

# **UAB Modus Grupė**

Consolidated Interim Management Report and  
Condensed Consolidated Interim Financial Statements  
For the 6 Months Period Ended 30 June 2023 (unaudited)

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## Consolidated interim management report

### General information about the Group:

|   |   |
|---|---|
| <b>Name</b>   | <b>UAB Modus Grupė</b>  |
| Legal form  | Limited liability company   |
| Code  | 302719143   |
| VAT payer's code  | LT100007287918  |
| Authorised capital  | Authorised capital of EUR 22,939,783 is divided into 79,102,700 ordinary registered shares with the par value of EUR 0.29 each. |
| Shareholder (100%)  | MG NL Holding B.V. (Company code 58978976, address: Fred. Roeskestraat 115, 1076 EE, Amsterdam, the Netherlands)                |
| Registered address:   | Ozo St. 10A, LT-08200 Vilnius   |
| Telephone   | +370 5 235 6080   |
| Fax   | +370 5 235 6089   |
| E-mail  | <a href="mailto:info@modus.group">info@modus.group</a>  |
| Website   | <a href="http://www.modus.group">www.modus.group</a>  |
| Date and place of registration                                | 30 January 2012, Vilnius branch of the State Enterprise Centre of Registers   |
| Register where the data about the Company is filed and stored | Register of Legal Entities  |
| Type of main activities                                       | Consulting management activities  |

### I. Objective overview of the position, activity and development of the group of companies, characterisation of the main types of risks and uncertainties faced by the Company

#### Priority activity areas of the group of companies

Group of companies (the Group) comprises the Company and its 7 subsidiaries (as of 31 December 2022: 8), 49 secondary subsidiaries (as of 31 December 2022: 46), and 2 associates (as of 31 December 2022: 2). The Group main activities include automotive retailing (managing a network of dealerships for 16 car brands, including Porsche, Bentley, BMW, SEAT, Cupra, Maserati, etc.), mobility services (CityBee, MyBee) and investment fund management (Modus Asset Management). Group operates in 7 European markets.

100% of UAB Modus Grupė shares are owned by MG NL Holding B.V., a company incorporated and operating in the Netherlands.

Due to the internal structural changes implemented within the Group, the financial results of the companies operating in the renewable energy business, as well as of the companies (not) directly controlled by MG NL holding B.V., are not consolidated at the level of UAB Modus Grupė as of January 2020 and are not reflected in the annual management report and financial statements.

In the first half of 2023, EBITDA of the Group amounted to EUR 15,133 thousand (in the first half of 2022: 19,448 thousand EUR) and has decreased by 22.19%. EBITDA consists of EUR 15,261 thousand (in the first half of 2022: EUR 19,448 thousand) from operating activities results and EUR -128 thousand (in the first half of 2022: EUR 0 thousand) – from other transactions<sup>1</sup>.

<sup>1</sup>The common practice of a holding company is sale, acquisition and merger of companies and assets. The results of these operations are considered as other transactions.

**Main risks of the Group**

The Group is (can be) exposed to several significant risks, including (1) the possibility of the introduction of new taxes and legislation, (2) a general downturn in economic conditions in the country, which may affect purchasing power, and volatile interest rates. These factors may adversely affect the demand for and pricing of the Company's products. (3) The EU's implementation of stricter sustainability regulations, such as the EU Green Deal, Taxonomy, and CSRD, alongside evolving demands and expectations from customers and investors for the gradual elimination of fossil fuels, create potential business risks, but, at the same time, provide business opportunities. In addition, (4) the lack of skilled personnel poses additional risks. The Company also must address risks related to (5) fraud, (6) debtor management, (7) disruptions in the automotive market and their impact on vehicle prices, decisions by automotive manufacturers to increase prices, (8) competition, (9) operating costs, and (10) external factors such as pandemics, wars, and other unforeseen events.

**Uncertainties facing the Group**

The automotive industry has faced various challenges over the last two years, including the COVID-19 pandemic and the restrictions imposed as a result, the semiconductor crisis, which has led to disruptions in the supply of new cars worldwide. The war in Ukraine has led to soaring energy prices. Despite these challenges, demand for cars and alternative mobility services continued to grow steadily.

**Most significant events**

Note 1 in the consolidated financial statements contains the most important information regarding the acquisition and disposal of subsidiaries.

**II. Analysis of the financial and non-financial operating results of the Group; information on environmental and personnel issues**

During the first half of 2023, consolidated sales revenue amounted to EUR 192,634 thousand and was higher by 0.79% than during the same period of 2022 (in the first half of 2022: EUR 191,131 thousand). During the first half of 2023, the cost of sales amounted to EUR 163,657 thousand (in the first half of 2022: EUR 161,629 thousand), and gross profit amounted to EUR 28,977 thousand (in the first half of 2022: EUR 29,502 thousand).

Consolidated profit before taxation amounted to EUR 4,327 thousand in the first half of 2023 and was 73.54% lower than in the previous reporting period when profit before taxation was EUR 16,355 thousand. There was also a decrease in consolidated net profit: in the first half of 2023 – EUR 524 thousand, in the first half of 2022 – EUR 14,713 thousand.

The Group's consolidated assets amounted to EUR 349,413 thousand as of 30 June 2023 (31 December 2022 – EUR 355,380 thousand).

Ratios characterising the Group's activities

| <b>Ratio</b>                                       | <b>1<sup>st</sup> half of 2023</b> | <b>1<sup>st</sup> half of 2022</b> |
|--|------------------------------------|------------------------------------|
| Gross profitability = gross profit/sales           | 15.04%                             | 15.44%                             |
| Net profitability = net profit/sales               | 0.27%                              | 7.70%                              |
| Debt ratio = liabilities/total assets              | 0.52                               | 0.55                               |
| Asset turnover = sales/total assets                | 1.10                               | 1.10                               |
| Current ratio = current assets/current liabilities | 1.53                               | 1.37                               |

Employees

In the first half of 2023, the average number of employees in the Group was 683 (in the first half of 2022 – 616 employees).

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### Information on the Head of the Company

Other managing positions held by the Director of UAB Modus Grupė Erika Huhtala:

| Person                           | Legal form | Name               | Code             | Address   | Position                      |
|----------------------------------|------------|--------------------|------------------|---|-------------------------------|
| <b>Erika Huhtala<sup>2</sup></b> | <b>UAB</b> | <b>Modus Grupė</b> | <b>302719143</b> | <b>Vilnius city municipality, Vilnius, Ozo st. 10A</b>      | <b>Director, Board member</b> |
| Erika Huhtala                    | UAB        | Parkdema           | 304559196        | Vilnius city municipality, Vilnius, Jogailos st. 4          | Board member                  |
| Erika Huhtala                    | UAB        | Unimodus           | 126123769        | Vilnius city municipality, Vilnius, Ozo st. 10A             | Board member                  |
| Erika Huhtala                    | UAB        | Modus Mobility     | 302784358        | Vilnius city municipality, Vilnius, Žalgirio st. 112-1      | Board member                  |
| Erika Huhtala                    | UAB        | Inter Krasta       | 302693905        | Vilnius city municipality, Vilnius, Ozo st. 10A             | Board member                  |
| Erika Huhtala                    | UAB        | Udrop              | 300561011        | Vilnius city municipality, Vilnius, Konstitucijos ave, 29-1 | Board member                  |
| Erika Huhtala                    | UAB        | LM auto            | 302784123        | Vilnius city municipality, Vilnius, Konstitucijos ave, 21B  | Board member                  |

Board members of UAB Modus Grupė:

| Person                       | Legal form | Name        | Position                                 |
|------------------------------|------------|-------------|--|
| Ainė Martinkėnaitė-Martyniuk | UAB        | Modus Grupė | Chairwoman of the Board and Board member |
| Erika Huhtala                | UAB        | Modus Grupė | Board member                             |
| Oleg Martyniuk               | UAB        | Modus Grupė | Board member                             |
| Ruslan Sklepovič             | UAB        | Modus Grupė | Board member                             |

Other managing positions held by the Board Members of UAB Modus Grupė (excluding Erika Huhtala – provided in the table above):

| Person  | Legal form | Name               | Code             | Address  | Position   |
|---|------------|--------------------|------------------|--|--|
| <b>Ainė Martinkėnaitė-Martyniuk<sup>2</sup></b> | <b>UAB</b> | <b>Modus grupė</b> | <b>302719143</b> | <b>Vilnius city municipality, Vilnius, Ozo St. 10A</b> | <b>Director for Business Development; Member and Chairman of the Board</b> |
| Ainė Martinkėnaitė-Martyniuk                    | UAB        | Unimodus           | 126123769        | Vilnius city municipality, Vilnius, Ozo St. 10A        | Board member   |
| Ainė Martinkėnaitė-Martyniuk                    | UAB        | Modus Mobility     | 302784358        | Vilnius city municipality, Vilnius, Žalgirio st. 112-1 | Head and Board member  |
| Ainė Martinkėnaitė-Martyniuk                    | AB         | Modus Energy       | 302693613        | Vilnius city municipality, Vilnius, Ozo St. 10A        | Power of procuracy   |

<sup>2</sup> Highlighted – main workplace.

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| Person                              | Legal form | Name   | Code             | Address  | Position                    |
|-------------------------------------|------------|--|------------------|--|-----------------------------|
| <b>Oleg Martyniuk<sup>3</sup></b>   | <b>UAB</b> | <b>Inter Krasta Luxury</b>                       | <b>305663917</b> | <b>Vilnius city municipality, Vilnius, Ozo St. 10A</b>     | <b>Director general</b>     |
| Oleg Martyniuk                      | UAB        | Gepaga   | 110666382        | Gamyklų St. 4, LT-68108 Marijampolė                        | Head                        |
| Oleg Martyniuk                      | UAB        | BLF holding                                      | 305656157        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Director                    |
| Oleg Martyniuk                      | UAB        | Autoimex   | 300662220        | Žalgirio st. 112A, LT-09300 Vilnius                        | Director                    |
| Oleg Martyniuk                      | UAB        | Inter Krasta Premium                             | 305663899        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head                        |
| Oleg Martyniuk                      | UAB        | Inter Krasta                                     | 302693905        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head                        |
| Oleg Martyniuk                      | UAB        | LM Auto  | 302784123        | Konstitucijos ave. 21B, Vilnius                            | Board member                |
| Oleg Martyniuk                      | UAB        | Modus Mobility                                   | 302784358        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Board member                |
| Oleg Martyniuk                      | UAB        | Modus Grupė                                      | 302719143        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Board member                |
| Oleg Martyniuk                      | UAB        | Parkdema   | 304559196        | Vilnius city municipality, Vilnius, Jogailos St. 4         | Board member                |
| Oleg Martyniuk                      | UAB        | Viteksta   | 302651710        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head                        |
| Oleg Martyniuk                      | UAB        | Tekupa   | 302842676        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head; shareholder           |
| Oleg Martyniuk                      | UAB        | Statybiniai projektai                            | 303090397        | Vilnius city municipality, Vilnius, A. Kojelavičiaus St. 3 | Director; shareholder       |
| Oleg Martyniuk                      | UAB        | Luxury Automotive Services 1                     | 305703735        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head                        |
| Oleg Martyniuk                      | UAB        | Luxury Automotive Services 2                     | 305704431        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Head                        |
| Oleg Martyniuk                      | UAB        | Modus Asset Management                           | 302790959        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Board member, Chairman      |
| Oleg Martyniuk                      | UAB        | Unimodus   | 126123769        | Vilnius city municipality, Vilnius, Ozo St. 10A            | Board member                |
| Oleg Martyniuk                      |            | Young Presidents' Organization Lithuania Chapter | 304756507        | Vilnius, Konstitucijos ave. 20A                            | Chairman of the Board, Head |
| <b>Ruslan Sklepovič<sup>3</sup></b> | <b>UAB</b> | <b>Green Genius</b>                              | <b>301557546</b> | <b>Vilnius city municipality, Vilnius, Ozo St. 10A</b>     | <b>Director</b>             |
| Ruslan Sklepovič                    | UAB        | Lifila   | 304137558        | Žilionių village 12, Radviliškis district municipality     | Director                    |

<sup>3</sup> Highlighted – main workplace.

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| Person           | Legal form | Name              | Code      | Address   | Position                                   |
|------------------|------------|-------------------|-----------|---|--|
| Ruslan Sklepovič | AB         | Modus Energy      | 302693613 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Director, Chairman and member of the Board |
| Ruslan Sklepovič | UAB        | Axton Commodities | 304917017 | Vilnius city municipality Vilnius, Juozo Balčikonio St. 9         | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Lepita            | 302854931 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Director, Chairman and member of the Board |
| Ruslan Sklepovič | UAB        | Sigvilta          | 302841574 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Director, Chairman and member of the Board |
| Ruslan Sklepovič | UAB        | Menergija         | 302850267 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Zenergija         | 302850121 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Psenergija        | 302850071 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Senergita         | 302850317 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Jenergija         | 302850299 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Nenergija         | 302850064 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Venergija         | 302850089 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Lenergija         | 302850203 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Chairman and member of the Board           |
| Ruslan Sklepovič | UAB        | Modus grupė       | 302719143 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Board                                      |
| Ruslan Sklepovič | UAB        | Agapas            | 304097697 | Mokyklos st. 2, Gotlybiškių village, Šakiai district municipality | Director                                   |
| Ruslan Sklepovič | ŽŪB        | Ausieniškių       | 302751326 | Vilnius city municipality, Vilnius, Ozo St. 10A                   | Head                                       |
| Ruslan Sklepovič | UAB        | Bonalėja          | 303556891 | Želsvelės st. 1, Želsvos village, Marijampolė municipality        | Director                                   |

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| Person           | Legal form | Name  | Code      | Address   | Position              |
|------------------|------------|---|-----------|---|-----------------------|
| Ruslan Sklepovič | UAB        | Investiciniai turto projektai                   | 303502954 | Grinkiškio st. 24, Kairėnų village, Radviliškis district municipality   | Director              |
| Ruslan Sklepovič | UAB        | Green Genius Lithuania                          | 302841738 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | Ginana  | 302872801 | Panevėžio st. 23-1, Smilgių settlement, Panevėžys district municipality | Director              |
| Ruslan Sklepovič | UAB        | Modus solar turtas                              | 304824538 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | Pavilnių saulės slėnis 25                       | 302794021 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | Helmont Projects                                | 302791057 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | GG Biogas LTU                                   | 302854664 | Vilnius city municipality Vilnius, A. Kojelavičiaus st. 3               | Director              |
| Ruslan Sklepovič | UAB        | GG Biogas PL                                    | 305670388 | Vilnius city municipality, Vilnius, A. Kojelavičiaus st. 3              | Director              |
| Ruslan Sklepovič | UAB        | GG Biogas Investments                           | 305670370 | Vilnius city municipality, Vilnius, A. Kojelavičiaus st. 3              | Director              |
| Ruslan Sklepovič | UAB        | Denergija                                       | 302791071 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | ViaModus  | 302751041 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | Fotona  | 302841720 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Director              |
| Ruslan Sklepovič | UAB        | Green Genius Global                             | 304994394 | Juozo Balčikonio St. 9, LT-08247 Vilnius                                | Director              |
| Ruslan Sklepovič | UAB        | Atsinaujinančios energijos gamintojų asociacija | 302646396 | Vilnius city municipality, Vilnius, Ozo St. 10A                         | Chairman of the Board |
| Ruslan Sklepovič | B.V.       | Green Genius International B.V.                 | 36406945  | Kabelweg 57, kamer 6.05a, 10i 4BA Amsterdam                             | Board member          |
| Ruslan Sklepovič | Sp. z.o.o. | Modus Energy Asset 6                            | 766092    | UL. Ludwika Waryńskiego 3A, 00-645 Warszawa                             | Board member          |
| Ruslan Sklepovič | Sp. z.o.o. | Modus Energy Asset 8                            | 786187    | UL. Ludwika Waryńskiego 3A, 00-645 Warszawa                             | Board member          |
| Ruslan Sklepovič | Sp. z.o.o. | Modus Energy Asset 9                            | 787372    | UL. Ludwika Waryńskiego 3A, 00-645 Warszawa                             | Board member          |
| Ruslan Sklepovič | Sp. z.o.o. | Modus Energy Asset 10 (Freccia)                 | 806694    | UL. Ludwika Waryńskiego 3A, 00-645 Warszawa                             | Board member          |
| Ruslan Sklepovič | Sp. z.o.o. | Modus Solar Asset Poland                        | 727539    | UL. Ludwika Waryńskiego 3A, 00-645 Warszawa                             | Board member          |



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| Person           | Legal form | Name                 | Code      | Address   | Position     |
|------------------|------------|----------------------|-----------|---|--------------|
| Ruslan Sklepovič | CJSC       | Kabylovka Biogas     | 690662468 | 223043, Minsk district, Papernyansky v/s, v. Tsna, 4 Yubileynaya Steet, room 2-14, Belarus                          | Board member |
| Ruslan Sklepovič | CJSC       | Severniy Biogas      | 391003017 | 231522, Grodno region, Shchuchin district, v/s Vasilishkovsky, Vasilishki agro-town, 26 Sovietskaya Street, Belarus | Board member |
| Ruslan Sklepovič | CJSC       | Parohonskoe Biogas   | 690658211 | 225750, Brest region, Pinsk district, Osnezhitsky v/s, Zapolye village, 7 Pinskaya Street, Belarus                  | Board member |
| Ruslan Sklepovič | CJSC       | Zadneprovskiy Biogas | 812003710 | 231522, Grodno region, Shchuchin district, v/s Vasilishkovsky, Vasilishki agro-town, 26 Sovietskaya Street, Belarus | Board member |
| Ruslan Sklepovič | CJSC       | Mir Biogas           | 690664723 | 223043, Minsk district, Papernyansky v/s, v. Tsna, 4 Yubileynaya Street, room 2-15, Belarus                         | Board member |
| Ruslan Sklepovič | CJSC       | Belovezha Biogas     | 690664710 | 225088 Brest region, Kamenets district, Ryasnyansky s / s, ag. Ryasna, st. Anniversary, 1, pom. 32                  | Board member |

Members of the Supervisory Council of UAB Modus Grupė:

| Person                 | Legal form | Name        | Position                        |
|------------------------|------------|-------------|---------------------------------|
| Kęstutis Bagdonavičius | UAB        | Modus Grupė | Chairman and independent member |
| Kęstutis Martinkėnas   | UAB        | Modus Grupė | Member                          |
| Jolanta Martinkėnienė  | UAB        | Modus Grupė | Member                          |
| Saulius Umbrasas       | UAB        | Modus Grupė | Independent member              |

Other managing positions held by the members of the Supervisory Council of UAB Modus Grupė:

| Person                                  | Legal form | Name               | Code             | Address  | Position                               |
|---|------------|--------------------|------------------|--|--|
| <b>Kęstutis Martinkėnas<sup>4</sup></b> | <b>UAB</b> | <b>Modus Grupė</b> | <b>302719143</b> | <b>Vilnius city municipality, Vilnius, Ozo St. 10A</b> | <b>Director for Strategic Planning</b> |
| Kęstutis Martinkėnas                    | UAB        | Viteksta           | 302651710        | Vilnius city municipality, Vilnius, Ozo St. 10A        | Shareholder                            |

<sup>4</sup> **Highlighted** – main workplace.

| Person                                    | Legal form | Name  | Code              | Address  | Position   |
|---|------------|---|-------------------|--|--|
| Kęstutis Martinkėnas                      | UAB        | BLF holding   | 305656157         | Vilnius city municipality Vilnius, Ozo St. 10A             | Shareholder  |
| <b>Jolanta Martinkėnienė<sup>5</sup></b>  | <b>UAB</b> | <b>Modus Grupė</b>  | <b>302719143</b>  | <b>Vilnius city municipality, Vilnius, Ozo St. 10A</b>     | <b>Design Advisor</b>                                |
| <b>Saulius Umbrasas<sup>5</sup></b>       | <b>LLC</b> | <b>E-Band Communications</b>  | <b>95-2140062</b> | <b>17034 Camino San Bernardo, San Diego, CA 92127, USA</b> | <b>Senior Vice-president for Sales and Marketing</b> |
| <b>Kęstutis Bagdonavičius<sup>5</sup></b> | <b>UAB</b> | <b>birkle IT Lithuania UAB</b>  | <b>305839105</b>  | <b>Vilniaus St. 28-201, LT-01402 Vilnius</b>               | <b>Director</b>                                      |
| Kęstutis Bagdonavičius                    | SIA        | birkle IT Latvia SIA  | 40203422631       | Strelnieku iela 1- 3, LV-1010 Riga                         | Director   |
| Kęstutis Bagdonavičius                    | VšĮ        | VŠĮ Global Lithuanian Leaders   | 302484453         | Krokuvos St. 9A-29, LT-09314 Vilnius, Lithuania            | Patron   |
| Kęstutis Bagdonavičius                    | e.V.       | Deutsch-Baltische Handelskammer in Estland, Lettland, Litauen, representative office in Lithuania | 300102428         | Vinco Kudirkos St. 6, LT-03105 Vilnius, Lithuania          | Chairman of the Board                                |
| Kęstutis Bagdonavičius                    | UAB        | UAB "AHK Service"   | 300119018         | Vilniaus st. 28-201, Vilnius                               | Board Member   |

### Environmental protection and sustainability management

The Group considers Environmental Social Governance (ESG) a strategic priority and applies it across all business activities, going beyond compliance with local legislation and regular internal audits on environmental risks and opportunities.

The Group companies operate in three areas directly related to sustainability: renewable energy, the development of the circular economy, and the promotion of the sharing economy. Group's goal is to promote sustainable urban development by encouraging a shift in people's attitudes towards property ownership, prioritizing the principles of the sharing economy.

The Group has also initiated greenhouse gas (GHG) calculations using the GHG Protocol methodology in order to determine its environmental impact across the entire chain of activities (Scope 1, 2, 3). The emissions calculated in 2022 will be considered a benchmark for emission reductions in the Group's future activities. Further data-based climate change mitigation targets are planned.

In 2022, the Group assessed the main areas of ESG importance, involving stakeholders and evaluating the Group's impact on society across economic, environmental, and social factors. Following the assessment of ESG materiality, the Group is developing its long-term ESG strategy, objectives, and practices.

As a member of the Global Compact, the Group reports annually on its ESG achievements in the Group's annual Communication on Progress. The Global Reporting Initiative (GRI) methodology, launched in 2023, will enable unified progress tracking across all Group companies.

The Corporate Affairs, Finance, and Legal departments coordinate ESG initiatives and are responsible for specific ESG topics. They are accountable to the highest governance body. The Corporate Affairs Department oversees the implementation of this area at the Group level.

<sup>5</sup> **Highlighted** – main workplace.

The Group is subject to the following standards of environmental protection:

- Order No 493 of 8 October 2003 of the Minister of the Environment of the Republic of Lithuania, "Information of Fuel Efficiency and Procedure for Informing Users of CO2 Gas Emissions upon Sales of New Passenger Cars".
- Order No 710 of 24 December 2003 of the Minister of the Environment of the Republic of Lithuania on Approval of Rules for Handling of Vehicles not Suitable for Exploitation.
- Management of waste (including hazardous waste) from car servicing and maintenance following the Law on Waste Management requirements and Rules of Waste Management.

### **III. Information on significant events after the end of the financial year**

After the end of the reporting period and up until the date of these financial statements, there were no subsequent events that would impact these financial statements or require additional disclosure, except those described in Note 25 of the consolidated financial statements explanatory notes.

### **IV. Operating plans and forecasts of the Group of companies' activities**

In recent years, the Group has consistently increased its investment in renewable energy and mobility development. The Group plans to continue to focus its investments in these areas, reflecting the long-term strategic priorities of the Group. In addition, the Group will continue to operate in the automotive and real estate sectors consistently.

### **V. Information about the research and development activity of the Group of companies**

The Group conducts market research to justify its projects. The frequency of research is determined by need rather than a fixed annual budget.

### **VI. The number and nominal value of the shares of the parent company controlled by the company itself, its subsidiaries, or other persons authorised but acting on their own behalf**

The Company has no own shares.

### **VII. Information on the objectives of the financial risk management, its policy for hedging major types of foretasted transactions for which hedge accounting is used, and the Group of companies employs financial instruments and when it is important for the valuation of the Group of companies' assets, equity, liabilities, income and costs**

The Group uses derivative financial instruments (forward contracts) to hedge against fluctuations in foreign exchange rates.

Fluctuations in energy, labor, and other variable costs can affect the Company's financial results.

Although the Group does not currently use financial instruments to hedge interest rate risk, the situation is carefully analysed to determine whether additional interest rate risk management tools are necessary. To mitigate the risk, the Group continuously reviews the prices of its services and applies price indexation strategies in response to market fluctuations due to rising interest rates. These measures help to ensure the Group's financial stability and resilience to potential risks.

Erika Huhtala  
Director  
UAB Modus Grupė

Vilnius, the Republic of Lithuania  
28 September 2023

**Consolidated statement of financial position**

| <b>ASSETS</b>  | <b>Notes</b> | <b>As at<br/>30 June 2023</b> | <b>As at<br/>31 December 2022</b> |
|--|--------------|-------------------------------|-----------------------------------|
| <b>Long-term assets</b>  |              |                               |                                   |
| Property, plant and equipment  | 4            | 88 635                        | 82 812                            |
| Investment property  | 4            | 9 146                         | 8 134                             |
| Goodwill   | 5            | 27                            | 27                                |
| Intangible assets  | 5            | 3 965                         | 3 642                             |
| Loans granted and term deposits  | 6            | 420                           | 35                                |
| Investments in entities of the entities group, associated entities and other investments | 9            | 104 613                       | 107 246                           |
| Trade and other receivables  | 7            | 513                           | 495                               |
| Deferred tax assets  |              | 292                           | 76                                |
| <b>Total long-term assets</b>  |              | <b>207 611</b>                | <b>202 467</b>                    |
| <b>Short-term assets</b>   |              |                               |                                   |
| Loans granted and term deposits  | 6            | 42 828                        | 45 723                            |
| Inventories  | 8            | 53 033                        | 62 162                            |
| Trade and other receivables  | 7            | 27 668                        | 28 397                            |
| Derivatives  |              | -                             | 72                                |
| Prepayments, deferred costs and accrued income   | 10           | 6 753                         | 7 556                             |
| Prepaid income tax   |              | 8                             | 24                                |
| Assets held for sale   |              | 53                            | 128                               |
| Cash and cash equivalents  |              | 11 459                        | 8 851                             |
| <b>Total short-term assets</b>   |              | <b>141 802</b>                | <b>152 913</b>                    |
| <b>TOTAL ASSETS</b>  |              | <b>349 413</b>                | <b>355 380</b>                    |

*(continued on the next page)*

**Consolidated statement of financial position (cont'd)**

| <b>EQUITY AND LIABILITIES</b>                                    | <b>Notes</b> | <b>As at<br/>30 June 2023</b> | <b>As at<br/>31 December 2022</b> |
|--|--------------|-------------------------------|-----------------------------------|
| Authorised capital   | 11           | 22 940                        | 22 940                            |
| Share premium  | 11           | 7 879                         | 7 879                             |
| Legal reserve  | 11           | 2 294                         | 2 294                             |
| Revaluation reserve  | 11           | 22 428                        | 21 891                            |
| Currency exchange translation reserve                            |              | 1 545                         | (127)                             |
| Hedge reserve  |              | 120                           | 224                               |
| Retained earnings (loss)   |              | 110 720                       | 110 134                           |
| <b>Equity attributable to shareholders of the parent company</b> |              | <b>167 926</b>                | <b>165 235</b>                    |
| <b>Non-controlling interest</b>                                  |              | <b>242</b>                    | <b>239</b>                        |
| <b>Total equity</b>  |              | <b>168 168</b>                | <b>165 474</b>                    |
| <br><b>Long-term liabilities</b>                                 |              |                               |                                   |
| Long-term bank loans and lease liabilities                       | 12           | 68 519                        | 49 557                            |
| Other long-term financial debts                                  | 13           | 14 137                        | 14 122                            |
| Deferred tax liabilities   |              | 98                            | 66                                |
| Long-term prepayments received                                   | 14           | 552                           | 523                               |
| Employee benefits  |              | 102                           | 102                               |
| Grants and subsidies   |              | 1 801                         | 1 840                             |
| Trade, other payables and non-current liabilities                | 16           | 2 925                         | 4 751                             |
| Provisions   |              | 154                           | 153                               |
| <b>Total long-term liabilities</b>                               |              | <b>88 288</b>                 | <b>71 114</b>                     |
| <br><b>Short-term liabilities</b>                                |              |                               |                                   |
| Short-term bank loans and lease liabilities                      | 12           | 29 812                        | 39 084                            |
| Other short-term financial debts                                 | 13           | 25 679                        | 36 599                            |
| Corporate income tax liabilities                                 |              | 718                           | 775                               |
| Prepayments received, accrued liabilities and deferred income    | 14           | 15 567                        | 20 470                            |
| Liabilities related to employment relations                      | 15           | 4 521                         | 3 931                             |
| Trade, other payables and current liabilities                    | 16           | 16 660                        | 17 933                            |
| <b>Total short-term liabilities</b>                              |              | <b>92 957</b>                 | <b>118 792</b>                    |
| <b>Total liabilities</b>   |              | <b>181 245</b>                | <b>189 906</b>                    |
| <br><b>TOTAL EQUITY AND LIABILITIES</b>                          |              | <b>349 413</b>                | <b>355 380</b>                    |

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

The condensed consolidated interim financial statements were prepared and signed on 28 September 2023:

\_\_\_\_\_  
Erika Huhtala  
Director

\_\_\_\_\_  
Mantas Piliponis  
Group Senior Finance Controller

**Condensed consolidated statement of profit or loss and other comprehensive income**

|  | Notes | 1 January 2023 –<br>30 June 2023 | 1 January 2022 –<br>30 June 2022 |
|--|-------|----------------------------------|----------------------------------|
| Revenue  | 17    | 192 634                          | 191 131                          |
| Cost of sales  | 18    | (163 657)                        | (161 629)                        |
| <b>Gross profit</b>  |       | <b>28 977</b>                    | <b>29 502</b>                    |
| Other activity income  |       | 623                              | 693                              |
| Other activity expenses  |       | (313)                            | (172)                            |
| Selling expenses   | 19    | (9 463)                          | (7 742)                          |
| Administrative expenses  | 20    | (10 448)                         | (7 692)                          |
| Impairment loss on trade receivables and contract assets                   |       | 2                                | (98)                             |
| <b>Operating profit (loss)</b>   |       | <b>9 378</b>                     | <b>14 491</b>                    |
| Finance income   | 21    | 2 044                            | 1 137                            |
| Finance costs  | 21    | (3 914)                          | (2 934)                          |
| <b>Finance activity result</b>   |       | <b>(1 870)</b>                   | <b>(1 797)</b>                   |
| Share of profit of associated or jointly controlled entities               | 9     | (3 181)                          | 3 661                            |
| <b>Profit (loss) before tax</b>  |       | <b>4 327</b>                     | <b>16 355</b>                    |
| Corporate income tax   | 22    | (1 458)                          | (1 642)                          |
| <b>Net profit (loss) from continuing operations</b>                        |       | <b>2 869</b>                     | <b>14 713</b>                    |
| <b>Net profit (loss) from discontinued operations</b>                      |       | <b>(2 345)</b>                   | <b>-</b>                         |
| <b>Total net profit (loss)</b>   |       | <b>524</b>                       | <b>14 713</b>                    |
| <b>Other comprehensive income</b>  |       |                                  |                                  |
| <i>Items that will be reclassified subsequently to profit or loss:</i>     |       |                                  |                                  |
| Effect of translation to presentation currency                             |       | 1 672                            | (44)                             |
| Hedge reserve  |       | (104)                            | -                                |
| <b>Items that will be reclassified subsequently to profit or loss:</b>     |       | <b>1 568</b>                     | <b>(44)</b>                      |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> |       |                                  |                                  |
| Employee benefits (accrual)  |       | -                                | -                                |
| Revaluation of property, plant and equipment                               |       | 586                              | -                                |
| <b>Items that will not be reclassified subsequently to profit or loss:</b> |       | <b>586</b>                       | <b>-</b>                         |
| <b>Total comprehensive income</b>  |       | <b>2 678</b>                     | <b>14 669</b>                    |
| <b>Net profit (loss) attributable to:</b>                                  |       |                                  |                                  |
| Shareholders of the parent company   |       | 521                              | 14 605                           |
| Non-controlling interest   |       | 3                                | 108                              |
| <b>Total comprehensive income attributable to:</b>                         |       |                                  |                                  |
| Shareholders of the parent company   |       | 2 675                            | 14 561                           |
| Non-controlling interest   |       | 3                                | 108                              |

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

The condensed consolidated interim financial statements were prepared and signed on 28 September 2023:

\_\_\_\_\_  
Erika Huhtala  
Director

\_\_\_\_\_  
Mantas Piliponis  
Group Senior Finance Controller

## UAB Modus Grupė

Company code 302719143

Condensed consolidated statement of changes in equity for the 6 months period ended 30 June 2023

(In EUR thousand, unless otherwise stated)

### Condensed consolidated statement of changes in equity

|  | Authorised capital | Share premium | Legal reserve | Revaluation reserve | Currency exchange translation reserve | Hedge reserve | Retained earnings (losses) | Attributable to shareholders of the parent company | Non-controlling interests | Total          |
|--|--------------------|---------------|---------------|---------------------|---------------------------------------|---------------|----------------------------|--|---------------------------|----------------|
| <b>As at 1 January 2022</b>                                | <b>22 940</b>      | <b>7 879</b>  | <b>2 294</b>  | <b>3 220</b>        | <b>133</b>                            | <b>-</b>      | <b>105 160</b>             | <b>105 008</b>                                     | <b>152</b>                | <b>141 626</b> |
| Net profit (loss) for the reporting period                 | -                  | -             | -             | -                   | -                                     | -             | 14 713                     | 14 605   | 108                       | 14 713         |
| Other comprehensive income for the reporting period        | -                  | -             | -             | -                   | (44)                                  | -             | -                          | -  | -                         | (44)           |
| <b>Total comprehensive income for the reporting period</b> | <b>-</b>           | <b>-</b>      | <b>-</b>      | <b>-</b>            | <b>(44)</b>                           | <b>-</b>      | <b>14 713</b>              | <b>14 605</b>                                      | <b>108</b>                | <b>14 669</b>  |
| Transfers to legal reserve                                 | -                  | -             | -             | -                   | -                                     | -             | -                          | -  | -                         | -              |
| Revaluation reserve used                                   | -                  | -             | -             | (202)               | -                                     | -             | 202                        | 202  | -                         | -              |
| Dividends  | -                  | -             | -             | -                   | -                                     | -             | (120)                      | (120)  | -                         | (120)          |
| <b>As at 30 June 2022</b>                                  | <b>22 940</b>      | <b>7 879</b>  | <b>2 294</b>  | <b>3 018</b>        | <b>89</b>                             | <b>-</b>      | <b>119 955</b>             | <b>119 695</b>                                     | <b>260</b>                | <b>156 175</b> |
| <b>As at 1 January 2023</b>                                | <b>22 940</b>      | <b>7 879</b>  | <b>2 294</b>  | <b>21 891</b>       | <b>(127)</b>                          | <b>224</b>    | <b>110 373</b>             | <b>110 134</b>                                     | <b>239</b>                | <b>165 474</b> |
| Net profit (loss) for the reporting period                 | -                  | -             | -             | -                   | -                                     | -             | 524                        | 521  | 3                         | 524            |
| Other comprehensive income for the reporting period        | -                  | -             | -             | 586                 | 1 672                                 | (104)         | -                          | -  | -                         | 2 154          |
| <b>Total comprehensive income for the reporting period</b> | <b>-</b>           | <b>-</b>      | <b>-</b>      | <b>586</b>          | <b>1 672</b>                          | <b>(104)</b>  | <b>524</b>                 | <b>521</b>   | <b>3</b>                  | <b>2 678</b>   |
| Transfers to legal reserve                                 | -                  | -             | -             | -                   | -                                     | -             | -                          | -  | -                         | -              |
| Revaluation reserve used                                   | -                  | -             | -             | (49)                | -                                     | -             | 49                         | 49   | -                         | -              |
| Prior reporting period corrections                         | -                  | -             | -             | -                   | -                                     | -             | 16                         | 16   | -                         | 16             |
| Dividends  | -                  | -             | -             | -                   | -                                     | -             | -                          | -  | -                         | -              |
| <b>As at 30 June 2023</b>                                  | <b>22 940</b>      | <b>7 879</b>  | <b>2 294</b>  | <b>22 428</b>       | <b>1 545</b>                          | <b>120</b>    | <b>110 962</b>             | <b>110 720</b>                                     | <b>242</b>                | <b>168 168</b> |

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

The condensed consolidated interim financial statements were prepared and signed on 28 September 2023:

\_\_\_\_\_  
Erika Huhtala  
Director

\_\_\_\_\_  
Mantas Piliponis  
Group Senior Finance Controller

## Condensed consolidated statement of cash flows

|  | Notes | 1 January 2023 –<br>30 June 2023 | 1 January 2022 –<br>30 June 2022 |
|--|-------|----------------------------------|----------------------------------|
| <b>Cash flows from operating activities</b>  |       |                                  |                                  |
| Net profit (loss)  |       | 524                              | 14 713                           |
| Elimination of non-monetary transactions:  |       |                                  |                                  |
| Depreciation expenses  | 4     | 5 237                            | 4 545                            |
| Amortisation expenses  | 5     | 645                              | 538                              |
| Share of profit of associated and jointly controlled entities                        | 9     | 5 526                            | (3 661)                          |
| Impairment (reversal) of trade and other receivables                                 |       | (2)                              | 98                               |
| Write down (reversal of write down) of inventories to net realisable value           | 20    | 664                              | 108                              |
| Impairment (reversal) of loans granted   |       | 7                                | 36                               |
| Impairment of financial assets at fair value (gain on increase)                      |       | -                                | -                                |
| Change in fair value of derivative financial instruments                             |       | 30                               | 90                               |
| Change in provisions   |       | 1                                | 37                               |
| Revaluation reserve formed   |       | -                                | -                                |
| Finance (income) costs   | 21    | 1 809                            | 1 478                            |
| Effect of currency exchange  | 21    | 24                               | 191                              |
| Loss (profit) on disposal of property, plant and equipment, and intangible assets    |       | (2 540)                          | (176)                            |
| Loss (profit) on disposal of investments into subsidiaries                           |       | 128                              | -                                |
| Income tax expenses (income)   | 22    | 1 449                            | 1 642                            |
| Amortisation of grants   |       | (77)                             | (126)                            |
| Elimination of other non-monetary transactions                                       |       | 268                              | (86)                             |
| Effect of changes in working capital:  |       |                                  |                                  |
| (Increase) decrease in inventories   | 8     | 8 475                            | 20 067                           |
| (Increase) decrease in trade and other receivables                                   | 7     | 745                              | (1 629)                          |
| Decrease (increase) in prepayments, deferred costs and accrued income                | 10    | 790                              | (3 436)                          |
| Decrease (increase) in non-current assets held for sale                              |       | 51                               | 25                               |
| Increase (decrease) in trade, other payables and current liabilities                 | 16    | (3 099)                          | (25 921)                         |
| Increase (decrease) in prepayments received, accrued liabilities and deferred income | 14    | (4 846)                          | (456)                            |
| Increase (decrease) in employment related liabilities                                | 15    | 590                              | 774                              |
| Paid income tax  |       | (1 800)                          | (1 448)                          |
| <b>Net cash from operating activities</b>  |       | <b>14 599</b>                    | <b>7 403</b>                     |

(continued on the next page)



**Condensed consolidated statement of cash flows (cont'd)**

|  | Notes  | 1 January 2023 –<br>30 June 2023 | 1 January 2022 –<br>30 June 2022 |
|--|--------|----------------------------------|----------------------------------|
| <b>Cash flows from investing activities</b>                            |        |                                  |                                  |
| Acquisition of property, plant and equipment and intangible assets     | 4; 5   | (16 248)                         | (4 131)                          |
| Disposal of property, plant and equipment and intangible assets        | 4; 5   | 20 358                           | 7 214                            |
| Grants received  |        | 38                               | 371                              |
| Acquisition of bonds   | 9      | (200)                            | -                                |
| Redemption of bonds  |        | -                                | -                                |
| Acquisition of other long-term investments                             | 9      | (65)                             | -                                |
| Acquisition of associated entities                                     |        | -                                | -                                |
| Acquisition of subsidiaries  |        | -                                | -                                |
| Disposal of subsidiaries   |        | (1)                              | -                                |
| Term deposit payments  |        | -                                | (1 188)                          |
| Redemption of term deposits  |        | -                                | -                                |
| Loans granted  | 6      | (518)                            | (340)                            |
| Loans recovered  | 6      | 3 023                            | 340                              |
| Dividends received   | 21     | 13                               | 67                               |
| Interest received  | 6      | 524                              | 398                              |
| Other increase (decrease) in cash flows from (to) investing activities |        | 3                                | 251                              |
| <b>Net cash used in investing activities</b>                           |        | <b>6 927</b>                     | <b>2 982</b>                     |
| <b>Cash flows from financing activities</b>                            |        |                                  |                                  |
| Loans received   | 12; 13 | 7 762                            | 16 747                           |
| Loans repayment  | 12; 13 | (9 461)                          | (9 984)                          |
| Emission of bonds  |        | -                                | 3 172                            |
| Repurchase of bonds  | 13     | (8 172)                          | (4 958)                          |
| Interest paid and transaction costs                                    | 12; 13 | (3 172)                          | (2 094)                          |
| Lease payments   | 12     | (10 457)                         | (14 388)                         |
| Dividend paid to non-controlling interests                             |        | -                                | -                                |
| Change in non-controlling interests                                    |        | -                                | -                                |
| Other increase (decrease) in cash flows from (to) financing activities |        | 4 582                            | 4 031                            |
| <b>Net cash generated from/(used in) financing activities</b>          |        | <b>(18 918)</b>                  | <b>(7 474)</b>                   |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>    |        | <b>-</b>                         | <b>-</b>                         |
| <b>Increase (decrease) in net cash flows</b>                           |        | <b>2 608</b>                     | <b>2 911</b>                     |
| <b>Cash and cash equivalents at the beginning of the period</b>        |        | <b>8 851</b>                     | <b>11 365</b>                    |
| <b>Cash and cash equivalents at the end of the period</b>              |        | <b>11 459</b>                    | <b>14 276</b>                    |

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

The condensed consolidated interim financial statements were prepared and signed on 28 September 2023:

\_\_\_\_\_  
Erika Huhtala  
Director

\_\_\_\_\_  
Mantas Piliponis  
Group Senior Finance Controller

## **Explanatory notes to the condensed consolidated interim financial statements**

### **1. General information**

UAB Modus Grupė (hereinafter "the Company") is a joint stock company registered with the Register of Legal Entities on 30 January 2012 under the Law on Register of Companies of the Republic of Lithuania, company code 302719143, legal address: Ozo g. 10A, LT-08200 Vilnius. Activities of the company – consulting management activities.

The ultimate parent company is MG NL Holding B.V., legal address Fred. Roeskestraat 115, 1076 EE Amsterdam, the Netherlands, company code: 58978976. Activities of the company – consulting on business management and other issues.

The Group consists of the Company and its 7 subsidiaries (31 December 2022 – 8), 49 secondary subsidiaries (31 December 2022 – 46), and 2 associated companies (31 December 2022 – 2).

#### Acquisition/establishment of Group companies

During 2023, the Group has established the following entities: Luxury Motors sp. z o.o., Mobility Fleet Solutions Spain S.L.U and Moje včela s.r.o. whereof 100% of shares are owned by the Group.

#### Sales of the Group companies

In 25 January 2023 Group sold 100% shares of directly controlled subsidiary Axton Commodities UAB. From sale incurred loss of 128 thousand is accounted for in the statement of profit or loss and other comprehensive income under the other activity expenses article.

#### Other general information

In the first half of 2022, the average number of employees in the Group was 683 (in the first half of 2021 – 616 employees).

### **2. Basis of preparation**

These condensed consolidated interim financial statements (hereinafter – financial statements) have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (hereinafter – IAS 34).

These financial statements do not contain all the explanatory notes that are mandatory in the annual consolidated financial statements and should, therefore, be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2022, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The financial statements are prepared assuming that the Group will continue as a going concern in the near future.

The financial statements have been prepared on the acquisition cost basis, except for property, plant, and equipment – the asset groups of buildings and pipes, as well as machinery and equipment of the solar and biogas power plants at a revalued value, the investment property – the Group of buildings at fair value, and the investments at fair value.

All amounts in these financial statements are presented in the legal currency of Lithuania – the euro (EUR). The financial statements are presented in thousands of euros unless otherwise stated.

The Group's management prepared and signed these financial statements on 28 September 2023.

Financial statements for the six months period ended 30 June 2023 and 30 June 2022 were not audited. An independent auditor, UAB KPMG Baltics, audited financial statements for the year ended 31 December 2022.

### **3. Use of estimates in the preparation of financial statements**

The preparation of these condensed consolidated interim financial statements (hereinafter – financial statements) requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, income, and costs and contingencies. Future events may cause the assumptions used in arriving at the estimates to change.

Significant management judgments in applying the Group's accounting policies and significant areas in which estimates are used were the same as those presented and described in the Group's financial statements for the year ended 31 December 2022.

#### **4. Change of group accounting policy**

In order to more appropriately disclose the Group's financial condition from 1 January 2023, the Group started accounting for land accounted for as investment property at fair value (previously, the cost method was applied) based on independent valuations.

**4. Property, plant and equipment and investment property**

Property, plant and equipment of the Group comprised:

|  | Land        | Buildings and pipelines | Structures     | Machinery and equipment of solar and biogas power plants | Other machinery and equipment | Vehicles       | Other equipment, fittings and tools | Prepayments and construction in progress | Total           |
|--|-------------|-------------------------|----------------|--|-------------------------------|----------------|-------------------------------------|--|-----------------|
| <b>Acquisition cost</b>                        |             |                         |                |  |                               |                |                                     |  |                 |
| <b>As at 1 January 2022</b>                    | <b>236</b>  | <b>10 021</b>           | <b>15 670</b>  | <b>271</b>   | <b>6 248</b>                  | <b>47 492</b>  | <b>7 794</b>                        | <b>627</b>                               | <b>88 359</b>   |
| Acquisition of a property (+)                  | -           | -                       | 1 712          | -  | 294                           | 43 065         | 1 076                               | 173                                      | 46 320          |
| Revaluation (+)                                | -           | (501)                   | -              | -  | (114)                         | -              | -                                   | -  | (615)           |
| Disposal of subsidiaries (-)                   | -           | (4 839)                 | -              | -  | (4 036)                       | -              | (1 277)                             | -  | (10 152)        |
| Effect of foreign currency translation (+ / -) | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposals and write-offs (-)                   | (31)        | -                       | (31)           | -  | (9)                           | (37 188)       | (214)                               | -  | (37 473)        |
| Reclassifications (+ / -)                      | -           | -                       | 283            | 170  | (172)                         | 13 558         | (130)                               | (163)                                    | 13 546          |
| Transfers to investment property (-)           | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| <b>As at 31 December 2022</b>                  | <b>205</b>  | <b>4 681</b>            | <b>17 634</b>  | <b>441</b>   | <b>2 211</b>                  | <b>66 927</b>  | <b>7 249</b>                        | <b>637</b>                               | <b>99 985</b>   |
| Acquisition of a property (+)                  | -           | -                       | 14             | -  | 43                            | 29 087         | 885                                 | 263                                      | 30 292          |
| Revaluation (+)                                | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposal of subsidiaries (-)                   | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Effect of foreign currency translation (+ / -) | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposals and write-offs (-)                   | -           | -                       | -              | -  | (179)                         | (22 640)       | (914)                               | (5)                                      | (23 738)        |
| Reclassifications (+ / -)                      | -           | -                       | -              | (8)  | 8                             | (9)            | 20                                  | (20)                                     | (9)             |
| Transfers to investment property (-)           | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| <b>As at 30 June 2023</b>                      | <b>205</b>  | <b>4 681</b>            | <b>17 648</b>  | <b>433</b>   | <b>2 083</b>                  | <b>73 365</b>  | <b>7 240</b>                        | <b>875</b>                               | <b>106 530</b>  |
| <b>Accumulated depreciation</b>                |             |                         |                |  |                               |                |                                     |  |                 |
| <b>As at 1 January 2022</b>                    | <b>(81)</b> | <b>(955)</b>            | <b>(3 574)</b> | <b>(75)</b>  | <b>(2 703)</b>                | <b>(5 775)</b> | <b>(4 463)</b>                      | -  | <b>(17 626)</b> |
| Depreciation for the period (-)                | (11)        | (524)                   | (1 622)        | (23)   | (580)                         | (5 988)        | (988)                               | -  | (9 736)         |
| Disposal of subsidiaries (+)                   | -           | 1 866                   | -              | -  | 2 014                         | -              | 1 260                               | -  | 5 140           |
| Effect of foreign currency translation (+ / -) | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposals and write-offs (+)                   | 31          | -                       | 28             | -  | 8                             | 5 646          | 165                                 | -  | 5 878           |
| Reclassifications (+ / -)                      | -           | -                       | (5)            | (150)  | 150                           | -              | 6                                   | -  | 1               |
| Transfers to investment property (-)           | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| <b>As at 31 December 2022</b>                  | <b>(61)</b> | <b>387</b>              | <b>(5 173)</b> | <b>(248)</b>   | <b>(1 111)</b>                | <b>(6 117)</b> | <b>(4 020)</b>                      | -  | <b>(16 343)</b> |
| Depreciation for the period (-)                | (1)         | (97)                    | (1 343)        | (11)   | (165)                         | (3 087)        | (533)                               | -  | (5 237)         |
| Disposal of subsidiaries (+)                   | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Effect of foreign currency translation (+ / -) | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposals and write-offs (+)                   | -           | -                       | -              | -  | 179                           | 3 385          | 873                                 | -  | 4 437           |
| Reclassifications (+ / -)                      | -           | -                       | -              | 8  | (8)                           | 77             | -                                   | -  | 77              |
| Transfers to investment property (-)           | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| <b>As at 30 June 2023</b>                      | <b>(62)</b> | <b>290</b>              | <b>(6 516)</b> | <b>(251)</b>   | <b>(1 105)</b>                | <b>(5 742)</b> | <b>(3 680)</b>                      | -  | <b>(17 066)</b> |
| <b>Impairment</b>                              |             |                         |                |  |                               |                |                                     |  |                 |
| <b>As at 1 January 2022</b>                    | -           | -                       | -              | -  | -                             | (17)           | (774)                               | -  | (791)           |
| Impairment for the year (-)                    | -           | (1 125)                 | -              | -  | (830)                         | (56)           | -                                   | -  | (2 011)         |
| Disposal of subsidiaries (-)                   | -           | 1 125                   | -              | -  | 830                           | -              | -                                   | -  | 1 955           |
| Disposals and write-offs (+)                   | -           | -                       | -              | -  | -                             | 17             | -                                   | -  | 17              |
| <b>As at 31 December 2022</b>                  | -           | -                       | -              | -  | -                             | (56)           | (774)                               | -  | (830)           |
| Impairment for the year (-)                    | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposal of subsidiaries (+)                   | -           | -                       | -              | -  | -                             | -              | -                                   | -  | -               |
| Disposals and write-offs (+)                   | -           | -                       | -              | -  | -                             | 1              | -                                   | -  | 1               |
| <b>As at 30 June 2023</b>                      | -           | -                       | -              | -  | -                             | (55)           | (774)                               | -  | (829)           |
| <b>Carrying amount as at:</b>                  |             |                         |                |  |                               |                |                                     |  |                 |
| <b>As at 31 December 2022</b>                  | <b>144</b>  | <b>5 068</b>            | <b>12 461</b>  | <b>193</b>   | <b>1 100</b>                  | <b>60 754</b>  | <b>2 455</b>                        | <b>637</b>                               | <b>82 812</b>   |
| <b>As at 30 June 2023</b>                      | <b>143</b>  | <b>4 971</b>            | <b>11 132</b>  | <b>182</b>   | <b>978</b>                    | <b>67 568</b>  | <b>2 786</b>                        | <b>875</b>                               | <b>88 635</b>   |

**4. Property, plant and equipment and investment property (cont'd)**

Investment property of the Group comprised the following:

|  | <u>Land</u>  | <u>Buildings</u> | <u>Total</u> |
|--|--------------|------------------|--------------|
| <b>Acquisition cost</b>                                    |              |                  |              |
| <b>As at 1 January 2022</b>                                | <b>3 301</b> | <b>4 204</b>     | <b>7 505</b> |
| Additions (+)  | -            | -                | -            |
| Disposals and write-offs (-)                               | -            | -                | -            |
| Changes in fair value (+ / -)                              | -            | 834              | 834          |
| <b>As at 31 December 2022</b>                              | <b>3 301</b> | <b>5 038</b>     | <b>8 339</b> |
| Additions (+)  | -            | -                | -            |
| Disposals and write-offs (-)                               | -            | -                | -            |
| Changes in fair value (+ / -)                              | 807          | -                | 807          |
| <b>As at 30 June 2023</b>                                  | <b>4 108</b> | <b>5 038</b>     | <b>9 146</b> |
| <b>Impairment</b>  |              |                  |              |
| <b>As at 1 January 2022</b>                                | <b>(205)</b> | -                | <b>(205)</b> |
| Impairment (impairment reversal) during the period (+ / -) | -            | -                | -            |
| <b>As at 31 December 2022</b>                              | <b>(205)</b> | -                | <b>(205)</b> |
| Impairment (impairment reversal) during the period (+ / -) | 205          | -                | 205          |
| <b>As at 30 June 2023</b>                                  | -            | -                | -            |
| <b>Carrying amount:</b>                                    |              |                  |              |
| <b>As at 31 December 2022</b>                              | <b>3 096</b> | <b>5 038</b>     | <b>8 134</b> |
| <b>As at 30 June 2023</b>                                  | <b>4 108</b> | <b>5 038</b>     | <b>9 146</b> |

**5. Intangible assets**

Intangible assets of the Group comprised the following:

|                                    | Goodwill   | Software       | Concessions,<br>trademarks<br>and similar<br>rights | Other<br>intangible<br>assets | Advance<br>payments | Total          |
|------------------------------------|------------|----------------|---|-------------------------------|---------------------|----------------|
| <b>Acquisition cost</b>            |            |                |   |                               |                     |                |
| <b>As at 1 January 2022</b>        | 27         | 4 941          | 194   | 572                           | -                   | 5 734          |
| Additions (+)                      | -          | 1 416          | 73  | 48                            | 62                  | 1 599          |
| Sales of subsidiaries (-)          | -          | -              | (2)   | -                             | -                   | (2)            |
| Acquisition of subsidiaries (+)    | 4          | -              | -   | -                             | -                   | 4              |
| Currency exchange effect (+ / -)   | -          | -              | -   | -                             | -                   | -              |
| Disposals and write-offs (-)       | -          | (45)           | (8)   | (112)                         | -                   | (165)          |
| Reclassifications (+ / -)          | -          | -              | -   | -                             | -                   | -              |
| <b>As at 31 December 2022</b>      | <b>31</b>  | <b>6 312</b>   | <b>257</b>  | <b>508</b>                    | <b>62</b>           | <b>7 170</b>   |
| Additions (+)                      | -          | 849            | 53  | 17                            | 49                  | 968            |
| Sales of subsidiaries (-)          | -          | -              | -   | -                             | -                   | -              |
| Acquisition of subsidiaries (+)    | -          | -              | -   | -                             | -                   | -              |
| Currency exchange effect (+ / -)   | -          | -              | -   | -                             | -                   | -              |
| Disposals and write-offs (-)       | -          | (165)          | -   | -                             | -                   | (165)          |
| Reclassifications (+ / -)          | -          | 159            | (97)  | -                             | (62)                | -              |
| <b>As at 30 June 2023</b>          | <b>31</b>  | <b>7 155</b>   | <b>213</b>  | <b>525</b>                    | <b>49</b>           | <b>7 973</b>   |
| <b>Amortization</b>                |            |                |   |                               |                     |                |
| <b>As at 1 January 2022</b>        | -          | (2 252)        | (69)  | (313)                         | -                   | (2 634)        |
| Amortization during the period (-) | -          | (812)          | (48)  | (170)                         | -                   | (1 030)        |
| Sales of subsidiaries (+)          | -          | -              | 2   | -                             | -                   | 2              |
| Currency exchange effect (+ / -)   | -          | -              | -   | -                             | -                   | -              |
| Disposals and write-offs (-)       | -          | 45             | 8   | 112                           | -                   | 165            |
| Reclassifications (+ / -)          | -          | -              | -   | -                             | -                   | -              |
| <b>As at 31 December 2022</b>      | <b>-</b>   | <b>(3 019)</b> | <b>(107)</b>  | <b>(371)</b>                  | <b>-</b>            | <b>(3 497)</b> |
| Amortization during the period (-) | -          | (541)          | (32)  | (72)                          | -                   | (645)          |
| Sales of subsidiaries (+)          | -          | -              | -   | -                             | -                   | -              |
| Currency exchange effect (+ / -)   | -          | -              | -   | -                             | -                   | -              |
| Disposals and write-offs (-)       | -          | 165            | -   | -                             | -                   | 165            |
| Reclassifications (+ / -)          | -          | (32)           | 32  | -                             | -                   | -              |
| <b>As at 30 June 2023</b>          | <b>-</b>   | <b>(3 427)</b> | <b>(107)</b>  | <b>(443)</b>                  | <b>-</b>            | <b>(3 977)</b> |
| <b>Impairment</b>                  |            |                |   |                               |                     |                |
| <b>As at 1 January 2022</b>        | -          | -              | -   | -                             | -                   | -              |
| Impairment within the period (-)   | (4)        | -              | -   | -                             | -                   | (4)            |
| <b>As at 31 December 2022</b>      | <b>(4)</b> | <b>-</b>       | <b>-</b>  | <b>-</b>                      | <b>-</b>            | <b>(4)</b>     |
| Impairment within the period (-)   | -          | -              | -   | -                             | -                   | -              |
| <b>As at 30 June 2023</b>          | <b>(4)</b> | <b>-</b>       | <b>-</b>  | <b>-</b>                      | <b>-</b>            | <b>(4)</b>     |
| <b>Carrying amount as at:</b>      |            |                |   |                               |                     |                |
| <b>As at 31 December 2022</b>      | <b>27</b>  | <b>3 293</b>   | <b>150</b>  | <b>137</b>                    | <b>62</b>           | <b>3 669</b>   |
| <b>As at 30 June 2023</b>          | <b>27</b>  | <b>3 728</b>   | <b>106</b>  | <b>82</b>                     | <b>49</b>           | <b>3 992</b>   |

**6. Loans granted and term deposits**

The Group's long-term loans granted and term deposits comprised the following:

|  | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-------------------------|-----------------------------|
| Loans to related parties (Note 23)               | 15                      | 15                          |
| Loans to other companies                         | 1 590                   | 1 205                       |
| Accrued receivable interest from other companies | 61                      | 61                          |
|  | <u>1 666</u>            | <u>1 281</u>                |
| Less: impairment (other companies)               | (1 246)                 | (1 246)                     |
| Total loans granted                              | 420                     | 35                          |
| <b>Total</b>                                     | <b><u>420</u></b>       | <b><u>35</u></b>            |

Short-term loans granted by the Group and term deposits comprised the following:

|  | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-------------------------|-----------------------------|
| Loans to related parties (Note 23)                         | 44 738                  | 47 629                      |
| Accrued interest receivable from related parties (Note 23) | 1 725                   | 1 722                       |
| Loans to other entities                                    | 150                     | 150                         |
| Accrued interest receivable from other entities            | 2                       | 2                           |
|  | <u>46 615</u>           | <u>49 503</u>               |
| Less: impairment (from related parties, Note 32)           | (4 636)                 | (4 629)                     |
| Less: impairment (from other companies)                    | (151)                   | (151)                       |
| Total loans granted  | 41 828                  | 44 723                      |
| Current term deposits and accrued interest receivable      | 1 000                   | 1 000                       |
| <b>Total</b>   | <b><u>42 828</u></b>    | <b><u>45 723</u></b>        |

**7. Trade and other receivables**

The Group's trade and other receivables comprised the following:

|   | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|---|-------------------------|-----------------------------|
| Trade receivables   | 5 675                   | 5 504                       |
| Receivable finance lease amounts  | 359                     | 651                         |
| Receivables from related parties (Note 23)                                | 20 496                  | 21 214                      |
|   | <u>26 530</u>           | <u>27 369</u>               |
| Less: impairment allowance for receivables                                | (643)                   | (891)                       |
| Less: impairment allowance for receivables from related parties (Note 23) | (846)                   | (850)                       |
| Less: non-current leasing receivables                                     | (273)                   | (273)                       |
| <b>Trade receivables, net</b>   | <b><u>24 768</u></b>    | <b><u>25 355</u></b>        |
| Receivable VAT  | 1 028                   | 1 414                       |
| Overpayment of other taxes and prepaid taxes                              | 695                     | 766                         |
| Collaterals and other receivables   | 1 417                   | 1 084                       |
|   | <u>3 140</u>            | <u>3 264</u>                |
| Less: other non-current receivables                                       | (240)                   | (222)                       |
| <b>Other receivables, net</b>   | <b><u>2 900</u></b>     | <b><u>3 042</u></b>         |
| <b>Total</b>  | <b><u>27 668</u></b>    | <b><u>28 397</u></b>        |

## 8. Inventories

The Group's inventories comprised the following:

|  | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-------------------------|-----------------------------|
| Goods for resale                         | 55 566                  | 64 003                      |
| Less: write-down to net realisable value | (2 621)                 | (1 974)                     |
| Goods for resale                         | <u>52 945</u>           | <u>62 029</u>               |
| Raw materials, materials and consumables | 88                      | 119                         |
| Unfinished goods and work in progress    | -                       | 14                          |
| <b>Total</b>                             | <b><u>53 033</u></b>    | <b><u>62 162</u></b>        |

## 9. Other investments

Other long-term investments of the Group comprised the following:

- 1) Investments in associates, accounted for using the equity method:

|  | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-------------------------|-----------------------------|
| Green Genius International B.V. (previously Modus Energy International B.V.) | 79 906                  | 83 225                      |
| <b>Total</b>   | <b><u>79 906</u></b>    | <b><u>83 225</u></b>        |

Changes in the Group's investments in associates, stated at equity method, during the year were the follows:

|   | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|---|-------------------------|-----------------------------|
| <b>The Group's investments in associates at the beginning of the period</b> | <b>83 225</b>           | <b>76 089</b>               |
| Increase (decrease) due to share of net profit (loss)                       | (5 526)                 | (12 204)                    |
| Increase (decrease) due to other comprehensive income part                  | 2 207                   | 19 340                      |
| <b>The Group's investments in associates at the end of the period</b>       | <b><u>79 906</u></b>    | <b><u>83 225</u></b>        |

Increase (decrease) in the Group's investments in associates due to profit (loss) is accounted for in the statement of profit or loss and other comprehensive income under the share of profit of associated or jointly controlled entities and net profit (loss) from discontinued operations.

- 2) Debt securities:

|                             | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|-----------------------------|-------------------------|-----------------------------|
| Bonds                       | 15 239                  | 15 043                      |
| Accrued receivable interest | 3 174                   | 2 720                       |
| <b>Total</b>                | <b><u>18 413</u></b>    | <b><u>17 763</u></b>        |

- 3) Investments in shares:

|                                     | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|-------------------------------------|-------------------------|-----------------------------|
| UAB Parkdema                        | 2 370                   | 2 370                       |
| Air Lituanica Club - 2% of shares   | 25                      | 25                          |
| Wise Guys Batch 9 OU - 1% of shares | 4                       | 4                           |
| Other                               | 5                       | 5                           |
| <b>Total</b>                        | <b><u>2 404</u></b>     | <b><u>2 404</u></b>         |



## UAB Modus Grupė

Company code 302719143

Explanatory notes to the consolidated financial statements for the 6 months period ended 30 June 2023

(In EUR thousand, unless otherwise stated)

### 9. Other investments (cont'd)

4) Investments in investment units:

|   | <u>30 June<br/>2023</u>      | <u>31 December<br/>2022</u>  |
|---|------------------------------|------------------------------|
| Modus Remote Solar Fund I                     | 1 888                        | 1 885                        |
| Modus Renewable Energy Lithuanian Investments | 1 556                        | 1 556                        |
| Stichting First Energie Fonds                 | 335                          | 363                          |
| Clean Energy Infrastructure Fund              | 58                           | -                            |
| Wise Guys Cyber Fund 1                        | 50                           | 50                           |
| Other   | 3                            | -                            |
| <b>Total</b>                                  | <b><u>3 890</u></b>          | <b><u>3 854</u></b>          |
| <b>Total (1+2+3+4)</b>                        | <b><u><u>104 613</u></u></b> | <b><u><u>107 246</u></u></b> |

### 10. Prepayments, deferred costs and accrued income

The Group's prepayments, deferred costs and accrued income comprised the following:

|  | <u>30 June<br/>2023</u>    | <u>31 December<br/>2022</u> |
|--|----------------------------|-----------------------------|
| Prepayments                              | 3 928                      | 4 997                       |
| Prepayments to related parties (Note 23) | 25                         | 220                         |
| Accrued income                           | 599                        | 719                         |
| Deferred costs                           | 2 201                      | 1 620                       |
| <b>Total</b>                             | <b><u><u>6 753</u></u></b> | <b><u><u>7 556</u></u></b>  |

### 11. Equity

#### Authorised capital

As of 30 June 2023 and 31 December 2022, the Company's authorised capital comprised 79,102,700 ordinary shares with a nominal value of EUR 0.29 each. All the shares are fully paid in.

As of 30 June 2023 and 31 December 2022, the Group's shareholders were as follows:

|                    | <u>Number of<br/>shares<br/>2023</u> | <u>Number of<br/>shares<br/>2022</u> | <u>Ownership<br/>interest (%)</u> | <u>Shares with<br/>voting rights (%)</u> |
|--------------------|--------------------------------------|--------------------------------------|-----------------------------------|--|
| MG NL holding B.V. | 79 102 700                           | 79 102 700                           | 100%                              | 100%                                     |
| <b>Total</b>       | <b><u><u>79 102 700</u></u></b>      | <b><u><u>79 102 700</u></u></b>      | <b><u><u>100%</u></u></b>         | <b><u><u>100%</u></u></b>                |

#### Share premium

Share premium was recognised as a difference between the emission price and the nominal value of the shares.

#### Legal reserve

Legal reserve is a compulsory reserve under Lithuanian legislation. Annual contributions of at least 5% of the net profit must be allocated to the reserve up to the extent equal to 10% of the authorised capital. The reserve can only be used to cover future losses.

#### Revaluation reserve

A revaluation reserve is an increase in property, plant, and equipment value resulting from revaluation of assets. The reserve cannot be used to cover the losses.

**12. Bank loans and lease liabilities**

Bank loans and lease liabilities of the Group comprised the following:

|   | <u>30 June<br/>2023</u> | <u>31 December<br/>2022</u> |
|---|-------------------------|-----------------------------|
| <b>Non-current portion</b>                                |                         |                             |
| Bank loans and interest payable                           | 2 000                   | 3 000                       |
| Lease liabilities   | 66 519                  | 46 557                      |
| <b>Total non-current portion</b>                          | <b>68 519</b>           | <b>49 557</b>               |
| <b>Current portion</b>                                    |                         |                             |
| Bank loans and interest payable                           | 16 745                  | 14 489                      |
| Liabilities arising from derivative financial instruments | 15                      | 3                           |
| Lease liabilities   | 13 052                  | 24 592                      |
| <b>Total current portion</b>                              | <b>29 812</b>           | <b>39 084</b>               |
| <b>Total</b>  | <b>98 331</b>           | <b>88 641</b>               |

**13. Other borrowings**

Other borrowings of the Group comprised the following:

|   | <u>30 June<br/>2023</u> | <u>31 December<br/>2022</u> |
|---|-------------------------|-----------------------------|
| Non-current loans and accrued interest payable to related parties (Note 23)           | 14 137                  | 14 122                      |
| <b>Total non-current portion</b>  | <b>14 137</b>           | <b>14 122</b>               |
| Current loans and accrued interest payable to related parties (Note 23)               | 3 995                   | 3 889                       |
| Debts under debt securities and accrued interest payable to related parties (Note 23) | 6 071                   | 5 925                       |
| Debts under debt securities and accrued interest payable                              | 8 028                   | 16 216                      |
| Other borrowings  | 7 585                   | 10 569                      |
| <b>Total current portion</b>  | <b>25 679</b>           | <b>36 599</b>               |
| <b>Total</b>  | <b>39 816</b>           | <b>50 721</b>               |

**14. Prepayments received, accrued liabilities and deferred income**

The Group's prepayments received, accrued liabilities and deferred income comprised the following:

|   | <u>30 June<br/>2023</u> | <u>31 December<br/>2022</u> |
|---|-------------------------|-----------------------------|
| Advances received                                   | 14 432                  | 17 901                      |
| Prepayments received from related parties (Note 23) | 156                     | 222                         |
| Accrued expenses                                    | 1 220                   | 1 603                       |
| Contractual liabilities                             | 204                     | 186                         |
| Deferred income                                     | 107                     | 1 081                       |
| <b>Total</b>  | <b>16 119</b>           | <b>20 993</b>               |
| Less: non-current advances received                 | (552)                   | (523)                       |
| <b>Total</b>  | <b>15 567</b>           | <b>20 470</b>               |

**15. Employment related liabilities**

The Group's liabilities related to employment relations comprised the following:

|                                       | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|---------------------------------------|-------------------------|-----------------------------|
| Vacation reserve                      | 2 023                   | 1 784                       |
| Payable remuneration                  | 1 393                   | 594                         |
| Payable taxes related to remuneration | 959                     | 488                         |
| Accrued annual bonuses                | 146                     | 1 062                       |
| Other employment related liabilities  | -                       | 3                           |
| <b>Total</b>                          | <b>4 521</b>            | <b>3 931</b>                |

**16. Trade, other payables and current liabilities**

The Group's trade, other amounts payable and current liabilities comprised the following:

|  | <b>30 June<br/>2023</b> | <b>31 December<br/>2022</b> |
|--|-------------------------|-----------------------------|
| Trade payables                                       | 11 040                  | 12 243                      |
| Trade payables to related parties (Note 23)          | 703                     | 32                          |
| Payable VAT  | 1 130                   | 1 715                       |
| Other taxes payable (excluding corporate income tax) | 6 683                   | 8 635                       |
| Other amounts payable                                | 29                      | 59                          |
| <b>Total</b>   | <b>19 585</b>           | <b>22 684</b>               |
| Less: non-current other amounts payable              | (2 925)                 | (4 751)                     |
| <b>Total</b>   | <b>16 660</b>           | <b>17 933</b>               |

**17. Revenue**

In the following tables, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines, and timing of revenue recognition.

For the six months period ended 30 June, the Group's revenue comprised the following:

|                                   | <b>2023</b>    | <b>2022</b>    |
|-----------------------------------|----------------|----------------|
| <b>Primary geographic markets</b> |                |                |
| Lithuania                         | 65 815         | 76 496         |
| Latvia                            | 37 499         | 29 841         |
| Germany                           | 19 526         | 16 036         |
| Belgium                           | 13 773         | 7 420          |
| Estonia                           | 13 660         | 11 267         |
| Belarus                           | 13 300         | 23 249         |
| France                            | 12 199         | 12 008         |
| Italy                             | 4 550          | 1 921          |
| Netherlands                       | 3 423          | 2 312          |
| South Korea                       | 2 083          | -              |
| Other countries                   | 6 806          | 10 581         |
| <b>Total</b>                      | <b>192 634</b> | <b>191 131</b> |

**17. Revenue (cont'd)**

|  | <u>2023</u>           | <u>2022</u>           |
|--|-----------------------|-----------------------|
| <b>Major product and service lines</b> |                       |                       |
| Revenue from sale of cars              | 130 907               | 148 937               |
| Revenue from sale of parts             | 38 299                | 22 032                |
| Revenue from lease of cars             | 14 749                | 13 862                |
| Revenue from car service               | 5 489                 | 3 709                 |
| Other                                  | 3 190                 | 2 591                 |
| <b>Total</b>                           | <b><u>192 634</u></b> | <b><u>191 131</u></b> |
| <b>Timing of revenue recognition</b>   |                       |                       |
| At a point of time                     | 190 082               | 189 870               |
| Over a certain period                  | 2 552                 | 1 261                 |
| <b>Total</b>                           | <b><u>192 634</u></b> | <b><u>191 131</u></b> |

**18. Cost of sales**

For the six months period ended 30 June, the Group's cost of sales comprised the following:

|  | <u>2023</u>           | <u>2022</u>           |
|--|-----------------------|-----------------------|
| Cost of sales of cars                                  | 115 297               | 129 048               |
| Cost of sales of spare parts                           | 31 697                | 17 932                |
| Depreciation and amortisation                          | 3 811                 | 3 725                 |
| Salaries and related taxes                             | 3 186                 | 2 418                 |
| Fuel   | 2 293                 | 2 612                 |
| Repair and servicing costs of cars and other equipment | 2 240                 | 1 430                 |
| Cost of warranty works                                 | 864                   | 940                   |
| Parking services                                       | 768                   | 847                   |
| Insurance  | 579                   | 355                   |
| Other  | 2 922                 | 2 322                 |
| <b>Total</b>   | <b><u>163 657</u></b> | <b><u>161 629</u></b> |

**19. Selling expenses**

For the six months period ended 30 June, selling expenses comprised the following:

|   | <u>2023</u>         | <u>2022</u>         |
|---|---------------------|---------------------|
| Salaries and related expenses                 | 5 876               | 5 061               |
| Advertising and promotional costs             | 1 669               | 1 165               |
| Transportation and short-term insurance costs | 409                 | 185                 |
| Representation expenses                       | 290                 | 121                 |
| Intermediary costs                            | 236                 | -                   |
| Trainings and secondments                     | 170                 | 95                  |
| Fuel and short-term lease of cars             | 141                 | 123                 |
| Demo and display cars maintenance costs       | 128                 | 181                 |
| Client services                               | 108                 | 159                 |
| Depreciation and amortisation                 | 88                  | 35                  |
| Legal and other consulting services           | 49                  | 77                  |
| Warehousing costs                             | 19                  | 169                 |
| Other   | 280                 | 371                 |
| <b>Total</b>                                  | <b><u>9 463</u></b> | <b><u>7 742</u></b> |

## 20. Administrative expenses

For the six months period ended 30 June, administrative expenses consisted of the following:

|  | <u>2023</u>          | <u>2022</u>         |
|--|----------------------|---------------------|
| Salaries and related expenses                                | 4 146                | 3 219               |
| Depreciation and amortisation                                | 1 857                | 1 197               |
| IS lease and maintenance expenses                            | 687                  | 440                 |
| Write-down of inventories                                    | 664                  | 108                 |
| Accounting and audit expenses                                | 639                  | 493                 |
| Legal and consulting expenses                                | 604                  | 778                 |
| Maintenance of premises, repair and maintenance of equipment | 478                  | 365                 |
| Taxes  | 226                  | 118                 |
| Fuel, car lease and maintenance                              | 191                  | 142                 |
| Communication services                                       | 144                  | 117                 |
| Support  | 137                  | 136                 |
| Bank services  | 116                  | 81                  |
| Business trip expenses                                       | 113                  | 42                  |
| Other  | 446                  | 456                 |
| <b>Total</b>   | <b><u>10 448</u></b> | <b><u>7 692</u></b> |

## 21. Finance income and finance costs

For the six months period ended 30 June, finance income (expenses) comprised the following:

|  | <u>2023</u>           | <u>2022</u>           |
|--|-----------------------|-----------------------|
| <b>FINANCE INCOME</b>                                  |                       |                       |
| Increase in financial assets at fair value             | 1 013                 | -                     |
| Interest income  | 1 000                 | 1 067                 |
| Penalties and fines                                    | 15                    | 1                     |
| Dividend income  | 13                    | 67                    |
| Other income from financing and investing activities   | 3                     | 2                     |
|  | <b><u>2 044</u></b>   | <b><u>1 137</u></b>   |
| <b>FINANCE EXPENSES</b>                                |                       |                       |
| Interest expenses                                      | (3 726)               | (2 400)               |
| Guarantee commitment and commission fees               | (57)                  | (67)                  |
| Loss arising on derivative financial instrument        | (30)                  | (90)                  |
| Currency exchange loss                                 | (24)                  | (191)                 |
| Impairment of loans granted                            | (7)                   | (36)                  |
| Penalties and fines                                    | (4)                   | (9)                   |
| Other expenses from financing and investing activities | (66)                  | (141)                 |
|  | <b><u>(3 914)</u></b> | <b><u>(2 934)</u></b> |
| <b>Financing activity result</b>                       | <b><u>(1 870)</u></b> | <b><u>(1 797)</u></b> |

## 22. Corporate income tax

In 2023 and 2022, corporate income tax in the Group and subsidiaries operating in Lithuania is calculated by applying a 15% income tax rate for the estimated taxable profit of the period. Income tax in other countries is calculated using income tax rates applicable in those countries.

For the six months period ended 30 June, the Group's income tax expenses (income) recognised in the statement of profit or loss comprised the following:

**22. Corporate income tax (cont'd)**

|   | <u>2023</u>         | <u>2022</u>         |
|---|---------------------|---------------------|
| Current tax expense   | 2 227               | 1 787               |
| Deferred tax expense (income)   | (310)               | 132                 |
| Fee paid for tax loss carry-forwards from Group companies   | 654                 | -                   |
| Corrections of corporate income tax of previous reporting periods   | <u>(1 123)</u>      | <u>(277)</u>        |
| <b>Income tax expense (income) recognised in the statement of profit or loss and other comprehensive income</b> | <b><u>1 448</u></b> | <b><u>1 642</u></b> |

**23. Related party transactions**

For the six months period ended 30 June, salaries and related taxes of the Group's key management personnel and supervisory board:

|   | <u>2023</u> | <u>2022</u> |
|---|-------------|-------------|
| Employment-related amounts calculated for the year: |             |             |
| Key remuneration and related taxes                  | 1 583       | 1 293       |
| Number of the management members                    | 20          | 24          |

During 2023, the management of the Group was not granted any loans, guarantees, there were no other paid or calculated amounts of disposals of assets

The related parties of the Group include:

- The ultimate beneficial owner (shareholder) is K. Martinkėnas.
- The ultimate parent company is MG NL Holding B.V.;
- Entities of the entities group – MG NL Holding B.V. group entities;
- Associated entities – the list of entities is provided in the part of general information in the explanatory notes;
- Other related parties – other entities controlled by MG NL Holding BV shareholder, his family members, and management of the Group.

The table below provides information on transactions with related entities during the period ended 30 June 2023:

| Related party                         | <u>Amounts and<br/>loans<br/>receivable</u> | <u>Amounts and<br/>loans payable</u> | <u>Sales of goods<br/>and services<br/>(including<br/>interest)</u> | <u>Purchases of<br/>goods and<br/>services<br/>(including<br/>interest)</u> |
|---------------------------------------|---|--------------------------------------|---|---|
| <i>Ultimate beneficial owner</i>      | -   | 6 258                                | -   | 151   |
| <i>Parent company</i>                 | 279   | -                                    | 2   | -   |
| <i>Entities of the entities group</i> | 41 685                                      | 664                                  | 953   | 654   |
| <i>Associated entities</i>            | -   | -                                    | 2   | -   |
| <i>Other related companies</i>        | <u>37 805</u>                               | <u>18 140</u>                        | <u>16 513</u>   | <u>11 933</u>   |
| <b>Total</b>                          | <b><u>79 769</u></b>                        | <b><u>25 062</u></b>                 | <b><u>17 470</u></b>  | <b><u>12 738</u></b>  |

**23. Related party transactions (cont'd)**

The table below provides information on transactions with related entities during the period ended 30 June 2022 and 31 December 2022:

| Related party                         | 31 December                  |                           | 1 January – 30 June                              |  |
|---------------------------------------|------------------------------|---------------------------|--|--|
|                                       | Amounts and loans receivable | Amounts and loans payable | Sales of goods and services (including interest) | Purchases of goods and services (including interest) |
| <i>Ultimate beneficial owner</i>      | -                            | 6 107                     | -  | 179  |
| <i>Parent company</i>                 | 157                          | -                         | 1  | 32   |
| <i>Entities of the entities group</i> | 44 769                       | 58                        | 1 878  | 28   |
| <i>Associated entities</i>            | 7                            | -                         | 3  | -  |
| <i>Other related companies</i>        | 37 987                       | 18 025                    | 21 684   | 5 408  |
| <b>Total</b>                          | <b>82 920</b>                | <b>24 190</b>             | <b>23 566</b>                                    | <b>5 647</b>   |

**24. Reclassifications**

The Group has made the following reclassifications to the 2022 comparative figures in the consolidated statement of profit or loss and other comprehensive income to more accurately reflect operating expenses and revenue:

| Item of the consolidated statement of profit or loss and other comprehensive income | 2022 before reclassification | Reclassification | 2022 after reclassification |
|---|------------------------------|------------------|-----------------------------|
| Revenue   | 191 066                      | 65               | 191 131                     |
| Other activity income   | 758                          | (65)             | 693                         |
| Other activity expenses   | (742)                        | 570              | (172)                       |
| Administrative expenses   | (7 122)                      | (570)            | (7 692)                     |
| <b>Total</b>  | <b>(7 864)</b>               | <b>-</b>         | <b>(7 864)</b>              |

**25. Subsequent events**

After the end of the financial period until the date of approval of these condensed consolidated interim financial statements, no subsequent events occurred that would have a material effect on these condensed consolidated interim financial statements or require additional disclosure.

\* \* \* \* \*

**JOINT STOCK COMPANY MODUS GRUPĖ**  
**CONFIRMATION OF THE RESPONSIBLE PERSONS**

28 September 2023

Vilnius

The Company's Director and Finance Director are responsible for the fairness and completeness of the condensed consolidated interim financial statements of UAB Modus Grupė, company code 302719143, legal address Ozo st. 10A, Vilnius, the Republic of Lithuania, data is collected and stored at the Register of Legal Entities.

We, Mrs. Erika Huhtala, Director of UAB Modus Grupė, and Mr. Mantas Piliponis, Group Senior Finance Controller, confirm that, to our knowledge, the condensed consolidated interim financial statements for the financial period ended 30 June 2023 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the Group's financial position, operating results and cash flows for the financial period then ended. We also confirm that, to our knowledge, the information on business development and overview of activities as well as other information provided in the consolidated interim management report of UAB Modus Grupė for the financial period ended 30 June 2023, is correct.

UAB Modus Grupė  
Director Erika Huhtala

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UAB Modus Grupė  
Group Senior Finance Controller Mantas Piliponis

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