



# AB KN ENERGIES

INTERIM CONDENSED CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS, PREPARED ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS, AS  
ADOPTED BY THE EUROPEAN UNION

FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER  
2023 (UNAUDITED)

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## STATEMENT OF FINANCIAL POSITION

	Notes	Group		Company	
		31-12-2023 (unaudited)	31-12-2022 (audited)	31-12-2023 (unaudited)	31-12-2022 (audited)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets		643	793	545	645
Property, plant and equipment	3	140,709	145,800	140,623	145,683
Right-of-use assets	3	314,927	328,515	314,908	328,495
Other financial assets		-	575	-	465
Investment in subsidiaries		-	-	4,578	4,578
Investment in associates		207	261	207	261
Deferred tax asset		2,832	5,106	2,832	5,106
<b>Total non-current assets</b>		<b>459,318</b>	<b>481,050</b>	<b>463,693</b>	<b>485,233</b>
<b>Current assets</b>					
Inventories	5	1,608	2,120	1,608	2,120
Trade receivables and other receivables	6	13,807	14,741	12,862	13,972
Contract assets	7	556	328	556	328
Other financial assets	8	61,286	3,271	56,786	3,271
Cash and cash equivalents	9	19,535	72,423	17,405	66,848
<b>Total current assets</b>		<b>96,792</b>	<b>92,883</b>	<b>89,217</b>	<b>86,539</b>
<b>Total assets</b>		<b>556,110</b>	<b>573,933</b>	<b>552,910</b>	<b>571,772</b>

(Cont'd on the next page)

Explanatory notes are an integral part of these financial statements.

## STATEMENT OF FINANCIAL POSITION (CONT'D)

	Notes	Group		Company	
		31-12-2023 (unaudited)	31-12-2022 (audited)	31-12-2023 (unaudited)	31-12-2022 (audited)
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	1	110,315	110,315	110,315	110,315
Share premium		4,002	4,002	4,002	4,002
Reserves		22,979	29,633	22,979	29,633
Foreign currency translation reserve		194	131	-	-
Retained earnings		14,721	(4,981)	12,192	(6,654)
<b>Total equity</b>		<b>152,211</b>	<b>139,100</b>	<b>149,488</b>	<b>137,296</b>
<b>Non-current amounts payable and liabilities</b>					
Non-current employee benefits		694	569	694	569
Loans	10	158,827	137,451	158,827	137,451
Deferred government grants	11	5,115	5,468	5,115	5,468
Lease liabilities	10	24,459	220,122	24,450	220,108
<b>Total non-current amounts payable and liabilities</b>		<b>189,095</b>	<b>363,610</b>	<b>189,086</b>	<b>363,596</b>
<b>Current amounts payable and liabilities</b>					
Current employee benefits		122	62	122	62
Loans	10	5,556	5,689	5,556	5,689
Lease liabilities	10	188,707	46,126	188,697	46,118
Trade payables and other liabilities	12	5,435	5,871	5,144	5,721
Payroll related liabilities	13	3,568	3,437	3,401	3,252
Provisions		7,363	5,663	7,363	5,663
Contract liabilities		4,053	4,375	4,053	4,375
<b>Total current amounts payable and liabilities</b>		<b>214,804</b>	<b>71,223</b>	<b>214,336</b>	<b>70,880</b>
<b>Total equity and liabilities</b>		<b>556,110</b>	<b>573,933</b>	<b>552,910</b>	<b>571,772</b>

Explanatory notes are an integral part of these financial statements.

## STATEMENT OF COMPREHENSIVE INCOME

	Notes	Group		Group	
		For the twelve months ended 31 December 2023 <i>(unaudited)</i>	For the three months ended 31 December 2023 <i>(unaudited)</i>	For the twelve months ended 31 December 2022 <i>(audited)</i>	For the three months ended 31 December 2022 <i>(unaudited)</i>
Revenue from contracts with customers	14	83,525	19,920	77,818	21,311
Cost of sales	15	(60,024)	(14,933)	(57,703)	(16,820)
<b>Gross profit (loss)</b>		<b>23,501</b>	<b>4,987</b>	<b>20,115</b>	<b>4,491</b>
Operating expenses	16	(10,963)	(3,220)	(8,432)	(2,630)
Other income and (expenses)		164	25	510	79
<b>Profit (loss) from operating activities</b>		<b>12,702</b>	<b>1,792</b>	<b>12,193</b>	<b>1,940</b>
Income from financial activities	17	9,141	7,969	1,221	1,028
Expenses from financial activities	17	(5,964)	(778)	(20,347)	23,241
Share of the associate's profit or (loss)		93	93	33	25
<b>Profit (loss) before tax</b>		<b>15,972</b>	<b>9,076</b>	<b>(6,900)</b>	<b>26,234</b>
Income tax (expenses)		(2,746)	(1,300)	996	(3,161)
<b>Profit (loss) for the year</b>		<b>13,226</b>	<b>7,776</b>	<b>(5,904)</b>	<b>23,073</b>
<b>Other comprehensive income</b>					
Actuarial gain (loss)		(210)	(137)	92	49
Exchange differences on translation of foreign operations		63	(15)	213	(117)
Related taxes		32	21	(14)	(8)
<b>Total other comprehensive income</b>		<b>(115)</b>	<b>(131)</b>	<b>291</b>	<b>(76)</b>
<b>Total comprehensive income (loss), net of tax</b>		<b>13,111</b>	<b>7,645</b>	<b>(5,613)</b>	<b>22,997</b>
<b>Profit attributable to:</b>					
The shareholders of the Company		13,226	7,776	(5,904)	23,073
Non-controlling interests		-	-	-	-
<b>Total comprehensive income (loss) attributable to:</b>					
The shareholders of the Company		13,111	7,645	(5,613)	22,997
Non-controlling interests		-	-	-	-
Basic and diluted earnings (losses), in EUR	18	0.04	0.02	(0.02)	(0.02)

Explanatory notes are an integral part of these financial statements.

## STATEMENT OF COMPREHENSIVE INCOME (CONT'D)

	Notes	Company		Company	
		For the twelve months ended 31 December 2023 <i>(unaudited)</i>	For the three months ended 31 December 2023 <i>(unaudited)</i>	For the twelve months ended 31 December 2022 <i>(audited)</i>	For the three months ended 31 December 2022 <i>(unaudited)</i>
Revenue from contracts with customers	14	80,356	19,098	74,722	20,544
Cost of sales	15	(58,949)	(14,625)	(56,706)	(16,557)
<b>Gross profit</b>		<b>21,407</b>	<b>4,473</b>	<b>18,016</b>	<b>3,987</b>
Operating expenses	16	(10,057)	(2,935)	(7,526)	(2,334)
Other income and (expenses)		164	25	510	79
<b>Profit from operating activities</b>		<b>11,514</b>	<b>1,563</b>	<b>11,000</b>	<b>1,732</b>
Income from financial activities	17	8,959	7,899	1,058	1,005
Expenses from financial activities	17	(5,890)	(694)	(20,327)	23,243
Share of the associate's profit or (loss)		93	93	33	25
<b>Profit (loss) before tax</b>		<b>14,676</b>	<b>8,861</b>	<b>(8,236)</b>	<b>26,005</b>
Income tax (expenses)		(2,306)	(1,264)	1,504	(3,067)
<b>Profit (loss) for the year</b>		<b>12,370</b>	<b>7,597</b>	<b>(6,732)</b>	<b>22,938</b>
Other comprehensive income					
Actuarial gain (losses)		(210)	(137)	92	49
Related taxes		32	21	(14)	(8)
<b>Total other comprehensive income</b>		<b>(178)</b>	<b>(116)</b>	<b>78</b>	<b>41</b>
<b>Total comprehensive income (loss), net of tax</b>		<b>12,192</b>	<b>7,481</b>	<b>(6,654)</b>	<b>22,979</b>
Basic and diluted earnings (losses) per share, in EUR		-	-	-	-

Explanatory notes are an integral part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

### GROUP

	Share capital	Share premium	Legal reserve	Reserve for own shares	Other reserves	Foreign currency translation reserve	Retained earnings	Total
<b>Balance as at 31 December 2021 (audited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>15,929</b>	<b>67,624</b>	<b>(82)</b>	<b>(64,126)</b>	<b>144,713</b>
Net profit (loss) for the period	-	-	-	-	-	-	(5,904)	(5,904)
Other comprehensive income (loss)	-	-	-	-	-	213	78	291
Total comprehensive income (loss)	-	-	-	-	-	213	(5,826)	(5,613)
Transfer between reserves	-	-	-	-	(64,971)	-	64,971	-
<b>Balance as at 31 December 2022 (audited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>15,929</b>	<b>2,653</b>	<b>131</b>	<b>(4,981)</b>	<b>139,100</b>
Net profit (loss) for the period	-	-	-	-	-	-	13,226	13,226
Other comprehensive income (loss)	-	-	-	-	-	63	(178)	(115)
Total comprehensive income (loss)	-	-	-	-	-	63	13,048	13,111
Transfer between reserves	-	-	-	(4,001)	(2,653)	-	6,654	-
<b>Balance as at 31 December 2023 (unaudited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>11,928</b>	<b>-</b>	<b>194</b>	<b>14,721</b>	<b>152,211</b>

## STATEMENT OF CHANGES IN EQUITY (CONT'D)

### COMPANY

	Share capital	Share premium	Legal reserve	Reserve for own shares	Other reserves	Retained earnings	Total
<b>Balance as at 31 December 2021 (audited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>15,929</b>	<b>67,624</b>	<b>(64,971)</b>	<b>143,950</b>
Net profit (loss) for the period	-	-	-	-	-	(6,732)	(6,732)
Other comprehensive income (loss)	-	-	-	-	-	78	78
Total comprehensive income (loss)	-	-	-	-	-	(6,654)	(6,654)
Transfer between reserves	-	-	-	-	(64,971)	64,971	-
<b>Balance as at 31 December 2022 (audited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>15,929</b>	<b>2,653</b>	<b>(6,654)</b>	<b>137,296</b>
Net profit (loss) for the period	-	-	-	-	-	12,370	12,370
Other comprehensive income (loss)	-	-	-	-	-	(178)	(178)
Total comprehensive income (loss)	-	-	-	-	-	12,192	12,192
Transfer between reserves	-	-	-	(4,001)	(2,653)	6,654	-
<b>Balance as at 31 December 2023 (unaudited)</b>	<b>110,315</b>	<b>4,002</b>	<b>11,051</b>	<b>11,928</b>	<b>-</b>	<b>12,192</b>	<b>149,488</b>

Explanatory notes are an integral part of these financial statements.



## CASH FLOW STATEMENT

	Notes	Group		Company	
		For the twelve months ended 31 December 2023 ( <i>unaudited</i> )	For the twelve months ended 31 December 2022 ( <i>audited</i> )	For the twelve months ended 31 December 2023 ( <i>unaudited</i> )	For the twelve months ended 31 December 2022 ( <i>audited</i> )
<b>Cash flows from operating activities</b>					
Net profit (loss)		13,226	(5,904)	12,370	(6,732)
Adjustments for non-cash items:					
Depreciation and amortization	3	23,041	22,664	22,937	22,566
Change in vacation reserve	13	107	(49)	114	(44)
Change in provisions		1,700	2,067	1,700	2,067
Contract assets	7	(119)	175	(229)	285
Income tax expenses		2,746	(996)	2,306	(1,504)
Share of (profit) or loss of equity-accounted investees		(93)	(33)	(93)	(33)
Interest income	17	(1,514)	(31)	(1,344)	(31)
Interest expenses	17	5,784	2,796	5,781	2,796
Currency impact from lease liabilities	17	(7,368)	17,380	(7,368)	17,380
Other non-cash adjustments		1,662	1,415	1,541	1,145
		<b>39,172</b>	<b>39,484</b>	<b>37,715</b>	<b>37,895</b>
<b>Changes in working capital</b>					
(Increase) decrease in inventories	5	420	101	420	100
Decrease (increase) in trade and other accounts receivable	6	2,006	(2,607)	1,925	(3,127)
Increase (decrease) in trade and other payables	12	(657)	7,130	(407)	7,590
Increase (decrease) in contract liabilities		(322)	537	(322)	537
Increase (decrease) in payroll related liabilities	13	(1,551)	(797)	(1,482)	(781)
		<b>39,068</b>	<b>43,848</b>	<b>37,849</b>	<b>42,214</b>
Cash collateral recovery	8	2,500	-	2,500	-
Cash collateral (payment)	8	(2,550)	-	(2,550)	-
Income tax (paid)		(236)	(359)	-	-
Interest received		412	31	313	31
Net cash flows from (used in) operating activities		<b>39,194</b>	<b>43,520</b>	<b>38,112</b>	<b>42,245</b>
<b>Cash flows from investing activities</b>					
(Acquisition) of property, plant, equipment and intangible assets	3	(3,974)	(4,823)	(3,952)	(4,761)
Income from sales of non-current assets		67	186	67	186
Short term deposits (placed)/received	8	(57,500)	-	(53,000)	-
(Acquisition) of other investments		(2)	(2)	(2)	(2)
Dividends received		150	-	150	-
Grants, subsidies received		-	89	-	89
Net cash flows from (used in) investing activities		<b>(61,259)</b>	<b>(4,550)</b>	<b>(56,737)</b>	<b>(4,488)</b>
<b>Cash flows from financing activities</b>					
Loans received		26,829	26,829	26,829	26,829
Loans paid		(5,445)	(3,901)	(5,445)	(3,901)
Interest and fee related to loans (paid)		(3,990)	(759)	(3,990)	(759)
Guarantee fees (paid)		(144)	(606)	(144)	(606)
Lease liabilities (paid)	10	(46,487)	(47,901)	(46,482)	(47,895)
Interest on leasing liabilities paid		(1,586)	(1,726)	(1,586)	(1,725)
Net cash flows from (used in) financing activities		<b>(30,823)</b>	<b>(28,064)</b>	<b>(30,818)</b>	<b>(28,057)</b>
<b>Net increase (decrease) in cash flows</b>					
		<b>(52,888)</b>	<b>10,906</b>	<b>(49,443)</b>	<b>9,700</b>
Cash and cash equivalents on 1 January	9	72,423	61,517	66,848	57,148
Cash and cash equivalents on 31 December	9	19,535	72,423	17,405	66,848

# EXPLANATORY NOTES TO FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

AB KN Energies (hereinafter “the Parent Company” or “the Company”), formerly known as AB Klaipėdos nafta, is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is as follows: Burių str. 19, 92276 Klaipėda, Lithuania. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as “the Group”).

The subsidiaries are these:

UAB KN Global Terminals, a subsidiary (hereinafter “the subsidiary UAB KN Global Terminals”), formerly known as UAB SGD Logistika. The address is as follows: Burių g. 19, 92276 Klaipėda, Lithuania.

UAB SGD terminalas, a subsidiary (hereinafter “the subsidiary UAB SGD terminalas”). The address is as follows: Burių g. 19, 92276 Klaipėda, Lithuania.

UAB SGD SPB, a subsidiary of UAB KN Global Terminals (hereinafter “the subsidiary UAB SGD SPB”). The address is as follows: Burių g. 19, 92276 Klaipėda, Lithuania.

KN Açu Servicos de Terminal de GNL LTDA (hereinafter “the subsidiary KN Açu Servicos de Terminal de GNL LTDA”). The address is as follows: F66 Fazenda Saco Dantas s/n, Distrito Industrial, Area 1 and Area 2, 28200-000 São João da Barra, State of Rio de Janeiro

The main activities of the Group and the Company include operation of liquid energy products terminal, transshipment services and other related services, as well as operation of the liquefied natural gas terminal (hereinafter referred to as “LNGT”) primarily dedicated to accept and store liquefied natural gas. Activity also includes regassification of LNG for gas supply into Gas Grid.

National Energy Regulatory Council (hereinafter referred to as “NERC”) issued Natural Gas Regasification License to the Company on 27 November 2014.

As at 11 January 2022 a new version of the Company's Articles of Association was registered within the Register of Legal Entities of the Republic of Lithuania following the decrease of the authorised capital of the Company. As at 31 December 2023 and 31 December 2022 authorised capital was equal to EUR 110,315,009.65, divided into 380,396,585 units of shares, each carrying one vote.

During the years 2023 and 2022, the Company did not acquire any of its own shares.

The Company's shares are listed on the Baltic Main List on the NASDAQ Vilnius Stock Exchange (ISIN code LTO000111650, abbreviation KNFIL).

As at 31 December 2023 and 31 December 2022 the shareholders of the Company were:

	31 December 2023		31 December 2022	
	Number of shares held (thousand)	Part of ownership (%)	Number of shares held (thousand)	Part of ownership (%)
State of Lithuania represented by the Ministry of Energy (Gedimino av. 38/2, Vilnius, 302308327)	275,687	72.47	275,687	72.47
UAB koncernas Achemos grupė (Vykinto st. 14, Vilnius, 156673480)	39,663	10.43	39,663	10.43
Other (less than 5% each)	65,047	17.10	65,047	17.10
<b>Total</b>	<b>380,397</b>	<b>100.00</b>	<b>380,397</b>	<b>100.00</b>

The Parent Company controls subsidiary UAB KN Global Terminals, which activities are these: expansion of operation of international LNG terminal activities. LNG transportation activities and other economic activities. The Company owns 100% of voting rights of this subsidiary.

The Parent Company also controls subsidiary UAB SGD terminalas. The purpose of this entity is to perform activities of operating and managing a whole structure of LNG terminal in Klaipėda. The subsidiary is currently inactive. The Company owns 100% of voting rights of this subsidiary.

The subsidiary UAB SGD SPB became part of the Group in October 2019. The purpose of UAB SGD SPB is to participate in the projects of liquefied natural gas. This subsidiary may carry out expansion of operation activities of international LNG terminals by investing and establishing other companies in Lithuania and abroad. UAB SGD SPB owned by 100% UAB KN Global Terminals.

On 13 December 2019 the subsidiary of UAB KN Global Terminals (90%) and UAB SGD SPB (10%) – limited liability company – KN Açu Servicos de Terminal de GNL LTDA was established in Federal Republic of Brazil. The purpose of KN Açu Servicos de Terminal de GNL LTDA is to provide operations and maintenance services for liquefied natural gas terminal at the port of Açu. KN Açu Servicos de Terminal de GNL LTDA started its activities in 2020.

## 1 GENERAL INFORMATION (CONT'D)

The average number of employees of the Group in 2023 was 358 (360 in 2022).

The average number of employees of the Company in 2023 was 329 (328 in 2022).

The financial statements of the Group and the Company are presented in Euro and all values are rounded to the nearest thousand (EUR 000), except when otherwise indicated.

## 2 ACCOUNTING PRINCIPLES

The financial statements are presented in Euro and all values are rounded to the nearest thousand (EUR 000), except when otherwise indicated. The financial statements of the Group and Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (hereinafter the EU).

The Group and Company apply the same accounting policies and calculation methods in preparing Interim Financial Statements as they have been used for the Annual Financial Statements of the year 2023. The principles used in preparation of financial statements were presented in more detail in the Notes to the Financial Statements for 2022.

These financial statements have been prepared on a historical cost basis, unless otherwise stated in the accounting policies below.

The financial year of the Company coincides with the calendar year.

The numbers in tables may not coincide due to rounding of particular amounts to EUR thousand, such rounding errors are not material in these financial statements.

## 3 NON-CURRENT TANGIBLE ASSETS

Part of the Group's and the Company's property, plant and equipment with the acquisition cost of EUR 43,150 thousand as of 31 December 2023 was completely depreciated (EUR 42,529 thousand on 31 December 2022), however, it was still in operation.

The Group's and the Company's depreciation of property, plant and equipment amounts to EUR 8,600 thousand and EUR 8,560 thousand for the twelve months of 2023, respectively (EUR 8,482 thousand and EUR 8,410 thousand for the twelve months of 2022). The depreciation EUR 344 thousand was reduced by amortization of related grant the twelve months of 2023 (EUR 388 thousand for the twelve months of 2022). EUR 8,532 thousand and EUR 8,492 thousand of depreciation charge has been included into cost of sales of the Group and the Company, respectively (EUR 8,376 thousand and EUR 8,303 thousand for the twelve months of 2022). The remaining amount EUR 68 thousand (EUR 107 thousand for the twelve months of 2022) has been included into operating expenses in the Statement of comprehensive income of both, the Group and the Company.

The Group's and the Company's depreciation of right-of-use assets amounts to EUR 14,390 thousand and 14,383 thousand for the twelve months of 2023 (EUR 14,325 thousand and EUR 14,318 thousand for the twelve months of 2022, respectively). EUR 14,098 thousand of depreciation charge has been included into cost of sales of both, the Group and the Company (EUR 14,088 thousand for the twelve months of 2022) and the remaining amount of EUR 292 thousand and 285 thousand has been included into operating expenses in the Statement of comprehensive income of the Group and the Company (EUR 237 thousand and EUR 230 thousand for the twelve months of 2022, respectively).

### Impairment of property, plant and equipment and right of use asset attributed to Klaipėda liquids terminal assets

At each reporting date, the Group and the Company makes assessments to determine whether there is any indication that the carrying amounts of its property, plant and equipment, intangible assets and other non-current assets recorded at acquisition cost could possibly be impaired.

If any indications exist, the Group and the Company estimates the recoverable amount of such property, plant and equipment and non-current assets to assess impairment. For impairment assessment purposes, assets are grouped at the lowest separate business segment levels for which separate cash flows could be identified and estimated (cash-generating units, CGU).

As of 31 December 2023 the management of the Group and the Company did not identify any indications for additional impairment of Klaipėda liquids terminal's assets.

## 4 OPERATING SEGMENTS

The management of the Group and the Company has identified the following segments in accordance with the new Group's strategy, where the names of segments were changed; however, these changes did not have an impact on the grouping:

- LET – Liquid energy terminals in Klaipėda and Subačius, offering transshipment services for liquid energy products, long-term storage solutions for such products, and other related services;
- LNG business that includes LNGT and comLNG segments;

## 4 OPERATING SEGMENTS (CONT'D)

- LNGT – LNG terminal in Klaipėda which receives, and stores liquefied natural gas, regasifies and supplies it to Gas Main pipeline;
- comLNG – LNG commercial activities – includes LNG reloading station and execution of other global LNG projects.

Main indicators of the business segments of the Group included into the statement of comprehensive income for the twelve months of 2023 and statement of financial position as of 31 December 2023 are presented below:

### Group

For the year ended 31 December 2023	LNG			Total
	LET	LNGT	comLNG	
Revenues from contracts with customers	27,919	48,743	6,863	83,525
Profit (loss) before income tax	4,896	9,717	1,359	15,972
Segment net profit (loss)	4,407	7,902	917	13,226
Interest revenue	1,262	82	170	1,514
Loan interest expense	-	4,220	1	4,221
Interest on financial lease liabilities	366	1,155	43	1,564
Depreciation and amortisation	5,262	2,189	1,200	8,651
Depreciation of right-of-use-assets	481	13,762	147	14,390
Acquisitions of tangible and intangible assets	3,233	413	93	3,739
Segment total assets*	108,697	346,163	24,215	479,075
Loan and related liabilities	(20)	164,445	(42)	164,383
Lease liabilities	18,604	192,513	2,049	213,166
Segment total liabilities	24,731	371,321	7,847	403,899

Main indicators of the business segments of the Group included into the statement of comprehensive income for the twelve months of 2022 and statement of financial position as of 31 December 2022, are presented below:

### Group

For the year ended 31 December 2022	LNG			Total
	LET	LNGT	comLNG	
Revenues from contracts with customers	27,817	44,614	5,387	77,818
Profit (loss) before income tax	3,186	(10,571)	485	(6,900)
Segment net profit (loss)	3,220	(9,128)	4	(5,904)
Interest revenue	-	31	72	103
Loan interest expense	-	966	7	973
Interest on financial lease liabilities	365	1,423	43	1,831
Depreciation and amortisation	4,646	2,487	1,206	8,339
Depreciation of right-of-use-assets	436	13,740	149	14,325
Acquisitions of tangible and intangible assets	4,200	123	40	4,363
Segment total assets*	113,183	362,642	25,685	501,510
Loan and related liabilities	(20)	143,202	(42)	143,140
Lease liabilities	18,567	245,600	2,081	266,248
Segment total liabilities	26,329	400,387	8,117	434,833

Segment total assets\* - total assets of the Group, excluded Cash and cash equivalents and short-term deposits at the period end.

## 5 INVENTORIES

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Spare parts, construction materials and other inventories	1,082	1,374	1,082	1,374
Diesel fuel for the LNG Terminal purpose	359	257	359	257
Fuel for transport and other equipment	113	47	113	47
Liquefied natural gas	46	46	46	46
Emission allowances	8	133	8	133
Liquid energy products for sale	-	263	-	263
	1,608	2,120	1,608	2,120

No write down of inventories to net realisable value accounted as at 31 December 2023. As of 31 December 2022, the Group and the Company accounted the write-off of inventories in the amount of EUR 92 thousand that have been written down to the net realizable value.

## 6 TRADE RECEIVABLES AND OTHER RECEIVABLES

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Trade receivable	10,556	11,879	9,830	11,336
Prepayments	810	796	810	765
Other receivables	2,441	2,066	2,222	1,871
	<u>13,807</u>	<u>14,741</u>	<u>12,862</u>	<u>13,972</u>

Trade and other receivables are non-interest bearing and are generally settled on 2 - 20 days payment terms.

Trade receivable disclosed below:

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Receivables from LNG terminal activities	7,854	8,521	7,855	8,521
Receivables for transshipment of liquid energy products and other related services	3,410	4,261	3,410	4,261
Receivable for operating and management services	804	620	77	77
Less: impairment allowance	(1,512)	(1,523)	(1,512)	(1,523)
	<u>10,556</u>	<u>11,879</u>	<u>9,830</u>	<u>11,336</u>

The Group and the Company has recognized impairment allowance in the amount of EUR 1,512 thousand on 31 December 2023 (EUR 1,523 thousand on 31 December 2022).

Change in allowance (reverse) for trade receivables for 2023, amounting to EUR 11 thousand (for 2022 – allowance, amounting to EUR 12 thousand) has been included into operating expenses in the statement of the comprehensive income.

### Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

#### Group and Company

	31-12-2023	31-12-2022
Balance at 1 January	1,523	1,511
Impairment of the year	-	12
Reversal of impairment	(11)	-
Balance at 31 December	<u>1,512</u>	<u>1,523</u>

Other receivables disclosed below:

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Receivable interests from short-term deposits	1,037	-	1,029	-
VAT receivable	979	860	979	860
Excise duty receivable	214	983	214	983
Other receivable taxes (1)	211	195	-	-
Other receivables	-	28	-	28
Total	<u>2,441</u>	<u>2,066</u>	<u>2,222</u>	<u>1,871</u>

(1) Other receivable taxes related to subsidiary KN Acu Servicos de Terminal de GNL Ltda receivable social security taxes (INSS). Any employee on a Brazilian payroll is subject to social security contributions. According to the current legislation, the monthly social security contribution in Brazil is due on the total amount of the remuneration at rates of 7.5% up to 14%.

## 7 CONTRACT ASSETS

### The Group and the Company

	31-12-2023	31-12-2022
<b>Current contract assets:</b>		
Accrued income	<u>556</u>	<u>328</u>
	<u>556</u>	<u>328</u>

Accrued income for storage of liquid energy products as of 31 December 2023 and 31 December 2022 calculated as percentage of completion based on expenses incurred from the total estimated cost of contracted services. Upon completion of transshipment of liquid energy products and acceptance by the customer, the amounts initially recognized as contract assets are reclassified as trade receivables.

## 8 OTHER FINANCIAL ASSETS

### The Group and the Company

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Short-term deposits (1)	57,500	-	53,000	-
Deposit for tax obligations (2)	3,321	3,271	3,321	3,271
Other guarantees	465	-	465	-
<b>Total</b>	<b>61,296</b>	<b>3,271</b>	<b>56,786</b>	<b>3,271</b>

(1) As at 31 December 2023, the Group had 6 short-term deposits at banks, amounted to EUR 57,500 thousand, with maturity of more than 3 months, the Company had had 4 short-term deposits at banks, amounted to EUR 53,000 thousand, with maturity of more than 3 months. Annual interest rate was from 2.30% to 4.00% for agreements signed.

(2) In 2020-2021 the Group and the Company made a deposit to the State tax inspection for tax which may arise from the movement of excise goods under suspension of excise duty. The additional excise duty cash collateral in 2023 for EUR 2,550 thousand, from which EUR 2,500 thousand was recovered in May 2023. The use of the deposit is indefinite (returned within 5 working days from the submission of the request).

## 9 CASH AND CASH EQUIVALENTS

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Cash at banks	19,535	72,423	17,405	66,848

Cash and cash equivalents are not pledged as at 31 December 2023 and 31 December 2022.

Calculated values of cash and cash equivalents are denominated in the following currencies showed in EUR:

Currency	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
EUR	14,049	66,687	12,628	61,909
USD	4,777	4,939	4,777	4,939
BRL	709	797	-	-
<b>Total</b>	<b>19,535</b>	<b>72,423</b>	<b>17,405</b>	<b>66,848</b>

Management of the Group and the Company considered potential impairment losses on cash held in banks as per IFRS 9 requirements. Assessment is based on official Standard & Poor's long-term credit ratings:

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
A+	7,276	26,784	5,855	22,006
A-	5,962	17,000	5,962	17,000
AA-	5,588	27,842	5,588	27,842
BB-	709	797	-	-
<b>Total</b>	<b>19,535</b>	<b>72,423</b>	<b>17,405</b>	<b>66,848</b>

Based on management's assessment performed and best estimate cash and its equivalents are presented at fair value and no indications of cash impairment exist as at 31 December 2023 and 31 December 2022.

## 10 LOANS AND LEASE LIABILITIES

### Loans

#### The Group and the Company

	31-12-2023	31-12-2022
Nordic Investment Bank's loan (b, c)	121,525	96,102
European Investment Bank's loan (a)	42,853	46,703
Guarantee payment to the Ministry of Finance to the Republic of Lithuania	(126)	(130)
Payable loan interest	131	465
	<u>164,383</u>	<u>143,140</u>

### Lease liabilities

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Lease liabilities	<u>213,166</u>	<u>266,248</u>	<u>213,147</u>	<u>266,226</u>

Lease liabilities as at 31 December 2023 can be specified as follows:

#### Group

	FSRU lease	Land rent	Jetty rent	Other*	Total
Long term lease liabilities	-	18,851	4,856	752	24,459
Short term lease liabilities	187,510	661	122	414	188,707
	<u>187,510</u>	<u>19,512</u>	<u>4,978</u>	<u>1,166</u>	<u>213,166</u>

#### Company

	FSRU lease	Land rent	Jetty rent	Other*	Total
Long term lease liabilities	-	18,851	4,856	743	24,450
Short term lease liabilities	187,510	661	122	404	188,697
	<u>187,510</u>	<u>19,512</u>	<u>4,978</u>	<u>1,147</u>	<u>213,147</u>

Lease liabilities as at 31 December 2022 can be specified as follows:

#### Group

	FSRU lease	Land rent	Jetty rent	Other*	Total
Long term lease liabilities	195,022	19,231	5,392	477	220,122
Short term lease liabilities	45,353	443	77	253	46,126
	<u>240,375</u>	<u>19,674</u>	<u>5,469</u>	<u>730</u>	<u>266,248</u>

#### Company

	FSRU lease	Land rent	Jetty rent	Other*	Total
Long term lease liabilities	195,022	19,231	5,392	463	220,108
Short term lease liabilities	45,353	443	77	245	46,118
	<u>240,375</u>	<u>19,674</u>	<u>5,469</u>	<u>708</u>	<u>266,226</u>

\* Other comprises of lease of transport vehicles, office rent.

## 11 DEFERRED GOVERNMENT GRANTS

#### The Group and the Company

	30-09-2023	31-12-2022
Balance at the beginning of the period	5,468	5,771
Received during the period	-	89
Reclassification	-	(4)
Compensations of costs	(9)	-
Amortization	(344)	(388)
Balance at the end of the period	<u>5,115</u>	<u>5,468</u>

## 12 TRADE PAYABLES AND OTHER LIABILITIES

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Trade payables	4,779	3,596	4,521	3,564
Other payables and current liabilities	656	2,275	623	2,157
	<u>5,435</u>	<u>5,871</u>	<u>5,144</u>	<u>5,721</u>

Trade payables disclosed below:

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Other payments related FSRU	2,030	1,640	2,030	1,640
Payable to contractors	274	184	274	184
Payable for gas services	255	-	255	-
Payable for railway services	79	99	79	99
Other trade payables	2,141	1,673	1,883	1,641
Total	<u>4,779</u>	<u>3,596</u>	<u>4,521</u>	<u>3,564</u>

On 31 December 2023 trade payables of EUR 2,030 thousand were denominated in USD (on 31 December 2022 – EUR 912 thousand).

Trade payables are non-interest bearing and are normally settled within 30-day payment terms.

Other payables and current liabilities disclosed below:

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Accrued expenses and liabilities	411	909	411	909
Real estate tax payable	126	126	126	126
Payable for insurance	35	-	35	-
Received guarantee payment (1)	-	880	-	880
Other taxes payable	10	120	-	-
Other liabilities	74	240	51	242
	<u>656</u>	<u>2,275</u>	<u>623</u>	<u>2,157</u>

(1) Received guarantee payment related to particular client's fulfilment of payment obligations. Guarantee payment was returned on 2 October 2023 after the execution of the contract. Total amount of EUR 880 thousand was paid.

## 13 PAYROLL RELATED LIABILITIES

	Group		Company	
	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Accrual of annual bonuses	1,577	1,711	1,517	1,631
Accrued vacation reserve	881	769	829	715
Salaries payable	589	500	589	500
Social insurance payable	268	265	258	228
Income tax payable	251	190	206	176
Other deductions	2	2	2	2
Total	<u>3,568</u>	<u>3,437</u>	<u>3,401</u>	<u>3,252</u>



## 14 REVENUE FROM CONTRACTS WITH CUSTOMERS

	Group		Company	
	2023	2022	2023	2022
Income from LNGT regasification services collected directly from LNGT users (1)	46,077	33,586	46,077	33,586
Sales of liquid energy products transshipment services	25,885	25,137	25,885	25,137
Other sales related to LNG terminals activity	8,072	5,407	4,666	2,262
Other sales related to transshipment	1,697	1,023	1,697	1,023
Sales of consulting services	1,437	267	1,674	316
Sales of inventories	357	1,669	357	1,669
Income from LNGT services included in security supplement (2)	-	10,729	-	10,729
	83,525	77,818	80,356	74,722

- (1) The significant factor, which has influenced the increase in Group's and Company's revenue in 2023, is higher regasification volumes compared to the previous year.

Income from LNGT services contains income from LNG regasification service and LNG reloading service. The tariffs of this services are adjusted annually and regulated by NERC. Regasification and reloading income are collected directly from the clients after services are provided based on quantities.

In 2023 the Company has implemented regasification model in order to reduce the additional security supplement price for the natural gas consumers. Regasification tariff which is actual just for the LNG terminal users from May, 2023 was increased according to the upper limit of the Company's LNG revenue. After these changes it was possible to decrease the security supplement and to collect all revenue directly from LNG terminal users

- (2) Security supplement – security of supply fee applied to natural gas transmission price paid by Lithuanian natural gas consumers. LNG terminal additional security supplement tariff is applied to Terminal users, who regasify gas via LNG terminal and use gas transmission system. LNG terminal additional security supplement tariff is set by NERC by the resolutions annually and is dedicated to cover operating costs of LNG terminal, its infrastructure and tie-in, independently from gas volumes regasified and submitted to gas transmission system.

Security supplement income is lower in 2023 compared to 2022 due to implemented regasification model when regasification tariff was increased and security supplement from May 2022 was 0 EUR.

## 15 COST OF SALES

	Group		Company	
	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022
Depreciation of right-of-use asset	(14,098)	(14,088)	(14,098)	(14,088)
Expenses related to FSRU rent (OPEX element, management, crew cost)	(8,605)	(7,471)	(8,605)	(7,471)
Wages, salaries and social security	(8,563)	(8,217)	(8,119)	(7,587)
Depreciation and amortisation (incl. amortisation of grants)	(8,438)	(8,198)	(8,341)	(8,107)
Tax on environmental pollution and Emission allowances	(7,446)	(5,686)	(7,446)	(5,686)
Natural gas	(1,890)	(3,942)	(1,890)	(3,942)
Port charges	(1,533)	(1,536)	(1,533)	(1,536)
Repair and maintenance of assets	(1,458)	(1,020)	(1,355)	(967)
Insurance	(1,187)	(445)	(1,187)	(704)
Railway services	(1,180)	(1,240)	(1,180)	(1,240)
Electricity	(1,067)	(1,831)	(1,067)	(1,831)
Cost of liquid energy products sold	(355)	(1,019)	(355)	(1,019)
Other	(4,204)	(3,010)	(3,773)	(2,528)
Total	(60,024)	(57,703)	(58,949)	(56,706)

## 16 OPERATING EXPENSES

	Group		Company	
	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022
Wages, salaries and social security	(6,053)	(5,298)	(5,866)	(4,933)
Consulting and legal costs	(1,409)	(598)	(1,234)	(501)
Telecommunication and IT expenses	(521)	(395)	(496)	(330)
Salaries and other related expenses to governing bodies	(348)	(185)	(348)	(185)
Operating tax expense	(299)	(179)	(84)	(85)
Depreciation of right-of-use asset	(292)	(237)	(285)	(230)
Expenses for business trips	(282)	(100)	(226)	(100)
Depreciation and amortization	(213)	(141)	(213)	(141)
Advertising and external communication	(208)	(110)	(208)	(97)
Training costs	(166)	(134)	(165)	(134)
Administration of bank accounts	(71)	(209)	(69)	(201)
Other	(1,101)	(846)	(863)	(589)
	<u>(10,963)</u>	<u>(8,432)</u>	<u>(10,057)</u>	<u>(7,526)</u>

## 17 INCOME (EXPENSES) FROM FINANCIAL AND INVESTMENT ACTIVITIES – NET

	Group		Company	
	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022
Income from currency exchange on the lease liabilities	7,368	-	7,368	-
Interest income	1,514	103	1,344	31
Fines income	43	56	43	56
Gain from lease liabilities	-	949	-	949
Other financial income	216	113	204	22
Financial activity income, total	<u>9,141</u>	<u>1,221</u>	<u>8,959</u>	<u>1,058</u>
Interest expenses	(4,221)	(973)	(4,219)	(965)
Interest on the lease liabilities	(1,564)	(1,831)	(1,562)	(1,829)
Losses from currency exchange	(114)	(88)	(103)	(81)
Loss from financial derivatives	-	(72)	-	(72)
Losses from currency exchange on the lease liabilities	-	(17,380)	-	(17,380)
Other financial activity expenses	(65)	(3)	(6)	-
Financial activity expenses, total	<u>(5,964)</u>	<u>(20,347)</u>	<u>(5,890)</u>	<u>(20,327)</u>

## 18 EARNINGS (LOSS) PER SHARE, BASIC AND DILUTED

Basic earnings per share are calculated by dividing net profit (loss) of the Group by the weighted average number of ordinary shares outstanding. Diluted earnings per share equal to basic earnings per share as the Group has no instruments issued that could dilute shares issued.

Basic and diluted earnings per share are as follows:

	Group	
	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022
Net profit (loss) attributable to shareholders	13,226	(5,904)
Weighted average number of outstanding ordinary shares (thousand)	380,397	380,397
Earnings and reduced earnings (in EUR)	<u>0.04</u>	<u>(0.02)</u>

## 19 RELATED PARTY TRANSACTIONS

The parties are considered related when one party has a possibility to control the other one or has significant influence over the other party in making financial and operating decisions.

The related parties of the Group and the Company and transactions with them during the twelve months of 2023 and 2022 were as follows:

### Transactions with Lithuanian State controlled enterprises and institutions, and other related parties:

<b>Group:</b>		Purchases	Sales		Receivables	Payables
Klaipeda State Seaport Authority	2023 twelve months	2,544	-	31-12-2023	-	460
	2022 twelve months	2,503	-	31-12-2022	-	458
AB "Amber Grid"	2023 twelve months	-	(789)	31-12-2023	3,975	-
	2022 twelve months	-	10,729	31-12-2022	3,975	-
UAB „Ignitis“	2023 twelve months	-	11,039	31-12-2023	998	-
	2022 twelve months	-	10,530	31-12-2022	1,103	-
Public Institution Lithuanian Energy Agency	2023 twelve months	-	3,359	31-12-2023	-	-
	2022 twelve months	-	3,365	31-12-2022	-	-
Energijos skirstymo operatorius, AB	2023 twelve months	675	-	31-12-2023	-	19
	2022 twelve months	287	-	31-12-2022	-	35
AB LTG CARGO	2023 twelve months	1,307	-	31-12-2023	-	79
	2022 twelve months	1,430	-	31-12-2022	-	99
Other related parties	2023 twelve months	96	1	31-12-2023	-	7
	2022 twelve months	59	-	31-12-2022	-	3
Transactions with related parties, in total:	2023 twelve months	4,622	13,610	31-12-2023	4,973	565
	2022 twelve months	4,279	24,624	31-12-2022	5,078	595

<b>Company:</b>		Purchases	Sales		Receivables	Payables
Klaipeda State Seaport Authority	2023 twelve months	2,544	-	31-12-2023	-	460
	2022 twelve months	2,503	-	31-12-2022	-	458
AB "Amber Grid"	2023 twelve months	-	(789)	31-12-2023	3,975	-
	2022 twelve months	-	10,729	31-12-2022	3,975	-
UAB „Ignitis“	2023 twelve months	-	11,039	31-12-2023	998	-
	2022 twelve months	-	10,530	31-12-2022	1,103	-
Public Institution Lithuanian Energy Agency	2023 twelve months	-	3,359	31-12-2023	-	-
	2022 twelve months	-	3,365	31-12-2022	-	-
Energijos skirstymo operatorius, AB	2023 twelve months	675	-	31-12-2023	-	19
	2022 twelve months	287	-	31-12-2022	-	35
AB LTG CARGO	2023 twelve months	1,307	-	31-12-2023	-	79
	2022 twelve months	1,430	-	31-12-2022	-	99
KN Acu Servicos de Terminal de GNL Ltda	2023 twelve months	6	325	31-12-2023	18	-
	2022 twelve months	-	151	31-12-2022	37	-
Other related parties	2023 twelve months	96	1	31-12-2023	-	7
	2022 twelve months	59	-	31-12-2022	-	3
Transactions with related parties, in total:	2023 twelve months	4,628	13,935	31-12-2023	4,991	565
	2022 twelve months	4,279	24,775	31-12-2022	5,115	595

## 19 RELATED PARTY TRANSACTIONS (CONT'D)

### Management salaries and other payments

The Groups' management consists of the Chief Executive Officer (CEO), Directors and Directors of subsidiaries.

The Company's management consists of the Chief Executive Officer (CEO) and Directors.

	Group		Company	
	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022	For the twelve months ended 31 December 2023	For the twelve months ended 31 December 2022
Payroll related costs	1,073	813	945	697
Number of management	10	10	6	6

During the twelve months of 2023 and the twelve months of 2022 the management of the Group and the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.

## 20 SUBSEQUENT EVENTS

On 10 January 2024 the new wording of the Articles of Association of the Company were registered within the Register of Legal Entities of the Republic of Lithuania following the amendment of the Company's name – AB KN Energies. Also the Group Company's name was changed from SGD Logistika, UAB to KN Global Terminals, UAB.

No other significant events have occurred after the date of financial statements that would require disclosure or amendment in the financial statements.

## CONFIRMATION OF RESPONSIBLE PERSONS

29 February 2024

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Darius Šilenskis, Chief Executive Officer of AB KN Energies, Tomas Tumėnas, Chief Financial Officer of AB KN Energies, and Rasa Tamaliūnaitė, Chief Accountant hereby confirm that to the best of our knowledge the above-presented unaudited Interim condensed consolidated and separate Financial Statements of AB KN Energies for the twelve months period ended on 31 December 2023 prepared in accordance with the International Financial Reporting Standards as adopted to be used in the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flows of AB KN Energies.

Chief Executive Officer



Darius Šilenskis

Chief Financial Officer



Tomas Tumėnas

Chief Accountant



Rasa Tamaliūnaitė