis over the period of the lease.

2.12. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. The provisions are reviewed at each statement of financial position date and adjusted in order to present the most accurate current estimate. If the effect of the time value of money is material, the amount of provision is equal to the present value of the expenses, which are expected to be incurred to settle the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

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2.13. Corporate income tax and deferred tax

The corporate income tax is calculated in accordance with the requirements established under the Law on Taxes of the Republic of Lithuania. In 2022 and 2021 the standard corporate income tax rate charged in the Republic of Lithuania was 15 percent.

Deferred taxes are calculated using the liability method. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse based on tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized in the statement of financial position to the extent the management believes it will be realized in the foreseeable future, based on taxable profit forecasts. If it is expected that part of the deferred tax asset is not going to be realized, this part of the deferred tax asset is not recognized in the financial statements. Deferred tax assets and liabilities are offset when they are related to taxes levied by the same tax authority and when there is a legally enforceable right to cover current payable taxes at net value.

Income tax and deferred tax expenses (income) are accounted for in profit or loss, except when they relate to items included directly to equity, in which case the deferred tax is also accounted for in other comprehensive income.

2.14. Revenue recognition

The Group recognizes revenue at such time and to such an extent that the transfer of goods or services to customers represents the consideration that the Group expects to receive in exchange for those goods or services.

The Group's revenue is recognized using the 5-step model:

Step 1 - Identify customer agreements.

A contract recognizes an agreement between two or more parties (subject to purchase / sale terms) that creates enforceable rights and enforceable obligations (not applicable if a joint venture agreement is signed). A contract is within the scope of IFRS 15 if all of the following criteria are met:

- the parties have approved the contract (in writing, orally or in accordance with any other normal commercial practice) and are bound by their obligations under the contract,
- it is possible to identify the rights of each party with regard to the goods and / or services to be transferred,
- it is possible to identify the payment terms for the goods and / or services to be transferred,
- the contract has commercial substance,
- it is probable that the consideration to which the Group is entitled to in exchange for the goods or services will be collected.

Contracts with the customer may be aggregated or disaggregated into several contracts, while retaining the criteria of former contracts. Such aggregation or disaggregation is considered modification of the contract.

Step 2 - Identify performance obligations in the contract.

Contractual commitment to deliver goods and (or) services to a customer. If separate goods and (or) services are identifiable, the liabilities are recognized separately. Each liability is identified in one of two ways:

- a good and (or) service is distinct, or
- a set of individual goods and (or) services that are substantially the same and have the same pattern of transfer to the customer.

Step 3 - Determine the transaction price.

The transaction price may be fixed, variable, or both. The transaction price is also adjusted considering the time value of money, if the contract includes a significant financing arrangement, and considering any consideration payable to the customer and non-cash consideration received, if any. The Group applies the following sales price calculation methods: adjusted market assessment approach, expected cost plus margin approach and residual approach. Similar transactions are measured equally.

Step 4 - Allocate the transaction price to each performance obligation.

A performance obligation is a contractual promise to deliver to the customer a separate good or service, or a set of individual goods or services that are substantially the same and have the same pattern of transfer to the customer. The transaction price is apportioned between each performance obligation based on the relative separate selling prices of the good or service promised in the contract. If the contracts do not specify separately the price of the service or good (for example, one price for two products), the Group shall determine it. In measuring the transaction price, the Group estimates a discount or variable amount of consideration that relates only to a particular portion of the contract.

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Step 5 - Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group recognizes revenue when it satisfies a performance obligation by transferring promised goods or services to the customer (i.e. when the customer obtains control of the mentioned goods or services). The recognized amount of revenue is equal to the amount of satisfied performance obligation. Performance obligation may be satisfied at a point of time or over time. A period of time is recognised as a calendar month.

The recognition of revenue depends on whether the obligation is satisfied over a period of time (continuous) or at a point in time. In any event, the transfer of control is taken into account. Revenue is recognized at the fair value of the consideration received or receivable. Revenue is reduced by the estimated amount of customer returns, discounts, and other similar provisions. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably. Revenue from sales is recognized net of VAT and discounts, including any cumulative expected discounts for the current year.

2.15. Recognition of expenses

Expenses are recognized on the basis of accrual and revenue and expense matching principles in the reporting period when the income related to these expenses was earned, irrespective of the time the money was spent. In those cases when the costs incurred cannot be directly attributed to the specific income and they will not bring income during the future periods, they are expensed as incurred.

The amount of expenses is usually accounted for as the amount paid or due, excluding VAT. In the cases when a long period of payment is established and the interest is not separated, the amount of expenses shall be estimated by discounting the amount of payment using the market interest rate.

2.16. Foreign currency transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies on the statement of financial position date are recognized in profit or loss. Such balances are translated at period-end currency exchange rates. Non-monetary assets and liabilities that are measured in historical cost in a foreign currency are translated using the currency exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to euro at foreign exchange rates ruling at the dates the fair value was determined.

2.17. Using the accounting estimates in preparation of financial statements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and costs and disclosure of contingencies, at the reporting date and within the next financial year.

Estimates and judgements are continually assessed and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Adjustments to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant areas of these financial statements, where the accounting estimates are used, include depreciation and impairment of property, plant and equipment (Notes 2.6 and 2.7), assessment of deferred tax asset (Notes 2.13), impairment of contract assets, trade and other receivables (Notes 2.9 and 4, 5, 6).

2.18. Fair value measurement

Some of the Group's accounting policies and disclosures require to estimate the fair value of financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell or paid to transfer a liability in an ordinary transaction between market participants on a principal market, or in the absence of a principal market, on the most advantageous market into which the Group may enter on the date of measurement. The fair value reflects the non-performance risk.

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To measure the fair value of assets and liabilities, the Group, to the extent possible, rests on the available data on the market. For fair value measurement, a fair value hierarchy is used, on the basis of the inputs used in valuation:

- Level 1: the quoted prices of active markets for identical assets or liabilities (unadjusted);
- Level 2: other variables than the quoted prices included under level 1 that are observed for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices);
- Level 3: asset or liability variables, which are not based on the observed market data (unobserved variables).

If the inputs, used for measurement of the fair value, may be attributed to different levels of a fair value hierarchy, the level of the fair value hierarchy, to which the total measured value is attributed, shall be measured on the basis of the input of the lowest level, significant to the measurement of the total fair value.

The Group recognizes the amounts of transfers between levels of the fair value hierarchy at the end of the reporting period, when the change occurs.

2.19. Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

2.20. Events after the reporting period

Events after the reporting date that provide additional information about the Company position at the statement of financial position date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

3. Financial risk management

Financial risk is composed of credit, liquidity and market risks (foreign currency and interest rate risks). By managing these risks, the Group seeks to reduce the impact of factors that could negatively affect the Group's financial performance.

Credit risk

In 2022 and 2021 Group's credit risk is related to contract assets, cash and cash equivalents.

The Group holds its cash in Lithuanian banks appraised by international rating agencies, continuously monitors the changes in those ratings and also follows the related recommendations of the Central Bank of Lithuania.

The Group has only one client (to which the contract assets are related to) but a 15-year contract has been concluded with this client, which guarantees the Group's ability to continue as going concern. Since the mentioned contract was concluded with a public entity, i.e. Ministry of National Defense, and involves high revenue the Group is not seeking for new customers.

The carrying amount of financial assets reflects the highest possible credit risk. The maximum credit risk at the reporting date was:

	<u>2022</u>	<u>2021</u>
Contract assets	2 422 808	143 443
Cash and cash equivalents	10 173	5 060
Total	<u>2 432 981</u>	<u>148 503</u>

Market risk

The Group's income and operating cash flows are not significantly affected by changes in market interest rates as the Group had no loans received or issued as of 31 December 2022 and 31 December 2021 with variable interest rate, and trade and other receivables and payables do not earn interest and must be settled within one year.

The Group is not subject to foreign currency risk because all of its assets as well as liabilities are denominated in euros.

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Liquidity risk

Liquidity risk means that the Group may be not able to settle its financial liabilities on time. The Company seeks to ensure that its liquidity is always sufficient for timely settlement of its financial liabilities, without incurring unacceptable losses and without risking to damage to the reputation of the Group.

On 31 December 2022 and 31 December 2021 the current liquidity ratio and quick liquidity ratio was equal to 1,1 and 2,3 respectively.

The table below summarizes the terms of repayment of the Group's financial liabilities as at 31 December 2022 and 31 December 2021 under undiscounted contract payments:

	Up to 3 months	From 3 to 12 months	From 1 to 5 years	After 5 years	Total	Carrying amount
Loans received	-	7 840	2 923 987	-	2 931 827	2 582 143
Trade payables	434 879	-	-	-	434 879	434 879
Balance as of 31 December 2022	434 879	7 840	2 923 987	-	3 366 706	3 017 022
Loans received	-	-	273 770	-	273 770	239 452
Trade payables	19 107	-	-	-	19 107	19 107
Balance as of 31 December 2021	19 107	-	273 770	-	292 877	258 559

Capital risk management

Capital includes equity attributable to the shareholders. The Group manages its own capital in order to ensure the ability to continue as going concern, fulfil obligations to its customers and provide the returns to shareholders. The capital structure is managed considering the changes in economic conditions and risk characteristics of the Group's activities.

According to the Law on Joint-Stock Companies of the Republic of Lithuania, the Company must ensure that the equity is not less than 50% of share capital. The Company complies with the legal requirement and meets the ratio mentioned. If equity becomes less than 50% of share capital, loans received from the shareholder would be capitalized by increasing share capital of the Company.

Fair value of financial assets and liabilities

The carrying amount of Group's contract assets and trade payables is close to their fair value, as trade receivables and payables are receivable/payable within one year, and contract assets are discounted at an interest rate based on market conditions (level 3). The fair value of cash and cash equivalents and time deposits is also equal to their fair value (level 2).

4. Contract assets

Contract assets relate to accrued income accounted for in accordance with the level of completion of construction project at discounted value. In 2022 December 31 the applied discount rate was equal to 7,84 percent (31 December 2021 – 7,84 percent).

Change of contract assets during the year:

	2022	2021
1st of January	143 443	-
Revenue recognized according to the extent of construction works completed during the period (Note 10)	2 268 122	143 443
Unwind of discount	11 243	-
31st of December	2 422 808	143 443

The Group carries out the construction works of a military unit in accordance with the partnership agreement signed with the Ministry of National Defense of the Republic of Lithuania. Construction is carried out by the subsidiary UAB "Samogitia miestelis". According to the partnership agreement, the Group will provide maintenance services for this facility after the completion of the construction works (the construction works are expected to be completed in the first quarter of 2024). The partnership agreement was signed for a period of 15 years. The total unindexed value of the contract is 67 240 thousand Euros, of which the value of the construction works comprises 37 873 thousand Euros. By 31 December 2022 6,36 percent of construction works were completed.

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5. Prepayments

As at 31 December prepayments consisted of the following:

	<u>2022</u>	<u>2021</u>
Prepayments paid to third parties, gross value	321 175	-
Prepayments paid to related parties, gross value (Note 15)	-	-
	<u>321 175</u>	-
Less: impairment allowance	-	-
Total	<u><u>321 175</u></u>	<u><u>-</u></u>

6. Other receivable amounts within one year

As at 31 December other receivable amounts within one year consisted of the following:

	<u>2022</u>	<u>2021</u>
VAT receivable	142 636	23 712
Other receivables, gross value	16	16
	<u>142 652</u>	<u>23 728</u>
Less: impairment allowance	-	-
Total	<u><u>142 652</u></u>	<u><u>23 728</u></u>

7. Cash and cash equivalents

As at 31 December 2022 cash and cash equivalents comprised 10 173 euros of cash held in the accounts of the banks operating in the Republic of Lithuania (31 December 2021 – 5 060 euros).

8. Share capital and legal reserve

Share capital

As at 31 December 2022 and 31 December 2021 the share capital of the Company consisted of 100 ordinary shares, each of which had a nominal value of 25 euros. As at 31 December 2022 and 31 December 2021 all shares were fully paid. In 2022 and 2021 the Company did not acquire or transfer its own shares.

As at 31 December 2022 the sole shareholder of the Company and the Group was UAB "Eika": company's registration number - 121191079, address - A. Goštauto str. 40B, LT-03163, Vilnius, Lithuania.

Legal reserve

Legal reserve is a compulsory reserve under legislation of the Republic of Lithuania. Not less than 5 percent of the distributable profit is annually transferred to this reserve until the reserve reaches the amount equal to 10 percent of the owner's capital value. The legal reserve can only be used to cover the future losses. As at 31 December 2022 and 2021 legal reserve was not formed.

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9. Loans

Loans received from sole shareholder UAB “Eika” and related interest payable consisted of:

	<u>2022</u>	<u>2021</u>
Loan: maturity date – 30 April 2025, annual interest rate – 5-6 percent	2 470 000	165 000
Loan: maturity date – 10 September 2024, annual interest rate – 4 percent	50 000	50 000
Loan: maturity date – 18 May 2024, annual interest rate – 4 percent	10 000	10 000
Loan: maturity date – 30 September 2023, annual interest rate – 4 percent	7 000	7 000
Interest payable	45 143	7 452
Total	2 582 143	239 452
Less: current part of loans	(7 000)	-
Total non-current part of loans and interest payable	2 575 143	239 452

Change in loans during the reporting period:

	<u>2022</u>	<u>2021</u>
Balance of loans as of 1 January	239 452	-
Received during the reporting period	2 305 000	232 000
Returned during the reporting period	-	-
Interest calculated	37 691	7 452
Interest paid	-	-
Balance of loans as of 31 December	2 582 143	239 452

10. Revenue

For the year ended at 31 December revenue consisted of the following:

	<u>2022</u>	<u>2021</u>
Revenue recognized according to the extent of construction works completed during the period (Note 4)	2 268 122	143 443
Other revenue	-	-
Total	2 268 122	143 443

11. Cost of sales

For the year ended at 31 December cost of sales consisted of the following:

	<u>2022</u>	<u>2021</u>
Construction subcontractors (works and materials)	1 684 199	-
Projection expenses	482 570	63 747
Other	52	3 338
Total	2 166 821	67 085

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12. General and administrative expenses

For the year ended at 31 December general and administrative expenses consisted of the following:

	<u>2022</u>	<u>2021</u>
Notary, legal services	40 853	48 268
Insurance	29 405	5 505
Employee related expenses	14 708	24 768
Representation expenses	10 514	-
Other expenses	7 688	5 204
Total	<u>103 168</u>	<u>83 745</u>

13. Finance costs

For the year ended at 31 December finance costs consisted of the following:

	<u>2022</u>	<u>2021</u>
Interest expenses	37 691	5 667
Other	1	-
Total	<u>37 692</u>	<u>5 667</u>

14. Financial relations with the management of the Group

	<u>2022</u>	<u>2021</u>
Amounts calculated for the management for year related to work relations	1 740	1 946
The average number of executive officers per year	2	2

No guarantees were granted or assets transferred to the management of the Group in 2022 and 2021.

15. Related party transactions

During the year ended at 31 December 2022 and 2021 the Group carried out transactions with the related parties. Parties are considered to be related when one party has the ability to control the other or can exercise significant influence over the other party's financial and operational decisions. The related parties of the Group are the sole shareholder UAB "Eika" and its related companies.

The table provided below reflects the transactions with related parties during the period ended at 31 December 2022:

Related party	Receivable amounts (incl. VAT and loans granted)	Payable amounts (incl. VAT and loans received)	Revenue (excl. VAT and incl. interest income)	Purchases (excl. VAT and incl. interest expenses)
UAB „Eika“	-	2 582 264	-	41 224
Total	-	<u>2 582 264</u>	-	<u>41 224</u>

The table provided below reflects the transactions with related parties during the period ended at 31 December 2021:

Related party	Receivable amounts (incl. VAT and loans granted)	Payable amounts (incl. VAT and loans received)	Revenue (excl. VAT and incl. interest income)	Purchases (excl. VAT and incl. interest expenses)
UAB „Eika“	-	239 573	-	13 657
Total	-	<u>239 573</u>	-	<u>13 657</u>

UAB „Partnerystės projektai keturi“

Company's registration number - 304950437, address – A. Goštauto g. 40B, Vilnius

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16. Contingent assets and liabilities

The Group did not take part in any court proceedings that according to the management would have a significant effect on financial statements or that would contain information that would have to be additionally disclosed.

17. Going concern

The Group plans to continue its activities because in 2023 has been successfully carrying out the construction of a military town. In April, 2023 UAB "Partnerystės projektai keturi" issued bonds for the amount of 8 million euros. This money is loaned to the subsidiary company UAB "Samogitia miestelis" in order to keep the project running smoothly. Also UAB "Samogitia miestelis" in April, 2023 signed a credit agreement with Luminor Bank AS for the financing of the military campus project.

18. Events after the reporting period

After the end of the financial year until the approval of these financial statements, there have been no events after the reporting period, except for those mentioned in Note 17, that would have a material effect on the financial statements or should be additionally disclosed.

The financial statements were signed on 29 December 2023:

Signed electronically

Artūras Klangauskas
Director

Signed electronically

Živilė Jablonskytė
Person acting under power of attorney –
accountant of UAB „Eika“

**CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDED AT 31 DECEMBER 2022**

(all the amounts are presented in euros, unless stated otherwise)

Group overview

UAB "Partnerystės projektai keturi" was established on 12 November 2018. The activities of UAB "Partnerystės projektai keturi" include business consulting and other management activities. UAB "Partnerystės projektai keturi" has a subsidiary UAB "Samogitia miestelis".

The share capital of UAB "Partnerystės projektai keturi" is equal to 2 500 euros and is divided into 100 ordinary shares.

Performance review

In 2020 UAB "Partnerystės projektai keturi" won the project of the Šiauliai military unit that was one of the three public-private partnership projects announced by the Ministry of National Defense. The project implementation period is 15 years. The implementation of the project is carried out by the subsidiary company UAB Samogitia miestelis UAB. Given the war has been going on this object is important both for our group and for Lithuania as a whole.

Construction of the facility has been going on this year and will be completed in the first quarter of 2024. After construction is completed, the Group will provide facility maintenance and administration services for the period of 12,5 years.

In Šiauliai, the town that will be built on an area of 7.8 hectares will accommodate the Kunigaikštis Margiris infantry battalion of the "Žemaitija" brigade. Administrative and special purpose buildings are planned in the territory: barracks, canteen, headquarters, medical station, sports facilities and fields are planned. Technical buildings are also under construction: warehouses, garages, gas station, car wash, shelter for technicians, as well as equipped lineups and technical squares, parking spaces.

UAB "Partnerystės projektai keturi" has issued three-year bonds for the amount of 8 million euros in April 2023 to finance this project. Luminor Bank took part in the distribution of this issue which is intended to be listed on the Nasdaq stock exchange. UAB "Samogitia miestelis" concluded a loan agreement of 28 million euros with Luminor Bank for the project of the military town under construction.

Expected trends:

Successful completion of the construction of the Šiauliai military unit and successful maintenance and administration services of the facility for the period of the next 12,5 years.

Product risk:

The quality of the products is maintained by applying the latest technologies, choosing reliable subcontractors who provide insurance guarantees for the warranty period.

Signed electronically

Director Artūras Klangauskas

Vilnius, 29 December 2023