



FINTEL ENERGIJA AD

ANNUAL REPORT OF FINTEL ENERGIJA A.D. FOR THE YEAR 2024

Belgrade, April 2025.

In accordance with Article 71 of the Capital Market Law ("Official Gazette of the Republic of Serbia", No. 129/2021), the Rulebook on Reporting by Public Companies ("Official Gazette of the Republic of Serbia", No. 77/2022), and the relevant provisions of the Accounting Law ("Official Gazette of the Republic of Serbia", Nos. 73/2019 and 44/2021 – other law), Fintel Energija a.d. from Belgrade (Company ID number: 20305266) hereby announces:

ANNUAL REPORT OF FINTEL ENERGIJA A.D. FOR THE YEAR 2024

Content

1. **FINANCIAL STATEMENTS OF THE FINTEL ENERGIJA A.D. for 2024 (Balance Sheet, Income Statement, Report on Other Income, Cash Flow Statement, Statement of Changes in Equity, Notes to Financial Statements)**
2. **INDEPENDENT AUDITOR'S REPORT (complete report)**
3. **ANNUAL BUSINESS REPORT (Note: Annual Business Report and Consolidated Annual Business Report are presented as a single report and these contain information of significance for the economic entity)**
4. **STATEMENT BY THE PERSONS RESPONSIBLE FOR PREPARATION OF REPORTS**
5. **DECISION OF COMPETENT COMPANY BODY ON THE ADOPTION OF ANNUAL FINANCIAL STATEMENTS * (Note)**
6. **DECISION ON DISTRIBUTION OF PROFIT OR COVERAGE OF LOSSES * (Note)**

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
1	2	3	4	5	6
	ASSETS				
00	A. SUBSCRIBED AND UNPAID CAPITAL	0001		-	-
	B. FIXED ASSETS (0003 + 0009 + 0017 + 0018 + 0028)	0002		1.848.537	1.496.034
01	I. INTANGIBLE ASSETS (0004 + 0005 + 0006 + 0007 + 0008)	0003		-	-
010	1. Investments in development	0004		-	-
011, 012 and 014	2. Concessions, patents, licenses, trademarks and service marks, software and other intangible assets	0005		-	-
013	3. Goodwill	0006		-	-
015 and 016	4. Intangible assets leased and intangible assets in preparation	0007		-	-
017	5. Advances for intangible assets	0008		-	-
02	II. REAL ESTATE, PLANT AND EQUIPMENT (0010+0011 + 0012 + 0013 + 0014 + 0015 + 0016)	0009		-	-
020, 021 and 022	1. Land and construction facilities	0010		-	-
023	2. Plants and equipment	0011		-	-
024	3. Investment real estate	0012		-	-
025 and 027	4. Real estate, plant and equipment leased and real estate, plant and equipment under preparation	0013		-	-
026 and 028	5. Other real estate, plants and equipment and investment in other people's real estate, plants and equipment	0014		-	-
029 (part)	6. Advances for real estate, plant and equipment in the country	0015		-	-
029 (part)	7. Advances for real estate, plants and equipment abroad	0016		-	-
03	III. BIOLOGICAL RESOURCES	0017		-	-
04 and 05	IV. LONG-TERM FINANCIAL PLACEMENTS AND LONG-TERM RECEIVABLES (0019+0020+0021+0022+0023+0024+0025 + 0026 + 0027)	0018		1.848.537	1.496.034
040 (part), 041 (part) and 042 (part)	1. Share in the equity of legal entities (except for equity share that are valued using the participation method)	0019	8	16.014	16.014
040 (part), 041 (part) and 042 (part)	2. Equity shares valued using the share method	0020		-	-
043, 050 (part) and 051 (part)	3. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties in the country	0021	9	1.832.523	1.480.020
044, 050 (part) and 051 (part)	4. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties and abroad	0022		-	-
045 (part) and 053 (part)	5. Long-term placements (credits and loans given) in the country	0023		-	-
045 (part) and 053 (part)	6. Long-term placements (credits and loans given) abroad	0024		-	-
046	7. Long-term financial investments (securities valued at depreciated value)	0025		-	-
047	8. Purchased own shares and purchased own shares	0026		-	-
048, 052, 054, 055 and 056	9. Other long-term financial investments and other long-term receivables	0027		-	-
28 (part) except 288	V. LONG-TERM ACCRUED RECEIVABLES	0028		-	-
288	V. DEFERRED TAX ASSETS	0029		-	-

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
	G. CURRENT ASSETS (0031+0037+0038+0044+0048+0057+0058)	0030		517.229	550.926
Class 1, except account group 14	I. SUPPLIES (0032+0033+0034+0035+0036)	0031		591	13.455
10	1. Material, spare parts, tools and small inventory	0032		-	-
11 and 12	2. Work-in-progress and finished products	0033		-	-
13	3. Goods	0034		-	-
150, 152 and 154	4. Paid advances for supplies and services in the country	0035		507	1.375
151, 153 and 155	5. Paid advances for supplies and services abroad	0036		84	12.080
14	II. FIXED ASSETS HELD FOR SALE AND CESSATION OF BUSINESS	0037		-	-
20	III. RECEIVABLES BASED ON SALES (0039+0040+0041+0042+0043)	0038	10	51.427	454
204	1. Receivables from customers in the country	0039	10	6.981	-
205	2. Receivables from customers abroad	0040		-	-
200 and 202	3. Receivables from the parent, dependent and other related persons in the country	0041		44.446	454
201 and 203	4. Receivables from parent, dependent and other related persons abroad	0042		-	-
206	5. Other receivables based on sales	0043		-	-
21, 22 and 27	IV. OTHER SHORT-TERM RECEIVABLES (0045+0046+0047)	0044	12	19.882	295.000
21, 22 except 223 and 224 and 27	1. Other receivables	0045	12	15.648	290.766
223	2. Receivables for overpaid profit tax	0046	12	4.224	4.224
224	3. Receivables based on overpaid other taxes and contributions	0047	12	10	10
23	V. SHORT-TERM FINANCIAL PLACEMENTS (0049+0050+0051+0052+0053+0054+0055+0056)	0048		14	14
230	1. Short-term loans and placements - parent and subsidiary legal entities	0049		-	-
231	2. Short-term loans and placements - other related parties	0050		-	-
232, 234 (part)	3. Short-term credits, loans and placements in the country	0051		-	-
233, 234 (part)	4. Short-term credits, loans and placements abroad	0052		-	-
235	5. Securities valued at depreciated value	0053		-	-
236 (part)	6. Financial assets valued at fair value through the Income Statement	0054		-	-
237	7. Repurchased own shares and repurchased own stakes	0055		-	-
236 (part), 238 and 239	8. Other short-term financial placements	0056		14	14
24	VI. CASH AND CASH EQUIVALENTS	0057	11	119.695	8.220
28 (part) except 288	VII. SHORT-TERM ACCRUED RECEIVABLES	0058	13	325.620	233.783
	D. TOTAL ASSETS = BUSINESS ASSETS (0001 + 0002 + 0029+0030)	0059		2.365.766	2.046.960
88	DJ. OFF-BALANCE SHEET ASSETS	0060			

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
	PASSIVE				
	A. CAPITAL (0402 + 0403+0404+0405+0406-0407+0408+0411-0412) ≥ 0	0401	14	963.919	689.282
30 except 306	I. SHARE CAPITAL	0402	14	4.057	4.057
31	II. SUBSCRIBED AND UNPAID CAPITAL	0403		-	-
306	III. ISSUE PREMIUM	0404	14	681.237	681.237
32	IV. RESERVES	0405		-	-
330 and credit balance for accounts 331, 332, 333, 334, 335 336 and 337	V. POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0406		-	-
debt balance calculated 331,332,333,334, 335,336 and 337	VI. UNREALIZED LOSSES BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0407		-	-
34	VII. RETAINED EARNINGS (0409+0410)	0408		287.815	249.981
340	1. Retained earnings of previous years	0409	14	13.179	
341	2. Undistributed profit of the current year	0410	14	274.636	249.981
	VIII. SHARE WITHOUT THE RIGHT OF CONTROL	0411		-	-
35	IX. LOSS (0413+0414)	0412		9.190	245.993
350	1. Loss of previous years	0413	14	9.190	245.993
351	2. Loss of the current year	0414		-	-
	B. LONG-TERM PROVISIONS AND LIABILITIES (0416+0420+0428)	0415		1.072.178	1.073.633
40	I. LONG-TERM RESERVATIONS (0417++0418+0419)	0416		-	-
404	1. Provisions for compensation and other employee benefits	0417		-	-
400	2. Provisions of costs in the warranty period	0418		-	-
40 except 400 and 404	3. Other long-term provisions	0419		-	-
41	II. LONG-TERM LIABILITIES (0421 + 0422 + 0423 + 0424 + 0425 + 0426 + 0427)	0420		1.072.178	1.073.633
410	1. Liabilities that can be converted into equity	0421		-	-
411 (part) and 412 (part)	2. Long-term loans and other long-term liabilities to parent, dependent and other related persons in the country	0422		-	-
411 (part) and 412 (part)	3. Long-term loans and other long-term liabilities to parent, dependent and other related parties abroad	0423	15	1.072.178	1.073.633
414 and 416 (part)	4. Long-term credits, loans and obligations based on leasing in the country	0424		-	-
415 and 416 (part)	5. Long-term credits, loans and obligations based on leasing abroad	0425		-	-
413	6. Obligations for issued securities	0426		-	-
419	7. Other long-term liabilities	0427		-	-
49 (part), except 498 and 495 (part)	III. LONG-TERM ACCRUED COSTS	0428		-	-

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
498	V. DEFERRED TAX LIABILITIES	0429			
495 (part)	G. LONG-TERM DEFERRED INCOME AND DONATIONS RECEIVED	0430		-	-
	D. SHORT-TERM PROVISIONS AND SHORT-TERM LIABILITIES (0432+0433+0441+0442+0449+0453+0454)	0431		329.669	284.045
467	I. SHORT TERM PROVISIONS	0432		-	-
42 except 427	II. SHORT-TERM FINANCIAL LIABILITIES (0434+0435+0436+0437+0438+0439+0440)	0433		13.745	13.759
420 (part) and 421 (part)	1. Liabilities based on loans to parent, dependent and other related parties in the country	0434		-	-
420 (part) and 421 (part)	2. Liabilities based on loans to parent, dependent and other related parties abroad	0435	15	13.745	13.759
422 (part), 424 (part), 425 (part) and 429 (part)	3. Liabilities based on credits and loans from parties other than domestic banks	0436		-	-
422 (part), 424 (part), 425 (part) and 429 (part)	4. Liabilities based on loans from domestic banks	0437		-	-
423, 424 (part), 425 (part) and 429 (part)	5. Credits, loans and obligations from abroad	0438		-	-
426	6. Liabilities for short-term securities	0439		-	-
428	7. Liabilities based on financial derivatives	0440		-	-
430	III. ADVANCES DEPOSITS AND BAILS RECEIVED	0441		-	-
43 except 430	IV. BUSINESS LIABILITIES (0443+0444+0445+0446+0447+0448)	0442	16	34.119	34.211
431 and 433	1. Liabilities to suppliers - parent, subsidiary legal entities and other related entities in the country	0443		-	-
432 and 434	2. Liabilities to suppliers - parent, subsidiary legal entities and other related entities abroad	0444	16	32.902	32.950
435	3. Liabilities to suppliers in the country	0445	16	1.217	1.261
436	4. Liabilities to suppliers abroad	0446		-	-
439 (part)	5. Bills of exchange liabilities	0447		-	-
439 (part)	6. Other liabilities from business	0448		-	-
44, 45, 46 except 467, 47 and 48	V. OTHER SHORT-TERM LIABILITIES (0450+0451+0452)	0449	17	3.240	20
44, 45 and 46 except 467	1. Other short-term liabilities	0450		162	20
47, 48 except 481	2. Liabilities based on value added tax and other public revenues	0451		3.078	-
481	3. Liabilities based on profit tax	0452		-	-
427	VI. LIABILITIES BASED ON ASSETS INTENDED FOR SALES AND ASSETS OF A OPERATIONS THAT HAVE BEEN SUSPENDED BUSINESS	0453		-	-
49 except 498	VII. SHORT-TERM ACCRUED COSTS AND DEFERRED REVENUES	0454	18	278.565	236.055
	DJ. LOSS ABOVE CAPITAL AMOUNT (0415+0429+0430+0431-0059) ≥ 0 = (0407+0412-0402-0403-0404-0405-0406-0408-0411) ≥ 0	0455		-	-
	E. TOTAL LIABILITY (0401+0415+0429+0430+0431-0455)	0456		2.365.766	2.046.980
89	Z. OFF BALANCE SHEET LIABILITIES	0457			

In Belgrade ,
30.04.2025.

Seal

Legal representative



INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. BUSINESS INCOME (1002 + 1005+1008+1009-1010+1011+1012)	1001		13.938	1.786
60	I. INCOME FROM THE SALE OF GOODS (1003 + 1004)	1002		-	-
600, 602 and 604	1. Income from the sale of goods on the domestic market	1003		-	-
601, 603 and 605	2. Income from the sale of goods on the foreign market	1004		-	-
61	II. INCOME FROM THE SALE OF PRODUCTS AND SERVICES (1006+1007)	1005		13.938	1.786
610, 612 and 614	1. Income from the sale of products and services on the domestic market	1006	19	13.938	1.786
611, 613 and 615	2. Income from the sale of products and services on the foreign market	1007		-	-
62	III. INCOME FROM ACTIVATION OF GOODS AND EFFECTS	1008		-	-
630	IV. INCREASE OF VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1009		-	-
631	V. DECREASE IN THE VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1010		-	-
64 and 65	VI. OTHER OPERATING INCOME	1011		-	-
68, except for 683, 685 and 686	VII. INCOME FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1012		-	-
	B. BUSINESS EXPENSES (1014+1015+1016+1020+1021+1022+1023+1024)	1013		31.336	49.677
50	I. PURCHASE VALUE OF SOLD GOODS	1014		-	-
51	II. COSTS OF MATERIALS, FUEL AND ENERGY	1015		44	20
52	III. SALARY EXPENSES, SALARY COMPENSATION AND OTHER PERSONAL EXPENSES (1017+1018+1019)	1016	20	11.262	8.600
520	1. Salary expenses and salary compensation	1017		8.608	6.603
521	2. Costs of taxes and contributions on wages and salary benefits	1018		1.304	1.001
52 except 520 and 521	3. Other personal expenses and compensation	1019		1.350	996
540	IV. DEPRECIATION COSTS	1020			
58 except 583, 585 and 586	V. COSTS FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1021			
53	VI. COSTS OF PRODUCTION SERVICES	1022		488	645
54 except 540	VII. RESERVATION COSTS	1023			
55	VIII. IMMATERIAL COSTS	1024	21	19.542	40.412
	V. BUSINESS PROFIT (1001 - 1013) ≥ 0	1025			
	G. BUSINESS LOSS (1013 - 1001) ≥ 0	1026		17.398	47.891

INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
	D. FINANCIAL INCOME (1028+1029+1030+1031)	1027	22	331.700	351.180
660 and 661	I. FINANCIAL INCOME FROM RELATIONS WITH PARENT, DEPENDENT AND OTHER RELATED PARTIES	1028		330.551	351.141
662	II. INTEREST INCOME	1029			
663 and 664	III. POSITIVE EXCHANGE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1030		1.149	39
665 and 669	IV. OTHER FINANCIAL INCOME	1031		-	-
	D. FINANCIAL EXPENSES (1033+1034+1035+1036)	1032	23	44.121	44.477
560 and 561	I. FINANCIAL EXPENSES FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER RELATED PARTIES	1033		43.930	44.217
562	II. INTEREST EXPENSE	1034		87	114
563 and 564	III. NEGATIVE EXCHANGE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	1035		2	146
566 and 569	IV. Other financial expenses	1036		102	
	E. PROFIT FROM FINANCING (1027 - 1032) ≥ 0	1037		287.579	306.703
	Z. LOSS FROM FINANCING (1032 - 1027) ≥ 0	1038			
683, 685 and 686	Z. INCOME FROM ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1039		.	-
583, 585 and 586	I. COSTS FROM THE ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1040		-	7.149
67	J. OTHER INCOME	1041		5	-
57	K. OTHER EXPENSES	1042		12	-
	L. TOTAL INCOME (1001+1027+1039+1041)	1043		345.643	352.966
	LJ. TOTAL EXPENSES (1013+1032+1040+1042)	1044		75.469	101.303
	M. PROFIT FROM REGULAR OPERATIONS BEFORE TAXATION (1043-1044)≥ 0	1045		270.174	251.663
	N. LOSS FROM REGULAR OPERATIONS BEFORE TAXATION (1044-1043) ≥ 0	1046		-	-
69-59	NJ. POSITIVE NET EFFECT ON THE RESULT BASED ON PROFIT OF DISCONTINUED OPERATIONS, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1047		4.462	-
59-69	A. NEGATIVE NET EFFECT ON THE RESULT DUE TO LOSS OF BUSINESS THAT IS SUSPENDED, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1048		-	1.681
	P. PROFIT BEFORE TAXATION (1045 - 1046 + 1047 - 1048) ≥ 0	1049		274.636	249.982
	R. LOSS BEFORE TAXATION (1046- 1045 + 1048 - 1047) ≥ 0	1050		-	-
	S. INCOME TAX			-	-
721	I. TAX EXPENSE OF THE PERIOD	1051			
722 debt. Balance	II. DEFERRED TAX EXPENSES OF THE PERIOD	1052		-	-
722 pot. Balance	III. DEFERRED TAX REVENUE OF THE PERIOD	1053		-	-
723	T. PAID PERSONAL INCOME OF THE EMPLOYER	1054		-	-
	Č. NET PROFIT (1049-1050-1051-1052+1053-1054) ≥ 0	1055		274.636	249.982

INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

U. NET LOSS (1050-1049+1051+1052-1053+1054) ≥ 0	1056			-	-
I. NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1057				
II. NET PROFIT ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1058				
III. NET LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1059				
IV. NET LOSS ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1060				
V. EARNINGS PER SHARE					
1. Basic earnings per share	1061			10	9
2. Decreased (diluted) earnings per share	1062			10	9

In Belgrade ,
30.04.2025.

Seal

Legal representative



REPORT ON OTHER COMPREHENSIVE INCOME
for the period from 01.01, until 31.12.2024.

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. NET RESULT FROM OPERATIONS				
	I. NET PROFIT (EDP 1055)	2001		274.636	249.982
	II. NET LOSS (EDP 1056)	2002			
	B. OTHER COMPREHENSIVE PROFIT OR LOSS				
	a) Items that will not be reclassified in the Income Statement in future periods				
330	1. Changes in revaluation of intangible assets, real estate, plant and equipment				
	a) increase in revaluation reserves	2003			
	b) decrease of revaluation reserves	2004			
331	2. Actuarial gains or losses under defined benefit plans				
	a) profits	2005			
	b) losses	2006			
333	3. Profits or losses based on shares in other comprehensive income or loss of associated companies				
	a) gains	2007			
	b) losses	2008			
	b) Items that may subsequently be reclassified to the Income Statement in future periods				
332	1. Profits or losses based on investments in equity instruments				
	a) profits	2009			
	b) losses	2010			
334	1. Profits or losses based on the recalculation of financial statements of foreign operations				
	a) profits	2011			
	b) losses	2012			
335	2. Profits or losses from hedging instruments for net investment in foreign operations				
	a) profits	2013			
	b) losses	2014			
336	3. Profits or losses based on cash flow risk protection (hedging) instruments				
	a) profits	2015			
	b) losses	2016			
337	4. Profits or losses based on HOV that are valued at fair value through other comprehensive income				
	a) profits	2017			
	b) losses	2018			
	I. OTHER GROSS COMPREHENSIVE INCOME (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) - (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) ≥ 0	2019			
	II. OTHER GROSS COMPREHENSIVE LOSS (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) - (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) ≥ 0	2020			
	III. DEFERRED TAX EXPENSE ON OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD	2021			
	IV. DEFERRED TAX INCOME ON OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD	2022			
	IV. NET OTHER COMPREHENSIVE INCOME (2019 - 2020 - 2021+2022) ≥ 0	2023			
	V. NET OTHER COMPREHENSIVE LOSS (2020 - 2019 + 2021-2022) ≥ 0	2024			
	C. TOTAL NET COMPREHENSIVE INCOME FOR THE PERIOD				
	I. TOTAL NET COMPREHENSIVE PROFIT (2001 - 2002 + 2023 - 2024) ≥ 0	2025		274.636	249.982
	II. TOTAL NET COMPREHENSIVE LOSS (2002 - 2001 + 2024 - 2023) ≥ 0	2026			
	D. TOTAL NET COMPREHENSIVE INCOME OR LOSS (2028 + 2029) = EDP 2025 ≥ 0 or EDP 2026 > 0	2027			
	1. Attributed to the parent legal entity	2028			
	2. Attributed to non-controlling interests	2029			

In Belgrade ,
30.04.2024.

Legal representative



REPORT ON CHANGES IN EQUITY
for the period from 01.01. until 31.12.2024.

Item	Description	EDP	Share capital (group 30 excluding 306 and 309)	EDP	Other share capital (m 309)	EDP	Subscribed and unpaid capital (group 31)	EDP	Issue premium and reserves (acc 306 and group 32)	EDP	Rev. res. and undistr profit and loss (group 33)
	1		2		3		4		5		6
1	Balance as of 01.01.2023.	4001	4.057	4010	-	4019	-	4028	681,237	4037	-
2	Effect and retroactive corrections of material errors and changes in accounting policies	4002	-	4011	-	4020	-	4029	-	4038	-
3	Corrected initial balance as of 01.01.2023 (s. no. 1+2)	4003	4.057	4012	-	4021	-	4030	681,237	4039	-
4	Net changes in 2023	4004	-	4013	-	4022	-	4031	-	4040	-
5	Balance as of 12/31/2023. (s. no. 3+4)	4005	4.057	4014	-	4023	-	4032	681,237	4041	-
6	Effects and retroactive corrections of material errors and changes in accounting policies	4006	-	4015	-	4024	-	4033	-	4042	-
7	Corrected initial balance as of 01.01.2024 (years 5+6)	4007	4.057	4016	-	4025	-	4034	681,237	4043	-
8	Net changes in 2024	4008	-	4017	-	4026	-	4035	-	4044	-
9	Balance as of 31.12.2024. (s. no. 7+8)	4009	4.057	4018	-	4027	-	4036	681,237	4045	-

REPORT ON CHANGES IN EQUITY
for the period from 01.01. until 31.12.2024.

- in 000 dinars -

Item	Description	EDP	Retained profit (group 34)	EDP	Loss (Group 35)	EDP	Participation without the right of control	EDP	Total (corresponds to position EDP 0401) (col.2+3+4+ 5+6+7-8+9) ≥ 0	EDP	Loss above the capital limit (corresponds to position EDP 0455) (col. 2+3+4+5+ 6+7-8+9) (0
	1		7		8		9		10		11
1	Balance as of 01.01.2023.	4046	9.285	4055	255.277	4084	-	4073	439.302	4082	-
2	Effect and retroactive corrections of material errors and changes in accounting policies	4047	-	4056	-	4065	-	4074	-	4083	-
3	Corrected Initial balance as of 01.01.2023 (s. no. 1+2)	4048	9.285	4057	255.277	4066	-	4075	439.302	4084	-
4	Net changes in 2023	4049	240.696	4058	9.284	4067	-	4076		4085	-
5	Balance as of 12/31/2023. (s. no. 3+4)	4050	249.981	4059	245.993	4068	-	4077	689.282	4086	-
6	Effects and retroactive corrections of material errors and changes in accounting policies	4051	-	4060	-	4069	-	4078	-	4087	-
7	Corrected Initial balance as of 01.01.2024 (years 5+6)	4052	249.981	4061	245.993	4070	-	4079	689.282	4088	-
8	Net changes in 2024	4053	37.834	4062	236.803	4071	-	4080		4089	-
9	Balance as of 31.12.2024. (s. no. 7+8)	4054	287.815	4063	9.190	4072	-	4081	963.919	4090	-

In Belgrade ,
30.04.2025.

Seal



Legal representative

CASH FLOW STATEMENT
for the period from 01.01. until 31.12.2024.

- in 000 of dinars -

POSITION	EDP	Amount	
		Current year	Previous year
1	2	3	4
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I. Cash inflows from operating activities (1-4)	3001	23.776	55.274
1. Sales and received advances in the country	3002	1.943	1.956
2. Sales and advances received abroad	3003		
3. Received interest from operating activities	3004	21.622	53.318
4. Other inflows from regular operations	3005	211	
II. Cash outflows from operating activities (1 to 8)	3006	45.646	50.400
1. Payments to suppliers and advances made in the country	3007	6.466	7.387
2. Payments to suppliers and advances made abroad	3008		34.259
3. Earnings salary compensation and other personal expenses	3009	11.490	8.360
4. Interest paid in the country	3010	4.820	114
5. Interest paid abroad	3011		
6. Income tax	3012		
7. Outflows based on other public revenues	3013	22.869	290
8. Other outflows from operating activities	3014		
III. Net cash inflow from operating activities (I - II)	3015		4.874
IV. Net cash outflow from operating activities (II - I)	3016	21.869	-
B. CASH FLOWS FROM INVESTING ACTIVITIES I. Cash inflows from investing activities (1 to 5)	3017	689.291	128.893
1. Sale of shares and stakes	3018	-	-
2. Sale of intangible assets, real estate, plants, equipment and biological resources	3019	-	-
3. Other financial placements	3020	101.093	95.590
4. Received interest from investment activities	3021	-	-
5. Dividends received	3022	488.198	33.305
II. Cash outflows from investing activities (1 to 3)	3023	455.847	35.990
1. Purchase of shares and stakes	3024	-	-
2. Purchase of intangible assets, real estate, plants, equipment and biological resources	3025		
3. Other financial placements	3026	455.847	35.990
III. Net cash inflow from investing activities (I - II)	3027	133.444	92.903
IV. Net cash outflow from investing activities (II - I)	3028		
C. CASH FLOWS FROM FINANCING ACTIVITIES I. Cash inflows from financing activities (1 to 7)	3029	-	-
1. Increase of the share capital	3030	-	-
2. Long-term loans in the country	3031	-	-
3. Long-term loans abroad	3032	-	-
4. Short-term loans in the country	3033	-	-
5. Short-term loans abroad	3034	-	-
6. Other long-term liabilities	3035	-	-
7. Other short-term liabilities	3036	-	-
II. Cash outflows from financing activities (1 to 8)	3037	-	94.175
1. Purchase of own shares and stakes	3038	-	-
2. Long-term loans in the country	3039		
3. Long-term loans abroad	3040		
4. Short-term loans in the country	3041		
5. Short-term loans abroad	3042		94.175
6. Other liabilities	3043		-
7. Financial leasing	3044	-	-
8. Dividends paid	3045		-
III. Net cash inflow from financing activities (I - II)	3046	-	-
IV. Net cash outflow from financing activities (II - I)	3047	-	94.175
D. TOTAL CASH INFLOW (3001 + 3017 + 3029)	3048	613.067	184.169
E. TOTAL CASH OUTFLOW (3006 + 3023 + 3037)	3049	501.492	180.565
F. NET CASH INFLOW (3048 - 3049) ≥ 0	3050	111.575	3.604
G. NET CASH OUTFLOW (3049 - 3048) ≤ 0	3051		
H. CASH AT THE BEGINNING OF THE ACCOUNTING PERIOD	3052	8.220	4.723
I. POSITIVE EXCHANGE RATE DIFFERENCES BASED ON CASH CONVERSION	3053	8	10
J. NEGATIVE EXCHANGE RATE DIFFERENCES BASED ON CASH CONVERSION	3054	108	117
K. CASH AT THE END OF THE ACCOUNTING PERIOD (3050-3051+3052+3053-3054)	3055	119.695	8.220

In Belgrade,
28.03.2025.

Seal



(All amounts are expressed in RSD 000, unless otherwise indicated)

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2024

(All amounts are expressed in RSD 000, unless otherwise indicated)

1. General information

Fintel Energija AD (hereinafter referred to as the "Company" or "Fintel Energija") is the leading independent producer of electricity from renewable sources in the Republic of Serbia. Fintel Energija's subsidiaries are pioneers in the field of electricity production from renewable sources, being the first companies to complete the construction and operate wind farms in Serbia.

The Company was founded on June 27, 2007 as a closed joint stock company under the name "Privredno društvo za proizvodnju električne energije Fintel Energija a.d. Beograd" ("Electricity Production Company Fintel Energija ad Belgrade"), by "Fintel Energia Group SPA" (registration number 02658620402) which is also the sole shareholder of the Company ("Owner"). "Fintel Energia Group SPA" is 86.22% owned by Hopafi Srl ("Ultimate Owner").

The headoffice of "Fintel Energija" is located at Masarikova Street No. 5, Belgrade, Serbia.

As of December 31, 2024, the Company has subscribed and paid-in share capital in the amount of RSD 4,057 thousand, consisting of 26,510,506 ordinary shares with an individual nominal value of RSD 0.153.

The Company's shares are traded on an organized market – the Belgrade Stock Exchange. The stock symbol is FINT, and the ISIN number is RSFINEE60549. The Company's market capitalization as of December 31, 2024 is RSD 17,762,039 thousand (unit price per share is RSD 670).

Fintel Energia Group SPA, the majority shareholder of the Company, is a joint-stock company established in accordance with the law in force in the Republic of Italy, and is a vertically integrated operator in the energy supply chain, whose business is the sale of electricity and natural gas in Italy, as well as the development and exploitation of renewable energy sources (solar energy and wind energy) in Italy and Serbia.

The submitted separate financial statements for the period ended December 31, 2024 were approved for issue by the Company's directors on April 28, 2024.

On December 31, 2024, the Company had 14 employees (2023: 14 employees).

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies

The principal accounting policies applied in the drafting of these financial statements are presented below. These policies have been consistently applied to all presented years, unless otherwise indicated.

2.1. Basis for drafting and presentation of individual financial statements

The Company keeps records and prepares financial statements in accordance with the Accounting Law of the Republic of Serbia ("Official Gazette of the Republic of Serbia", No. 73/2019 I 44/2021) and other applicable legal regulations in the Republic of Serbia.

Pursuant to the Accounting Act, large legal entities, legal entities that have the obligation to prepare consolidated financial statements (parent legal entities), public companies, i.e. companies that are preparing to become public pursuant to the Capital Market Act of the Republic of Serbia, regardless of size, for the recognition, valuation, presentation and disclosure of positions in financial reports, they apply the International Financial Reporting Standards (IFRS), whose translation into Serbian was published by the Ministry in charge of financial affairs.

International Financial Reporting Standards published in Serbian by the Ministry of Finance include the Conceptual Framework for Financial Reporting, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as well as interpretations of standards issued by the Accounting Standards Interpretations Committee, but do not include bases for conclusions, illustrative examples, application guidance, commentaries, dissenting opinions, or other supporting materials except in cases where they are explicitly included as an integral part of the standard or interpretation.

IAS, IFRS and interpretations published by the Board for International Accounting Standards and the Committee for Interpretations of Accounting Standards were officially translated by the decision of the Ministry of Finance of the Republic of Serbia on determining the translation of International Financial Reporting Standards (Decision number 401-00-4980/2019-16) and published in Official Gazette of the Republic of Serbia No. 92 of November 21, 2019 and are applied when preparing consolidated financial statements for annual periods ending on December 31, 2020 or after that date.

New or amended IFRS and interpretations adopted by the decision of the Ministry of Finance of the Republic of Serbia on determining the translation of International Financial Reporting Standards published in the Official Gazette of the Republic of Serbia No. 123/2020 on October 13, 2021 are applied when preparing financial statements for annual periods ending on or after December 31, 2021.

In addition, the attached financial statements have been prepared in accordance with the requirements of the Rules on the Chart of Accounts and the Content of Accounts in the Chart of Accounts for Companies, Cooperatives and Entrepreneurs (Official Gazette of the Republic of Serbia No. 89/2020) and the Rules on the Content and Form of Financial Statement Forms for Companies, Cooperatives and Entrepreneurs (Official Gazette of the Republic of Serbia No. 89/2020).

The aforementioned regulations governing the presentation of financial statements have precedence over the requirements defined in this regard by IFRS, which are published by the Ministry of Finance.

Due to the above deviations, these financial statements are not in accordance with IFRS.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.1. Basis for drafting and presentation of individual financial statements (continued)

The accompanying financial statements represent individual financial statements that include receivables, liabilities, operating results, changes in other comprehensive income, changes in equity and cash flows of the Company. The Company has prepared these individual financial statements in accordance with the deadlines prescribed by the Accounting Law of the Republic of Serbia. The Company also prepares consolidated financial statements for the Company and its related parties (the Group) with the prescribed deadline for issuance by April 30, 2025. Users of these financial statements should view them together with the consolidated financial statements of the Group as at and for the year ended December 31, 2024, for the purpose of obtaining complete information about the financial position, operating results and changes in the financial position of the Group as a whole. The method of recognition of investments in equity of subsidiaries is disclosed in note 3, and details of investments in subsidiaries are disclosed in note 8.

The preparation of financial statements pursuant to the Accounting Law of the Republic of Serbia requires the application of certain critical accounting estimates. It also requires management to exercise its judgment in applying the Company's accounting policies. Areas that require a higher degree of judgment or greater complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 3.

2.2. Accounting basis

These financial statements have been prepared under the historical cost principle, unless the application of fair value is specifically stated. The financial statements are presented in of the Republic of Serbia ("RSD"), which is also the functional currency of the Company, and all reported numerical values are expressed in thousands of dinars (RSD'000), unless otherwise stated. The principal accounting policies applied in the preparation of these financial statements are disclosed in Note 2.4.

Comparative data are presented in the financial statements for the year ended December 31, 2023.

The financial statements have been prepared in accordance of the going concern concept, which implies that the Company shall continue to operate indefinitely period of time for the foreseeable future. In order to determine the validity of this assumption, management analyzes future cash flow projections. Based on the aforementioned analysis, management believes that the Company is capable to continue its business activities in accordance with the going concern principle and that this principle should be applied in the preparation of these financial statements.

2.3. Foreign currency conversion

Functional and display currency

Items included in the Group's financial statements are measured and presented in thousand of dinars (RSD). The dinar is the official reporting currency in the Republic of Serbia.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.3. Foreign Currency Conversion (Continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction or at the date of the valuation if the items have been remeasured. Exchange gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end are recognised in the income statement, except when they are deferred in equity as cash flow hedges and net investment hedges.

2.4. Significant accounting policies

Real estate, plant and equipment

Property, plant and equipment are stated at purchase cost less accumulated depreciation. The purchase price includes all expenses necessary to put the asset to its intended use. This value is increased by the present value of the estimated cost of land reclamation when there is a legal or construction obligation to remove the asset. The related liability is recognized as a provision for the costs of removing the asset. The accounting treatment of revised estimates of these costs, the time value of money and the discount rates are highlighted in the section on provisions for these costs.

Borrowing costs that are directly attributable to the acquisition or construction of an asset that qualifies for the attribution of borrowing costs are included in the purchase value of the mention asset that qualifies, i.e., one that takes a substantial period of time to prepare for planned use or sale.

Costs incurred for regular and/or periodic repairs and maintenance are recognized directly in the income statement. Costs incurred for the expansion, modernization or improvement of structural elements owned by the Company or used by third parties are capitalized to the level when they meet the conditions to be recognized as a separate asset or part of an asset.

Depreciation is calculated using the straight-line method using rates that allow the assets to be depreciated over their estimated useful life. When an asset consists of several individually identifiable assets with estimated useful lives that are significantly different from the others, depreciation of those assets is calculated separately.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

Estimated useful life for each category of property, plant and equipment:

	Number of years
Construction object	40
Equipment	3-20

Impairment of property

On the date of preparation of the financial statements, an assessment is made of the existence of any indications of impairment of tangible assets. The Company's assets are stated at a value that does not exceed their recoverable amount. If there is an indication that, for the said asset, there is an impairment, the recoverable amount of that asset is estimated in order to determine the amount of the impairment. The carrying amount is reduced to the recoverable amount, and the difference is recognized as an expense (loss on impairment of assets) charged to the income statement in the period in which the impairment occurred. The impairment loss is reversed if the circumstances that affected the impairment have changed.

Leasing

IFRS 16 defines new or revised requirements for lease accounting, introducing significant changes to the accounting of the lessee by removing the distinction between finance and operating leases and requiring the recognition of an asset representing the right to use the leased asset and a lease liability at the commencement date for all leases, except for short-term leases and those leases where the lease value is small.

When applying IFRS 16 to leases, the Company recognizes assets representing the right-of-use and lease liabilities in the balance sheet, which are initially measured at the present value of future lease payments, and recognizes depreciation expense on the right-of-use assets and interest expense on the lease liability in the income statement.

Lease previously classified as a finance lease – For lease agreements that are classified as a finance lease in accordance with IAS 17, the carrying amounts of the leased asset on the one hand and the finance lease liabilities on the other hand, determined by applying IAS 17 immediately before the date of initial application of the new standard, are reclassified to the value of the right-of-use assets and the value of the lease liabilities without any adjustments.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Leasing (continued)

Valuation

The lease liability is initially measured at the net present value of all future lease payments discounted at the interest rate included in the lease (the implicit interest rate). If it cannot be readily determined, the Company uses its incremental borrowing rate.

Future lease payments, which after discounting are included in the value of the lease liability, include:

- fixed payments (including variable payments that are essentially fixed) less any lease incentives received
- variable lease payments, i.e., payments that depend on market indices or rates, which are initially valued on the lease commencement date, using the market index or rate
- cost price of the call option if it is reasonably certain that the option will be exercised
- penalties for termination of the contract, if it is reasonably likely that the termination option will be exercised.

After initial recognition, the lease liability is increased by accrued interest (using the effective interest rate) and decreased by lease payments made.

Right-of-use assets are initially measured at cost, which initially consists of the value of the lease liability initially recognized, the amount of prepaid lease payments and deposits given before the lease commencement date, less any lease incentives received from the lessor and less any initial direct costs. The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term or the useful economic life of the leased asset.

Variable payments that are not index- or rate-linked are not included in the measurement of the lease liability or right-of-use asset. Such payments are recognized as an expense in the period in which they are incurred.

Company as a lessor

The Company applies a uniform recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities for lease payments and the right-of-use, which represents the right to use fixed assets.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Leasing (continued)

Right to use funds

The Company recognizes the right to use the property at the commencement date (i.e. the date the property is available for use). The right to use the property is valued at cost, less accumulated depreciation and impairment losses, and adjusted for any subsequent value of the lease liability. The cost of the right to use the property includes the amount of the lease liability recognized, initial direct costs and lease payments made on or before the commencement date, less any lease incentives received.

The right to use the property is amortized proportionally over the shorter of the lease term or the estimated useful life of the property.

Leasing liabilities

On the lease commencement date, the Company recognizes lease liabilities, valued at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments, net of any lease incentive receivables, variable lease payments that are index- or rate-linked, and amounts expected to be paid for the residual value. Lease payments also include the exercise price of a purchase option that is reasonably expected to be exercised by the Company and the payment of a termination penalty, if the termination option is exercisable by the Company during the term of the lease agreement.

Variable lease payments that are not index- or rate-linked are recognized as expenses (unless incurred for the production of inventories) in the period in which the events or conditions giving rise to the payment occur.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the inception date because the implicit interest rate for the lease is not readily determinable. After the inception date, the amount of the lease liability is increased by accrued interest for the past period and decreased by lease payments made. In addition, the carrying amount of the lease liability is remeasured if there is a modification to the contract, a change in the lease term, a change in the lease payments (e.g., changes in future payments resulting from a change in the index or rate used to determine such lease payments) or a change in the valuation of the purchase option of the fixed asset that is the subject of the lease.

Short-term leases and leases of low-value assets

The Company applies an exemption from short-term lease recognition for its short-term leases of machinery and equipment (i.e. those leases that have a term of less than 12 months from the commencement date and that do not include a purchase option). Lease payments for short-term leases and leases of low-value assets are recognized as an expense, proportionally over the lease term.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4 Significant Accounting Policies (continued)

Leasing (continued)

The Company as a Lessor

Leasing is classified as operating when the contract stipulates that not all the risks and rewards incidental to ownership of the asset are transferred to the lessee.

All payments during the year under operating leases, which relate to the supply of services and goods that do not have a one-time effect, are accrued on a straight-line basis and recorded as an expense in the income statement over the lease term.

The company as beneficiary of the lease

Assets held under finance lease agreements are initially recognised as assets of the company at the present value of the minimum lease payments determined at the beginning of the lease term. The corresponding liability to the lessor is included in the balance sheet as a liability under a finance lease.

Lease installment payments are distributed between financial expenses and reductions in lease liabilities with the aim of achieving a constant rate of participation in the outstanding amount.

Financial instruments

Financial assets and financial liabilities are recorded in the Company's balance sheet from the moment the Company becomes contractually bound to the instrument. Purchases or sales of financial assets are recognized using the settlement date method, which is the date when the asset is delivered to the other party.

Financial assets are derecognized when the Company loses control of the contractual rights to those instruments, which occurs when the rights to use the instruments are exercised, expired, abandoned or assigned. A financial liability is derecognized when the obligation stipulated in the contract is discharged, cancelled or expired.

The Company has been applying IFRS 9 since January 1, 2020. Accordingly, the Company classifies its financial assets into the following categories: financial assets valued at depreciated value, financial assets valued at fair value through other comprehensive income, and financial assets valued at fair value through the income statement.

A financial asset will be valued at depreciated value if both of the following conditions are met and it is not indicated at fair value through the income statement:

- The asset is held within a business model whose objective is to hold the asset with the intention of collecting contractual cash flows, and
- The contractual terms of the asset result on given dates in cash flows that are solely payments of principal and interest on the remaining principal amount.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

A financial asset will be measured at fair value through other comprehensive income if both of the following conditions are met and it is not designated at fair value through profit or loss:

- The asset is held within a framework of a business model whose objective is achieved both through the collection of contractual cash flows and the sale of financial assets, and
- The contractual terms of the asset result on given dates in cash flows that are exclusively payments of principal and interest on the remaining principal amount.

All financial assets that are not classified as measured at amortized cost or fair value through other comprehensive income, as described above, are measured at fair value through the income statement.

This includes financial assets held for trading and managed and whose performance is valued at fair value. In addition, upon initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be valued at depreciated cost or at fair value through other comprehensive income, at fair value through the income statement if doing so eliminates or significantly reduces an accounting inconsistency that would otherwise arise.

A financial asset is classified into one of these categories upon initial recognition.

Financial assets are reclassified only when the Company changes the business model that affects the asset, in which case all financial assets that suffer that impact are reclassified on the first day of the reporting period after the change in business model.

Business model assessment

The business model is assessed with the aim of determining whether a financial asset with only principal and interest payments is classified at depreciated cost or fair value through other comprehensive income. The business model determines whether the cash flows arise from collecting contractual cash flows, selling the financial asset, or both.

Derecognition of financial assets and financial liabilities

The Company ceases to recognize a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers all rights to the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or when it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the transferred asset.

Any interest in such a financial asset created or retained by the Company is recognized as a separate asset or liability.

A financial asset ceases to be recognized when it is written off. A financial asset also ceases to be recognized when there is a change in the contractual terms of the financial asset that results in a significant change in the cash flows from the financial asset.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Impairment of financial assets

In accordance with IFRS 9, the Company applies a forward-looking "expected credit losses" model, which requires significant judgment regarding how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

The "expected credit loss" model is applied to financial assets valued at depreciated cost, contract assets and debt instruments valued at fair value through other comprehensive income, but not to investments in equity instruments.

In accordance with IFRS 9, provisions for losses will be valued on one of the following two bases:

- 12-month expected credit losses – these are expected credit losses arising from all possible default events during the 12 months following the reporting date, and
- Expected credit losses over the life of the instrument – these are expected credit losses arising from all possible default events over the expected life of the financial instrument.

The impairment requirements in IFRS 9 are complex and require management judgment, as well as estimates and assumptions, particularly regarding the following:

- Determining whether the credit risk of a financial asset has increased significantly since initial recognition, and
- Considering the information about future circumstances when estimating expected credit losses.

Long-term financial investments

Equity investments in other listed companies are initially valued at cost. Subsequent valuation is performed at each balance sheet date to adjust their value to market value.

Long-term financial investments that include equity investments in related legal entities, commercial banks and other legal entities that are not listed on the stock exchange are stated at cost less impairment based on management's assessment in order to reduce them to their recoverable amount.

Trade receivables, short-term placements and other short-term receivables

Trade receivables, short-term placements and other short-term receivables are stated at nominal value, less any allowances made based on management's assessment of their collectability.

Cash and cash equivalents

Cash and cash equivalents include: cash on hand, demand deposits with banks or other financial institutions for current transactions, postal current accounts and other cash equivalents, as well as other investments with original maturities of up to three months.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Financial liabilities

Financial liabilities are classified in accordance with the substance of the contractual provisions. Financial liabilities are stated at nominal value, increased by interest based on concluded contracts.

Business liabilities

Trade payables and other operating liabilities are valued at their nominal value.

Provisions

Provisions are recognized when the Company has a present legal or contractual obligation as a result of past events and it is probable that an outflow of funds will be required to settle the obligation. The amount recognized represents the best estimate of the expenditure required to settle the obligation. When the time value of money is significant and the date of settlement of the obligation can be determined approximately, the provision is valued at the present value of the expenditure required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is reported as interest expense.

If the provision relates to disassembly and removal, the provision is recognised as part of the asset to which it relates and the expense is recognised in the income statement as depreciation of the asset to which the expense relates.

Changes in accounting estimates are reflected in the income statement in the year in which the change occurs, except for changes in expected dismantling and removal costs due to changes in the timing and use of economic resources required to settle the obligation, or changes resulting from changes in the discount rate.

Such changes are added to or subtracted from the book value of the asset to which they relate and are recognized in the income statement through depreciation. If changes are added to the book value of the asset, the Company makes an assesment whether the new present value will be fully comensated; if not, the present value of the asset is reduced to take into account the irrecoverable amount and a loss is recognized in the income statement.

If the changes are deducted from the carrying amount of the asset, the decrease is recognized as a reduction of the asset to the amount of its book value, any excess is recognized immediately in the income statement.

Regarding the adopted assessment criteria for determining the deactivation or recovery of assets, it is explained in the paragraph Estimates and assumptions.

Risks that may cause an increase in a contingent liability are disclosed in the contingent liabilities and risks section, but are not recognized.

A contingent liability arising from a business combination is measured at the higher of the amount that would have been recognized applying the above policy for provisioning costs and the present value of the initially defined liability.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Revenue recognition

The company operates as a holding company and performs management and financing activities.

Revenue from contracts with customers is recognized when control over the expected products is transferred to the customer, or when the service is performed, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the related products/goods or services.

Revenues from the provision of services are recognized in the accounting period in which the service was provided and are reported at the invoice value minus approved discounts.

Contracts with customers define the key commercial terms on which customers place their orders. From a revenue recognition perspective, a contract is viewed as a combination of the underlying contract with customers and the orders placed.

Specifically, the revenue recognition process involves the following 5 steps:

- Step 1: Identify the contract(s) with the customer;
- Step 2: Determine performance obligations from the contract;
- Step 3: Determine the transaction price;
- Step 4: Distribute the transaction price to the performance obligations under the contract; and
- Step 5: Recognize revenue when the entity fulfills (or while fulfilling) the performance obligation.

The Company recognizes income when a performance obligation is fulfilled (or during fulfilment of that obligation), i.e., when 'control' over the goods or services underlying the specific obligation is transferred to the customer.

Financial income and expenses

Financial income consists of interest on loans, interest receivables from placed funds and positive exchange rate differences. Interest income is recognized in the income statement on an accrual basis, using the effective income method. Interest income is recognized in the income statement of the period to which it relates, in accordance with the principle of causation.

Financial expenses that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the purchase price of the asset, starting from the date the Company incurs the financial expenses until the date the financed asset is ready for use.

Dividends

Distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements in the period in which the Company's shareholders approved the dividends.

Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding for the period.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Operating expenses

Operating expenses include general expenses such as rent, marketing, insurance, payment transactions, taxes, and other expenses incurred in the current accounting period.

Other expenses

Other expenses include losses from the sale and disposal of real estate, plant, equipment and intangible assets, losses from the sale of securities and equity interests in legal entities, losses from the sale of materials, deficits, expenses from direct write-offs of receivables, expenses from asset impairment, negative effects of value adjustments of intangible assets, real estate, plant, equipment, long-term and short-term financial investments, inventories, securities and receivables in accordance with the Company's accounting policy.

Employee benefits

a) Taxes and contributions to employee social security funds

In accordance with the regulations applicable in the Republic of Serbia, the Company is under the obligation to pay taxes and contributions to tax authorities and state funds that ensure social security of employees. These obligations include taxes and contributions for employees at the expense of the employer in amounts calculated at the rates prescribed by law. The Company is also obliged to withhold contributions from the gross salary of employees and to pay them to the funds on behalf of the employees. Taxes and contributions at the expense of the employer and taxes and contributions at the expense of the employee are recorded as expenses in the period to which they relate.

b) Severance pay liabilities

In accordance with the provisions of the Labor Law, the Company is obliged to pay an employee a severance pay upon retirement in the amount of three average salaries in the Republic of Serbia, determined according to the latest published data from the republican authority responsible for statistics.

To employees whose work is no longer needed and who are not provided with any of the rights established by law, the employer shall pay severance pay in the amount of the sum of one third of the employee's salary for each completed year of work in the first 10 years of employment and one quarter of the employee's salary for each subsequent completed year of work in employment over 10 years of employment. Earnings within the meaning of the previous paragraph shall be considered the average salary of the employee paid for the last 3 months preceding the month in which the severance pay is paid.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Income tax

Current income tax

Current income tax represents the amount calculated by applying the prescribed tax rate of 15% to the base determined by the tax balance, which represents the amount of profit before tax after deducting the effects of adjusting income and expenses, in accordance with the tax regulations of the Republic of Serbia, with a reduction for prescribed tax credits.

The Law on Profit Tax of the Republic of Serbia does not provide that tax losses from the current period can be used as a basis for refunding taxes paid in previous periods. However, losses from the current period reported in the tax balance sheet can be used to reduce the tax base of future accounting periods, but not longer than five years. Tax losses incurred before January 1, 2010 can be carried forward against future profits for a period not longer than ten years.

Deferred income tax

Deferred income tax is calculated using the balance sheet liability method for temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and tax losses and credits that can be carried forward to future fiscal periods, to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax assets and liabilities are calculated at the tax rate expected to apply in the period when the asset is realized or the liability is settled. As of 31 December 2024, deferred tax assets and liabilities were calculated at a rate of 15% (31 December 2023: 15%)

Deferred tax is charged or credited to the income statement, except when it relates to items that are charged or credited directly to equity, in which case the deferred tax is also allocated within equity.

Transactions with related legal entities

For the purposes of these financial statements, legal entities are treated as related if one legal entity has the ability to control another legal entity or exercise significant influence over the financial and operating decisions of the other entity in accordance with the provisions of IAS 24: "Related Party Disclosures".

The Company considers related legal entities in terms of the above-mentioned standard to be legal entities in which it has a share in the capital, or legal entities with a share in the capital of the Company.

Related parties may enter into transactions that unrelated parties might not, and transactions with related parties may be conducted under different terms and for different amounts than the same transactions with unrelated legal entities.

The Company provides services to related parties and is at the same time a user of their services. Relations between the Company and related parties are regulated on a contractual basis and at market conditions.

The Company has disclosed all transactions with related parties in the attached financial statements, as required by IAS 24 - "Related Party Disclosures".

(All amounts are expressed in RSD 000, unless otherwise indicated)

3. Estimates and assumptions

The preparation of these separate financial statements requires management to apply accounting policies and methods, which in certain circumstances are based on accounting estimates and assumptions, and which may also be based on past experience and assumptions that are considered reasonable and realistic. The use of such estimates and assumptions affects the separate financial statements, including the balance sheet, income statement, statement of other financial performance and statement of cash flows, as well as the related disclosures in the notes to the separate financial statements. The actual amounts of items in the financial statements for which the aforementioned estimates and assumptions were used may differ from the amounts recognized in the financial statements due to the uncertainty of the assumptions and conditions on which the estimates are based.

Below is a brief description of the key accounting estimates used in the preparation of the individual financial statements.

Impairment of equity participation in subsidiaries

Investments in subsidiaries are tested for impairment, which, when there are indicators that indicate that it is difficult to recover the net book value, should be recognized as an impairment. Verification of the existence of the aforementioned indicators requires subjective assessments by management, based on information available to the Company, market information and based on past experience. If it is determined that potential impairment may occur, the Company's management uses a valuation technique to calculate the amount of potential impairment. The accurate identification of indicators of potential impairment, as well as the calculation of estimates for its determination, depends on factors that may change over time and that may affect the assumptions and estimates made by management.

Based on the assessments made by the Company's management, there are no indicators of impairment of the equity interest.

Provisions

Other provisions for risks and compensations mainly relate to possible liabilities for fines and interest on amounts due to tax authorities. The allocation of provisions is made based on the best estimates of the costs, at the reporting date, that are likely to be incurred to settle the obligation, after seeking legal advice.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial risk management

Coordination and monitoring of key financial risks is carried out by the owner's central treasury department, which provides guidelines for managing different types of risks and for the use of financial instruments. The main features of the Company's risk management policies are:

- centrally setting operational risk management guidelines relating to market, liquidity and cash flow risks;
- monitoring of achieved results;
- diversification of commitments/obligations and product portfolio.

Credit risk

Credit risk represents exposure to potential losses arising from the failure of business and financial counterparties to meet their contractual obligations.

The maximum credit risk exposure of the Company as of December 31, 2024 and 2023 is the book value of each class of assets as indicated in the following table:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Trade receivables	51,427	454
Other receivables	19,882	295,000
Long-term receivables and investments	1,832,523	1,480,020
Short-term receivables and investments	14	14
Active time limits	325,620	233,783
TOTAL	2,229,446	2,009,271

Trade receivables as of December 31, 2024 amounted to RSD 51,427 thousand and mostly relate to re-invoiced services related to the management fee. Re-invoicing of these services has been carried out since 2024 and relates to the management fee provided by Fintel Italy to Fintel Serbia and other related entities. In the previous year, as of December 31, 2023, trade receivables amounted to RSD 454 thousand and related exclusively to receivables for accounting services provided.

In 2024, other receivables amount to RSD 19,882 thousand and are significantly lower compared to the previous year, when they amounted to RSD 295,000 thousand. This difference arises primarily from the fact that in 2024 there are no receivables for dividends from dependent legal entities, while at the end of 2023 there was a receivable on this basis. In addition, receivables for contracted and default interest from other related parties are lower in 2024 compared to the previous year, since a part of these receivables was collected during 2024. Other receivables also include receivables for previous VAT in the tax period, the dynamics of which depends on specific business activities and tax refund periods.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

Long-term receivables and investments relate to loans granted by Fintel Energija to related parties. In 2024, these receivables amounted to RSD 1,832,523 thousand, while in 2023 they amounted to RSD 1,480,020 thousand. Compared to the previous year, long-term receivables and investments increased by RSD 352,503 thousand, which amounts to approximately EUR 3,029,604. These funds are used for project development, enabling the financing and implementation of new investments in the renewable energy sector.

Accrued expenses consist of interest receivables from loans granted to subsidiaries. In 2024, they amounted to RSD 325,620 thousand, while in 2023 they amounted to RSD 233,783 thousand. Compared to the previous year, accrued expenses increased by RSD 91,837 thousand. This increase is a direct consequence of the growth of long-term receivables and investments, i.e., an increase in the amount of loans granted to subsidiaries, which also resulted in an increase in accrued interest receivables (MK Fintel Wind ad., MK Fintel Wind Holding doo, VP Lipar doo, VP Lipar 2 doo, Project Torak doo, Fintel Energija Development doo...).

According to the cash flow projections of the subsidiaries, these assets carry a low level of credit risk.

Liquidity risk

Liquidity risk is related to the ability to meet obligations arising from financial commitments undertaken by the Company. Prudent management of liquidity risk during regular activities involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of term loan funds.

The Company manages liquidity risk centrally, as the administration department periodically monitors the Company's net cash/debt through the preparation of appropriate cash inflow and outflow reports. In this way, the Company aims to ensure adequate coverage for financing needs, by precisely monitoring financing, open credit lines and their use, all with the aim of optimizing its resources and managing temporary liquidity surplus.

The Company's objective is to establish a financing structure that, in accordance with its business objectives, guarantees sufficient liquidity for the Company, minimizes opportunity costs and maintains a balance in terms of maturity and debt composition.

The following table presents an analysis of the maturity of liabilities as of 31 December 2024 and 2023. The different maturities are determined based on the period between the reporting date and the contractual maturity of the Company's liabilities, gross of accrued interest as of 31 December. Interest is calculated in accordance with the contractual terms of the financing.

December 31, 2024.				
<i>RSD thousands</i>	Less than a year	1-2 years	2-5 years	Over 5 years
Financial liabilities to shareholders	13,745		1,072,178	
Liabilities for loans to banks	-			
Liabilities to suppliers	34,119			
Other obligations	281,806			
Total	329,670		1,072,178	
December 31, 2023.				
<i>RSD thousands</i>	Less than a year	1-2 years	2-5 years	Over 5 years
Financial liabilities to shareholders	13,759		1,073,633	
Liabilities for loans to banks	-			
Liabilities to suppliers	34,211			
Other liabilities	236,075			
Total	284,045		1,073,633	

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

Market risk

In performing its business, the Company is potentially exposed to the following market risks:

- the risk of exchange rate fluctuations;
- the risk of interest rate fluctuations.

These risks are essentially centrally managed by the parent company Fintel Energija.

Risk of exchange rate fluctuations

Foreign exchange risk is associated with operations in currencies other than RSD. The Company is exposed to foreign exchange rate fluctuations, as it conducts business in Serbia through its subsidiaries, which are companies dedicated to the study, construction, development and management of wind farms and other renewable energy projects. The impact is presented in the balance sheet and income statement of subsidiaries.

By performing an accounting sensitivity analysis as of December 31, 2024, if the currency had strengthened/weakened by 5% against the EUR and all other variables remained constant, the result after tax would have been RSD 46,152 thousand (2023: RSD 46,214 thousand) higher/lower, mainly as a result of positive and negative exchange rate differences due to the exchange rate of liabilities denominated in EUR.

Risk of interest rate fluctuations

The Company is exposed to interest rate risk arising from its financial liabilities. Fixed-rate debt exposes the Company to the risk of changes in the fair value of the debt that are related to changes in market reference rates. Variable-rate debt exposes the Company to cash flow risk arising from interest rate volatility.

The Company's financial indebtedness consists of current debt to the parent company, where the interest rate is fixed.

As a result of the aforementioned hedging transactions, the impact of expected changes in interest rates over the next twelve months is considered negligible in the context of the Company's financial statements.

Capital management risk

The Company's goal in terms of capital risk management is to preserve business continuity in order to guarantee returns to shareholders and benefits to other stakeholders. Furthermore, the Company aims to maintain an optimal capital structure in order to reduce borrowing costs.

The Company monitors its capital based on the ratio of net debt to net invested capital (gearing ratio). Net debt is calculated as total debt, including current and long-term loans and borrowings, plus net exposure to banks. Net invested capital is calculated as the sum of total capital and net debt.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

The debt ratio as at December 31, 2024 and 2023 is presented in the following table:

<i>RSD thousands</i>	31.12.2024	31.12.2023
<i>Long-term financial liabilities:</i>		
- Bank loans	-	-
<i>Short-term financial liabilities:</i>		
- Financial liabilities to shareholders	1,085,923	1,087,392
Cash and cash equivalents	(119,695)	(8,220)
Net debt (A)	966,228	1,079,172
Capital (B)	963,919	689,282
Net capital employed (C=A+B)	1,930,147	1,768,454
Debt ratio (A/C)	50.1%	61.0%

5. Financial assets and liabilities by class

The following table shows the Company's financial assets and liabilities by class, with an indication of the corresponding fair value, as at December 31, 2024 and 2023:

<i>RSD thousands</i>	December 31, 2024.				
	Amortized cost	Fair value through other income	Fair value through profit or loss	Hedge accounting	Total
Funding	1,832,523	-	-	-	1,832,523
Receivables from dependent legal entities	44,446	-	-	-	44,446
Other short-term assets	345,516	-	-	-	345,516
Cash and cash equivalents	119,695	-	-	-	119,695
Total	2,342,180	-	-	-	2,342,180
Loans		-	-	-	
Financial liabilities towards the parent legal entity	1,085,923	-	-	-	1,085,923
Operation liabilities	34,119	-	-	-	34,119
Other short-term liabilities	281,806	-	-	-	281,806
Total	1,401,848	-	-	-	1,401,848

(All amounts are expressed in RSD 000, unless otherwise indicated)

5. Financial assets and liabilities by class (Continued)

RSD thousand	December 31, 2023.				Total
	Amortized cost	Fair value through other results	Fair value through profit or loss	Hedge accounting	
Funding	1,480,020	-	-	-	1,480,020
Receivables from dependent legal entities	454	-	-	-	454
Other short-term assets	528,796	-	-	-	528,796
Cash and cash equivalents	8,220	-	-	-	8,220
Total	2,017,490	-	-	-	2,017,490
Loans	1,087,392	-	-	-	1,087,392
Financial liabilities towards the parent legal entity	34,211	-	-	-	34,211
Operations liabilities	236,075	-	-	-	236,075
Other short-term liabilities	-	-	-	-	-
Total	1,357,678	-	-	-	1,357,678

6. IFRS 8: segment information

Based on the fact that the Company operates only in the renewable energy sector and in Serbia, there is only one reporting segment.

7. Information on guarantees assumed, actual and other contingent liabilities

a) Guarantees issued

No guarantees were issued.

b) Other

There were no other potential liabilities of the Company.

(All amounts are expressed in RSD 000, unless otherwise indicated)

8. Participations in the capital of dependent legal entities

Direct investments in related companies are presented below:

- RSD 16,009 thousand refers to 54% ownership in MK-Fintel Wind AD (RSD 16,009 thousand as at December 31, 2023).
- RSD 5 thousand refers to 54% ownership in MK-Fintel Wind Holding Doo (RSD 5 thousand as at December 31, 2023).
- RSD 200 for 100% ownership in Fintel Energija Development Doo (RSD 200 on December 31, 2023).

In 2024, the Company, as the parent legal entity of the business group, had a share in the capital of the following dependent legal entities:

Name	Share capital (RSD '000)	Head office	31/12/2024 % participation	31/12/2023 % participation	
MK-Fintel Wind ad	29,647	Belgrade (Serbia)	54%	54%	Directly
MK-Fintel Wind Holding doo	10	Belgrade (Serbia)	54%	54%	Directly
Energobalkan doo	360,513	Belgrade (Serbia)	54%	54%	Indirectly
Vetropar Ram doo	10	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Kula doo	314,032	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Torak doo	240	Belgrade (Serbia)	54%	54%	Indirectly
Fintel Energy Dev.doo	0	Belgrade (Serbia)	100%	100%	Directly
MK-Fintel Wind Dev. doo	0	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Lipar doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Vetropark Lipar 2 doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Vetropark Project Torak doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Fintel Energy Dev. Ltd	0	Nicosia (Cyprus)	100%	100%	Indirectly
Vetropark Torak Ltd	0	Nicosia (Cyprus)	100%	100%	Indirectly
Staklenik Jedan d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Dva d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Tri d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Četiri d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Pet d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Šest d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly

(All amounts are expressed in RSD 000, unless otherwise indicated)

9. Long-term loans and placements – parent and subsidiary legal entities

Long-term financial liabilities – parent and subsidiaries amount to RSD 1,832,523 thousand (2023: RSD 1,480,020 thousand) and relate to financing provided to subsidiaries and other related entities, as set out in the tables below:

Loan beneficiary	Amount 31.12.2024 EUR	Amount 31.12.2024 RSD	Amount 31.12.2024 RSD	Maturity
MK Fintel Wind ad	10,363,689	1,212,706,079	1,315,444,567	2036
MK Fintel Wind Holding d.o.o.	1,732,964	202,782,627	70,468,263	2027
MK-Fintel Wind Development d.o.o.	43,200	5,055,044	5,061,904	2030
Maestrale Ring d.o.o.	50,000	5,850,745	5,858,685	2027
VP Lipar d.o.o.	1,612,000	188,628,019	37,729,931	2027
VP Lipar 2 d.o.o.	1,564,000	183,011,304	20,388,224	2027
Project Torak d.o.o.	76,000	8,893,132	7,850,638	2027
Fintel Energija Development d.o.o.	180,440	21,114,169	14,815,443	2027
Staklenik 1 d.o.o.	5,000	585,075	234,347	2027
Staklenik 2 d.o.o.	7,000	819,104	468,695	2027
Staklenik 3 d.o.o.	7,500	877,612	527,282	2027
Staklenik 4 d.o.o.	5,000	585,075	234,347	2027
Staklenik 5 d.o.o.	4,300	503,164	234,347	2027
Staklenik 6 d.o.o.	3,500	409,552	0	2027
Viafast d.o.o.	4,000	468,060	468,695	2027
Balkan-electro d.o.o.	2,000	234,030	234,347	2027
Total	15,660,593	1,832,522,791	1,480,019,715	

Long-term financial placements were made to subsidiaries and other related parties. The given placements bear an arm's length interest rate, which in 2024 amounts to 6.23%.

Long-term financial investments refer to loans that Fintel Energija provides to subsidiaries and other related parties. In 2024, these receivables amount to 1,832,523 thousand RSD, while in 2023 they amounted to 1,480,020 thousand RSD. Compared to the previous year, long-term receivables and investments increased by 3,029,604 EUR. These funds are used for project development, enabling the financing and implementation of new investments in the renewable energy sector.

The Company has no significant loan credit losses related to the aforementioned placements and loans.

(All amounts are expressed in RSD 000, unless otherwise indicated)

10. Trade receivables

Trade receivables as of December 31, 2024 and 2023 amount to:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Receivables from customers in the country	6,981	-
Receivables from the parent company, subsidiaries and other related parties in the country	44,446	454
Trade receivables	51,427	454

Trade receivables relate to re-invoiced services related to the management fee. The re-invoicing of these services has been carried out since 2024 and relates to the management fee provided by Fintel Italy to Fintel Serbia and other related entities.

This re-invoicing model was introduced to more accurately reflect project management costs and obligations within related legal entities.

11. Cash and cash equivalents

Cash and cash equivalents as of December 31, 2024 and 2023 are:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Current account		
- in dinars	119,655	8,180
- in foreign currency	40	40
Cash and cash equivalents	119,695	8,220

The market value of cash and cash equivalents matches its book value.

For the purpose of preparing the statement of cash flows, investments and financing transactions that did not require the use of cash or cash equivalents are excluded.

12. Other short-term assets

Other short-term assets in the amount of RSD 19,882 thousand as of December 31, 2024 (RSD 295,000 thousand as of December 31, 2023) are given in more detail in the following table:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Other receivables	15,648	290,766
Claims for overpaid income tax	4,224	4,224
Receivables for prepaid other taxes and contributions	10	10
Total	19,882	295,000

(All amounts are expressed in RSD 000, unless otherwise indicated)

12. Other short-term assets – (Continued)

In 2024, other receivables amount to RSD 19,882 thousand and are significantly lower compared to the previous year, when they amounted to RSD 295,000 thousand. This difference arises primarily from the fact that in 2024 there are no receivables for dividends from dependent legal entities, while at the end of 2023 there was a significant receivable on this basis. In addition, receivables for contractual and default interest from other related parties are lower in 2024 compared to the previous year, since a part of these receivables was collected during 2024. Other receivables also include receivables for previous VAT in the tax period, the dynamics of which depends on specific business activities and tax refund periods.

13. Short-term active accruals

Short-term accrued income and deferred income as of 31 December 2024 amounted to RSD 325,620 thousand (RSD 233,783 thousand as of 31 December 2023). The majority of accrued income and deferred income relates to accrued but unpaid interest on loans granted to subsidiaries and other related entities. These receivables represent income that will be realized in future accounting periods, in accordance with the agreed financing terms.

14. Equity

Equity as of December 31, 2024 and 2023 is shown in the table below:

RSD thousands	December 31, 2024.	December 31, 2023.
Share capital	4,057	4,057
Share premium	681,237	681,237
Retained earnings of the current year	274,636	-
Retained earnings from previous years	13,179	249,981
Loss of previous years	(9,190)	(245,993)
Current year loss	-	-
TOTAL EQUITY	963,919	689,282

Description	Basic capital	Share premium and provisions	Undistributed earnings	Loss	Total
Balance as at January 1, 2023.	4,057	681,237	9,285	255,277	439,302
Effects of retroactive correction of material errors and changes in accounting policies	-	-	-	-	-
Corrected initial balance on 01.01.2023	4,057	681,237	9,285	255,277	439,302
Net changes in 2023.	-	-	240,696	9,284	249,980
Balance as at 31.12.2023.	4,057	681,237	249,981	245,993	689,282
Effects of retroactive correction of material errors and changes in accounting policies	-	-	-	-	-
Corrected initial balance on 01.01. in 2024	4,057	681,237	249,981	245,993	689,282
Net changes in 2024.	-	-	37,834	(236,803)	274,637
Balance as at 31.12.2024.	4,057	681,237	287,815	9,190	963,919

(All amounts are expressed in RSD 000, unless otherwise indicated)

14. Equity (Continued)

Capital components and changes in them are detailed below:

Share capital

As of December 31, 2024, the paid-up subscribed share capital of the Company amounted to RSD 4,057 thousand (RSD 4,057 thousand as of December 31, 2023) thousand, consisting of 26,510,506 ordinary shares of RSD 0.153 each.

Share premium

As of December 31, 2024, reserves include the share premium generated by the capital increase related to the initial public offering of the Company's shares, the Premium segment of the Belgrade Stock Exchange. The share premium amounts to RSD 755,022 thousand (equivalent to RSD 499,847 per each new share issued by the Company). The value of the share premium is stated net of IPO-related expenses. IPO expenses amounted to RSD 73,785 thousand.

Retained earnings / (losses)

They consist of gains / (losses) of previous years. They also include net profit / (loss) for the current year.

15. Long-term and short-term loans from the parent and related entities

Loans from the parent and related legal entities in the amount of RSD 1,085,923 thousand as of 31 December 2024 (RSD 1,087,392 thousand as of 31 December 2023), of which RSD 1,072,178 thousand relate to loans from the majority shareholder Fintel Energia Group Spa. The loans are mainly interest-bearing, with interest rates ranging from 3% to 6%. The amount of RSD 13,745 thousand as of 31.12.2024 relates to short-term loans received from the parent company (RSD 13,759 thousand as of 31 December 2023).

16. Operations liabilities

As of December 31, 2024, operating liabilities amounted to RSD 34,119 thousand, which is approximately the same level as in the previous year (RSD 34,211 thousand as of December 31, 2023). The largest part of these liabilities, amounting to RSD 32,902 thousand, relates to debts to the parent company Fintel Italia Spa based on management fees. The remaining, significantly smaller part, amounting to RSD 1,217 thousand, represents liabilities to suppliers in the country.

17. Other short-term liabilities

As of December 31, 2024, other short-term liabilities amounted to RSD 3,240 thousand, which represents a significant increase compared to the previous year, when they amounted to RSD 20 thousand. The largest part of these liabilities, in the amount of RSD 3,078 thousand, relates to VAT liabilities for the fourth quarter of 2024. The year that is due for collection on January 15, 2025. Other short-term liabilities consist of liabilities from previous years for VAT based on amended VAT returns (RSD 87 thousand) and liabilities transferred to employees that will be settled in 2025.

(All amounts are expressed in RSD 000, unless otherwise indicated)

18. Passive time accruals

As of December 31, 2024, short-term accrued expenses amounted to RSD 278,565 thousand, an increase compared to the previous year, when they amounted to RSD 236,055 thousand. The largest part of these liabilities, amounting to RSD 275,016 thousand, relates to accrued interest on loans received from the parent company Fintel Energia Group SpA.

The remaining amount of RSD 3,549 thousand refers to reserved audit and consulting services costs related to the business year 2024, but for which invoices are expected to be issued in 2025.

(All amounts are expressed in RSD 000, unless otherwise indicated)

INCOME STATEMENT

19. Revenue from sales of products and services

Sales revenues for the twelve-month period ended December 31, 2024 amounted to RSD 13,938 thousand, while as of December 31, 2023 they amounted to RSD 1,786 thousand. Significant revenue growth in 2024 is the result of the introduction of re-invoicing of project management services (management fee), while in the previous year revenues arose exclusively from the provision of accounting services.

20. Salary costs

Salary expenses for the period of twelve months ended on December 31, 2024 and 2023 are presented in the following table:

	2024.	2023.
SALARY COSTS AND SALARY COMPENSATION	8,608	6,603
COSTS OF TAXES AND CONTRIBUTIONS ON EARNINGS AND EARNINGS COMPENSATION	1,304	1,001
OTHER PERSONAL EXPENSES AND FEES	1,350	996
Total	11,262	8,600

21. Intangible costs

Intangible costs for the twelve-month period ended on December 31, 2024 amount to RSD 19,543 thousand, which represents a significant decrease compared to the previous year, when on December 31, 2023 they amounted to RSD 40,412 thousand.

The majority of these costs relate to consulting services, including services provided by the parent company under management consulting contracts, as well as audit costs.

The decrease in intangible costs in 2024 is primarily the result of significantly lower consulting costs compared to the previous year, which contributed to the overall decline in this category of expenses.

22. Financial income

Finance income for the twelve-month period ended 31 December 2024 and 2023 is presented in the following table:

	2024.	2023.
FINANCIAL INCOME FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER LEGAL ENTITIES	330,551	351,141
INTEREST INCOME	-	-
POSITIVE EXCHANGE RATE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1,149	39
Total	331,699	351,180

Financial income mostly refers to income from dividends in the amount of RSD 221,278 thousand (2023: 300,226 thousand). The rest of the isos refers to interest income. In 2024, lower financial income was achieved due to the fact that income from dividends was lower by RSD 78,948 thousand. The difference was somewhat covered by income from interest on loans given to related parties. The interest rate beyond arm's reach for long-term loans in 2023 was 3.22%, while in 2024 it was 6.23%.

(All amounts are expressed in RSD 000, unless otherwise indicated)

23. Financial expenses

Finance expenses for the twelve-month period ended 31 December 2024 and 2023 are presented in the following table:

	2024.	2023.
FINANCIAL EXPENSES FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER LEGAL ENTITIES	43,930	44,217
INTEREST EXPENSES	87	114
NEGATIVE EXCHANGE RATE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	2	146
OTHER FINANCIAL EXPENSES	102	-
Total	44,120	44,477

24. Tax expense for the period

The Company had no tax expense for the year ended 31 December 2024 and the year of 2023.

25. Basic earnings/(loss) per share

Basic earnings per share ranged from earnings of RSD 9.43 for the twelve-month period ended December 31, 2023 to earnings per share of RSD 10.36 for the period ended December 31, 2024. Basic earnings per share were calculated by dividing the Company's net result by the average number of shares of Fintel Energija (average number of shares is 26,511 thousand).

Diluted earnings per share equals basic earnings per share on both dates.

(All amounts are expressed in RSD 000, unless otherwise indicated)

26. Transactions with related parties

As previously indicated, the majority shareholder of the Company is Fintel Energia Group SpA.

Below is an overview of the Company's transactions with related parties in 2024 and 2023. All transactions with related parties were carried out on market terms.

As of December 31, 2024 and December 31, 2023, an overview of the amounts of receivables and liabilities arising from transactions with related parties is presented in the table below:

December 31, 2024.				
	Dependent and affiliated companies			
RSD thousands	Parent company	owner	Subsidiaries	Total
Accounts receivable	-	-	44,446	44,446
Long-term loans	-	-	1,832,523	1,832,523
Other short-term assets	14	-	340,572	340,586
Other short-term liabilities	(275,016)	-	-	(275,016)
Operations liabilities	(32,902)	-	(411)	(33,313)
Loan from owner	(1,085,923)	-	-	(1,085,923)
Total	(1,393,827)	-	2,217,130	823,303
December 31, 2023				
	Dependent and affiliated companies			
RSD thousands	Parent company	owner	Subsidiaries	Total
Short-term loans	-	-	-	-
Long-term loans	-	-	1,480,020	1,480,020
Other short-term assets	-	-	233,783	233,783
Other short-term liabilities	(236,055)	-	-	(236,055)
Operations liabilities	(32,950)	-	-	(32,950)
Loan from owner	(1,087,392)	-	-	(1,087,392)
Total	(1,356,397)	-	1,713,803	357,406

(All amounts are expressed in RSD 1,000, unless otherwise indicated)

26. Related party transactions (Continued)

For the years ended December 31, 2024 and 2023, the following transactions with related parties occurred:

December 31, 2024.					
RSD thousands	Owner	Subsidiaries and affiliates of the owner	Subsidiaries	Other related legal entities	Total
General and administrative expenses	(11,972)	-	-	-	(11,972)
Financial expenses	(41,555)	-	-	-	(41,555)
Revenue from sales of products and services			13,938		13,938
Financial income	1,829		328,725	-	330,554
Total	(51,698)	-	342,663	-	290,965
December 31, 2023.					
RSD thousands	Owner	Subsidiaries and affiliates of the owner	Subsidiaries	Other related legal entities	Total
General and administrative expenses	(32,950)	-	-	-	(32,950)
Financial income	-	-	351,141	-	351,141
Financial expenses	(44,217)	-	-	-	(44,217)
Total	(77,167)	-	351,141	-	273,974

Key management compensation

The members of the Board of Directors were paid remuneration in the gross amount of RSD 1,274 thousand during 2024. Tiziano Giovannetti is the sole executive director of Fintel Energija AD Beograd and its subsidiaries.

27. Tax risk

The tax laws of the Republic of Serbia are often interpreted differently and are subject to frequent changes. The interpretation of tax laws by tax authorities in relation to the Company's transactions and activities may differ from the interpretation of management. As a result, transactions may be challenged by tax authorities and the Company may be assessed additional taxes, penalties and interest. The limitation period for tax liabilities is five years. This practically means that tax authorities have the right to determine the payment of outstanding liabilities within five years from the date the liability arose. Management estimated that the Group had paid all tax liabilities as of 31 December 2024.

28. Events after the balance sheet date

There were no events occurring after the balance sheet date that would require adjustment to the financial statements as of December 31, 2024, or disclosure in the Notes to the Company's financial statements.

Legal representative:

Tiziano Giovannetti

Director

Person responsible for preparing individual financial statements:

Biljana Bogdanov

Accountant

Biljana Bogdanov

FINTEL ENERGIJA A.D.

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2024**

CONTENT

INDEPENDENT AUDITOR'S REPORT

BALANCE SHEET as at December 31, 2024

INCOME STATEMENT for the period from January 1, 2024 to December 31, 2024

STATEMENT OF OTHER COMPREHENSIVE INCOME for the period from January 1, 2024 to December 31, 2024

STATEMENT OF CHANGES IN EQUITY for the period from January 1, 2024 to December 31, 2024

CASH FLOW STATEMENT for the period from January 1, 2024 to December 31, 2024

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2024

*This is English translation of the Report
originally issued in Serbian language
(For management purposes only)*

INDEPENDENT AUDITORS' REPORT

TO SHAREHOLDERS OF FINTEL ENERGIJA AD, BEOGRAD

Opinion

We have audited the accompanying financial statements of **FINTEL ENERGIJA AD, BEOGRAD** (hereinafter: the Company), which comprise the balance sheet as at **31 December 2024**, and the income statement, statement of other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Law and other accounting regulations in the Republic of Serbia.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing applicable in the Republic of Serbia. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Serbia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Recoverability of long-term loans given to related parties.

The gross balance of long-term loans given to related parties' as of 31 December 2024 amounted to RSD 1,832,523 thousand and corresponding accrued interest on such loans amounted to RSD 325,571 thousand. Long-term loans given to related parties comprise 91% of the Company's total assets. The assessment of the impairment of loans given to related parties' requires significant management judgment in assessing the related parties' ability to pay, which in turn impacts the recoverability of the majority of the Company's assets.

In assessing the recoverability of long-term loans given to related parties, management exercised significant judgements to evaluate the collectability from individual related parties, after considering their financial position and expected future results and cash flows.

Considering materiality of the amounts involved, as well as the fact that this area requires a significant level of management judgement, recoverability of loans given to related parties was determined to be a key audit matter in our audit of the Company's financial statements.

Our audit procedures included considering the appropriateness of accounting policies, evaluation of the loan impairment methodologies at the financial statement level, and their comparison to the requirements of IFRS 9, Financial Instruments and the Accounting Law and other accounting regulations in the Republic of Serbia.

We inspected relevant contracts with the related parties and assessed their creditworthiness with reference to available information, where applicable.

We evaluated management's process for identifying impairment indicators, based on IFRS 9, *Financial instruments* and the Accounting Law and other accounting regulations in the Republic of Serbia. and related parties' specific factors, if any.

We assessed the appropriateness of disclosures in relation to long-term loans given to related parties' included in the Note 9 of the accompanying financial statements prepared in accordance with the Accounting Law and other accounting regulations in the Republic of Serbia. and IFRS 9, Financial Instruments.

Other matter

The accompanying financial statements represent the Company's separate financial statements. Consolidated financial statements of the Group of which the Company is a parent, and which reflect the Group's overall financial position as at 31 December 2024, will be issued separately.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Law and other accounting regulations in the Republic of Serbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with Standards on Auditing applicable in the Republic of Serbia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Auditors' responsibilities for the audit of the financial statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Danijela Mirkovic.

Belgrade, 29 April 2025



Danijela Mirković
Authorized Auditor
for Ernst & Young d.o.o. Beograd

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
1	2	3	4	5	6
	ASSETS				
00	A. SUBSCRIBED AND UNPAID CAPITAL	0001		-	-
	B. FIXED ASSETS (0003 + 0009 + 0017 + 0018 + 0028)	0002		1.848.537	1.496.034
01	I. INTANGIBLE ASSETS (0004 + 0005 + 0006 + 0007 + 0008)	0003		-	-
010	1. Investments in development	0004		-	-
011, 012 and 014	2. Concessions, patents, licenses, trademarks and service marks, software and other intangible assets	0005		-	-
013	3. Goodwill	0006		-	-
015 and 016	4. Intangible assets leased and intangible assets in preparation	0007		-	-
017	5. Advances for intangible assets	0008		-	-
02	II. REAL ESTATE, PLANT AND EQUIPMENT (0010+0011 + 0012 + 0013 + 0014 + 0015 + 0016)	0009		-	-
020, 021 and 022	1. Land and construction facilities	0010		-	-
023	2. Plants and equipment	0011		-	-
024	3. Investment real estate	0012		-	-
025 and 027	4. Real estate, plant and equipment leased and real estate, plant and equipment under preparation	0013		-	-
026 and 028	5. Other real estate, plants and equipment and investment in other people's real estate, plants and equipment	0014		-	-
029 (part)	6. Advances for real estate, plant and equipment in the country	0015		-	-
029 (part)	7. Advances for real estate, plants and equipment abroad	0016		-	-
03	III. BIOLOGICAL RESOURCES	0017		-	-
04 and 05	IV. LONG-TERM FINANCIAL PLACEMENTS AND LONG-TERM RECEIVABLES (0019+0020+0021+0022+0023+0024+0025 + 0026 + 0027)	0018		1.848.537	1.496.034
040 (part), 041 (part) and 042 (part)	1. Share in the equity of legal entities (except for equity share that are valued using the participation method)	0019	8	16.014	16.014
040 (part), 041 (part) and 042 (part)	2. Equity shares valued using the share method	0020		-	-
043, 050 (part) and 051 (part)	3. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties in the country	0021	9	1.832.523	1.480.020
044, 050 (part) and 051 (part)	4. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties and abroad	0022		-	-
045 (part) and 053 (part)	5. Long-term placements (credits and loans given) in the country	0023		-	-
045 (part) and 053 (part)	6. Long-term placements (credits and loans given) abroad	0024		-	-
046	7. Long-term financial investments (securities valued at depreciated value)	0025		-	-
047	8. Purchased own shares and purchased own shares	0026		-	-
048, 052, 054, 055 and 056	9. Other long-term financial investments and other long-term receivables	0027		-	-
28 (part) except 288	V. LONG-TERM ACCRUED RECEIVABLES	0028		-	-
288	V. DEFERRED TAX ASSETS	0029		-	-

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
	G. CURRENT ASSETS (0031+0037+0038+0044+0048+0057+0058)	0030		517.229	550.926
Class 1, except account group 14	I. SUPPLIES (0032+0033+0034+0035+0036)	0031		591	13.455
10	1. Material, spare parts, tools and small inventory	0032		-	-
11 and 12	2. Work-in-progress and finished products	0033		-	-
13	3. Goods	0034		-	-
150, 152 and 154	4. Paid advances for supplies and services in the country	0035		507	1.375
151, 153 and 155	5. Paid advances for supplies and services abroad	0036		84	12.080
14	II. FIXED ASSETS HELD FOR SALE AND CESSATION OF BUSINESS	0037		-	-
20	III. RECEIVABLES BASED ON SALES (0039+0040+0041+0042+0043)	0038	10	51.427	454
204	1. Receivables from customers in the country	0039	10	6.981	-
205	2. Receivables from customers abroad	0040		-	-
200 and 202	3. Receivables from the parent, dependent and other related persons in the country	0041		44.446	454
201 and 203	4. Receivables from parent, dependent and other related persons abroad	0042		-	-
206	5. Other receivables based on sales	0043		-	-
21, 22 and 27	IV. OTHER SHORT-TERM RECEIVABLES (0045+0046+0047)	0044	12	19.882	295.000
21, 22 except 223 and 224 and 27	1. Other receivables	0045	12	15.648	290.766
223	2. Receivables for overpaid profit tax	0046	12	4.224	4.224
224	3. Receivables based on overpaid other taxes and contributions	0047	12	10	10
23	V. SHORT-TERM FINANCIAL PLACEMENTS (0049+0050+0051+0052+0053+0054+0055+0056)	0048		14	14
230	1. Short-term loans and placements - parent and subsidiary legal entities	0049		-	-
231	2. Short-term loans and placements - other related parties	0050		-	-
232, 234 (part)	3. Short-term credits, loans and placements in the country	0051		-	-
233, 234 (part)	4. Short-term credits, loans and placements abroad	0052		-	-
235	5. Securities valued at depreciated value	0053		-	-
236 (part)	6. Financial assets valued at fair value through the Income Statement	0054		-	-
237	7. Repurchased own shares and repurchased own stakes	0055		-	-
236 (part), 238 and 239	8. Other short-term financial placements	0056		14	14
24	VI. CASH AND CASH EQUIVALENTS	0057	11	119.695	8.220
28 (part) except 288	VII. SHORT-TERM ACCRUED RECEIVABLES	0058	13	325.620	233.783
	D. TOTAL ASSETS = BUSINESS ASSETS (0001 + 0002 + 0029+0030)	0059		2.365.766	2.046.960
88	DJ. OFF-BALANCE SHEET ASSETS	0060			

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
	PASSIVE				
	A. CAPITAL (0402 + 0403+0404+0405+0406-0407+0408+0411-0412) ≥ 0	0401	14	963.919	689.282
30 except 306	I. SHARE CAPITAL	0402	14	4.057	4.057
31	II. SUBSCRIBED AND UNPAID CAPITAL	0403		-	-
306	III. ISSUE PREMIUM	0404	14	681.237	681.237
32	IV. RESERVES	0405		-	-
330 and credit balance for accounts 331, 332, 333, 334, 335 336 and 337	V. POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0406		-	-
debt balance calculated 331,332,333,334, 335,336 and 337	VI. UNREALIZED LOSSES BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0407		-	-
34	VII. RETAINED EARNINGS (0409+0410)	0408		287.815	249.981
340	1. Retained earnings of previous years	0409	14	13.179	
341	2. Undistributed profit of the current year	0410	14	274.636	249.981
	VIII. SHARE WITHOUT THE RIGHT OF CONTROL	0411		-	-
35	IX. LOSS (0413+0414)	0412		9.190	245.993
350	1. Loss of previous years	0413	14	9.190	245.993
351	2. Loss of the current year	0414		-	-
	B. LONG-TERM PROVISIONS AND LIABILITIES (0416+0420+0428)	0415		1.072.178	1.073.633
40	I. LONG-TERM RESERVATIONS (0417++0418+0419)	0416		-	-
404	1. Provisions for compensation and other employee benefits	0417		-	-
400	2. Provisions of costs in the warranty period	0418		-	-
40 except 400 and 404	3. Other long-term provisions	0419		-	-
41	II. LONG-TERM LIABILITIES (0421 + 0422 + 0423 + 0424 + 0425 + 0426 + 0427)	0420		1.072.178	1.073.633
410	1. Liabilities that can be converted into equity	0421		-	-
411 (part) and 412 (part)	2. Long-term loans and other long-term liabilities to parent, dependent and other related persons in the country	0422		-	-
411 (part) and 412 (part)	3. Long-term loans and other long-term liabilities to parent, dependent and other related parties abroad	0423	15	1.072.178	1.073.633
414 and 416 (part)	4. Long-term credits, loans and obligations based on leasing in the country	0424		-	-
415 and 416 (part)	5. Long-term credits, loans and obligations based on leasing abroad	0425		-	-
413	6. Obligations for issued securities	0426		-	-
419	7. Other long-term liabilities	0427		-	-
49 (part), except 498 and 495 (part)	III. LONG-TERM ACCRUED COSTS	0428		-	-

BALANCE SHEET DECEMBER 31, 2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year End balance 31.12.2023.
498	V. DEFERRED TAX LIABILITIES	0429			
495 (part)	G. LONG-TERM DEFERRED INCOME AND DONATIONS RECEIVED	0430		-	-
	D. SHORT-TERM PROVISIONS AND SHORT-TERM LIABILITIES (0432+0433+0441+0442+0449+0453+0454)	0431		329.669	284.045
467	I. SHORT TERM PROVISIONS	0432		-	-
42 except 427	II. SHORT-TERM FINANCIAL LIABILITIES (0434+0435+0436+0437+0438+0439+0440)	0433		13.745	13.759
420 (part) and 421 (part)	1. Liabilities based on loans to parent, dependent and other related parties in the country	0434		-	-
420 (part) and 421 (part)	2. Liabilities based on loans to parent, dependent and other related parties abroad	0435	15	13.745	13.759
422 (part), 424 (part), 425 (part) and 429 (part)	3. Liabilities based on credits and loans from parties other than domestic banks	0436		-	-
422 (part), 424 (part), 425 (part) and 429 (part)	4. Liabilities based on loans from domestic banks	0437		-	-
423, 424 (part), 425 (part) and 429 (part)	5. Credits, loans and obligations from abroad	0438		-	-
426	6. Liabilities for short-term securities	0439		-	-
428	7. Liabilities based on financial derivatives	0440		-	-
430	III. ADVANCES DEPOSITS AND BAILS RECEIVED	0441		-	-
43 except 430	IV. BUSINESS LIABILITIES (0443+0444+0445+0446+0447+0448)	0442	16	34.119	34.211
431 and 433	1. Liabilities to suppliers - parent, subsidiary legal entities and other related entities in the country	0443		-	-
432 and 434	2. Liabilities to suppliers - parent, subsidiary legal entities and other related entities abroad	0444	16	32.902	32.950
435	3. Liabilities to suppliers in the country	0445	16	1.217	1.261
436	4. Liabilities to suppliers abroad	0446		-	-
439 (part)	5. Bills of exchange liabilities	0447		-	-
439 (part)	6. Other liabilities from business	0448		-	-
44, 45, 46 except 467, 47 and 48	V. OTHER SHORT-TERM LIABILITIES (0450+0451+0452)	0449	17	3.240	20
44, 45 and 46 except 467	1. Other short-term liabilities	0450		162	20
47, 48 except 481	2. Liabilities based on value added tax and other public revenues	0451		3.078	-
481	3. Liabilities based on profit tax	0452		-	-
427	VI. LIABILITIES BASED ON ASSETS INTENDED FOR SALES AND ASSETS OF A OPERATIONS THAT HAVE BEEN SUSPENDED BUSINESS	0453		-	-
49 except 498	VII. SHORT-TERM ACCRUED COSTS AND DEFERRED REVENUES	0454	18	278.565	236.055
	DJ. LOSS ABOVE CAPITAL AMOUNT (0415+0429+0430+0431-0059) ≥ 0 = (0407+0412-0402-0403-0404-0405-0406-0408-0411) ≥ 0	0455		-	-
	E. TOTAL LIABILITY (0401+0415+0429+0430+0431-0455)	0456		2.365.766	2.046.980
89	Z. OFF BALANCE SHEET LIABILITIES	0457			

In Belgrade ,
30.04.2025.

Seal

Legal representative



INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. BUSINESS INCOME (1002 + 1005+1008+1009-1010+1011+1012)	1001		13.938	1.786
60	I. INCOME FROM THE SALE OF GOODS (1003 + 1004)	1002		-	-
600, 602 and 604	1. Income from the sale of goods on the domestic market	1003		-	-
601, 603 and 605	2. Income from the sale of goods on the foreign market	1004		-	-
61	II. INCOME FROM THE SALE OF PRODUCTS AND SERVICES (1006+1007)	1005		13.938	1.786
610, 612 and 614	1. Income from the sale of products and services on the domestic market	1006	19	13.938	1.786
611, 613 and 615	2. Income from the sale of products and services on the foreign market	1007		-	-
62	III. INCOME FROM ACTIVATION OF GOODS AND EFFECTS	1008		-	-
630	IV. INCREASE OF VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1009		-	-
631	V. DECREASE IN THE VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1010		-	-
64 and 65	VI. OTHER OPERATING INCOME	1011		-	-
68, except for 683, 685 and 686	VII. INCOME FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1012		-	-
	B. BUSINESS EXPENSES (1014+1015+1016+1020+1021+1022+1023+1024)	1013		31.336	49.677
50	I. PURCHASE VALUE OF SOLD GOODS	1014		-	-
51	II. COSTS OF MATERIALS, FUEL AND ENERGY	1015		44	20
52	III. SALARY EXPENSES, SALARY COMPENSATION AND OTHER PERSONAL EXPENSES (1017+1018+1019)	1016	20	11.262	8.600
520	1. Salary expenses and salary compensation	1017		8.608	6.603
521	2. Costs of taxes and contributions on wages and salary benefits	1018		1.304	1.001
52 except 520 and 521	3. Other personal expenses and compensation	1019		1.350	996
540	IV. DEPRECIATION COSTS	1020			
58 except 583, 585 and 586	V. COSTS FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1021			
53	VI. COSTS OF PRODUCTION SERVICES	1022		488	645
54 except 540	VII. RESERVATION COSTS	1023			
55	VIII. IMMATERIAL COSTS	1024	21	19.542	40.412
	V. BUSINESS PROFIT (1001 - 1013) ≥ 0	1025			
	G. BUSINESS LOSS (1013 - 1001) ≥ 0	1026		17.398	47.891

INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
	D. FINANCIAL INCOME (1028+1029+1030+1031)	1027	22	331.700	351.180
660 and 661	I. FINANCIAL INCOME FROM RELATIONS WITH PARENT, DEPENDENT AND OTHER RELATED PARTIES	1028		330.551	351.141
662	II. INTEREST INCOME	1029			
663 and 664	III. POSITIVE EXCHANGE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1030		1.149	39
665 and 669	IV. OTHER FINANCIAL INCOME	1031		-	-
	D. FINANCIAL EXPENSES (1033+1034+1035+1036)	1032	23	44.121	44.477
560 and 561	I. FINANCIAL EXPENSES FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER RELATED PARTIES	1033		43.930	44.217
562	II. INTEREST EXPENSE	1034		87	114
563 and 564	III. NEGATIVE EXCHANGE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	1035		2	146
566 and 569	IV. Other financial expenses	1036		102	
	E. PROFIT FROM FINANCING (1027 - 1032) ≥ 0	1037		287.579	306.703
	Z. LOSS FROM FINANCING (1032 - 1027) ≥ 0	1038			
683, 685 and 686	Z. INCOME FROM ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1039		.	-
583, 585 and 586	I. COSTS FROM THE ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1040		-	7.149
67	J. OTHER INCOME	1041		5	-
57	K. OTHER EXPENSES	1042		12	-
	L. TOTAL INCOME (1001+1027+1039+1041)	1043		345.643	352.966
	LJ. TOTAL EXPENSES (1013+1032+1040+1042)	1044		75.469	101.303
	M. PROFIT FROM REGULAR OPERATIONS BEFORE TAXATION (1043-1044)≥ 0	1045		270.174	251.663
	N. LOSS FROM REGULAR OPERATIONS BEFORE TAXATION (1044-1043) ≥ 0	1046		-	-
69-59	NJ. POSITIVE NET EFFECT ON THE RESULT BASED ON PROFIT OF DISCONTINUED OPERATIONS, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1047		4.462	-
59-69	A. NEGATIVE NET EFFECT ON THE RESULT DUE TO LOSS OF BUSINESS THAT IS SUSPENDED, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1048		-	1.681
	P. PROFIT BEFORE TAXATION (1045 - 1046 + 1047 - 1048) ≥ 0	1049		274.636	249.982
	R. LOSS BEFORE TAXATION (1046- 1045 + 1048 - 1047) ≥ 0	1050		-	-
	S. INCOME TAX			-	-
721	I. TAX EXPENSE OF THE PERIOD	1051			
722 debt. Balance	II. DEFERRED TAX EXPENSES OF THE PERIOD	1052		-	-
722 pot. Balance	III. DEFERRED TAX REVENUE OF THE PERIOD	1053		-	-
723	T. PAID PERSONAL INCOME OF THE EMPLOYER	1054		-	-
	Č. NET PROFIT (1049-1050-1051-1052+1053-1054) ≥ 0	1055		274.636	249.982

INCOME STATEMENT FOR THE PERIOD 01.01. TO 31.12.2024

U. NET LOSS (1050-1049+1051+1052-1053+1054) ≥ 0	1056			-	-
I. NET PROFIT ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	1057				
II. NET PROFIT ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1058				
III. NET LOSS ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	1059				
IV. NET LOSS ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1060				
V. EARNINGS PER SHARE					
1. Basic earnings per share	1061			10	9
2. Decreased (diluted) earnings per share	1062			10	9

In Belgrade ,
30.04.2025.

Seal

Legal representative



REPORT ON OTHER COMPREHENSIVE INCOME
for the period from 01.01, until 31.12.2024.

- in 000 dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
1	2	3	4	5	6
	A. NET RESULT FROM OPERATIONS				
	I. NET PROFIT (EDP 1055)	2001		274.636	249.982
	II. NET LOSS (EDP 1056)	2002			
	B. OTHER COMPREHENSIVE PROFIT OR LOSS				
	a) Items that will not be reclassified in the Income Statement in future periods				
330	1. Changes in revaluation of intangible assets, real estate, plant and equipment				
	a) increase in revaluation reserves	2003			
	b) decrease of revaluation reserves	2004			
331	2. Actuarial gains or losses under defined benefit plans				
	a) profits	2005			
	b) losses	2006			
333	3. Profits or losses based on shares in other comprehensive income or loss of associated companies				
	a) gains	2007			
	b) losses	2008			
	b) Items that may subsequently be reclassified to the Income Statement in future periods				
332	1. Profits or losses based on investments in equity instruments				
	a) profits	2009			
	b) losses	2010			
334	1. Profits or losses based on the recalculation of financial statements of foreign operations				
	a) profits	2011			
	b) losses	2012			
335	2. Profits or losses from hedging instruments for net investment in foreign operations				
	a) profits	2013			
	b) losses	2014			
336	3. Profits or losses based on cash flow risk protection (hedging) instruments				
	a) profits	2015			
	b) losses	2016			
337	4. Profits or losses based on HOV that are valued at fair value through other comprehensive income				
	a) profits	2017			
	b) losses	2018			
	I. OTHER GROSS COMPREHENSIVE INCOME (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) - (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) ≥ 0	2019			
	II. OTHER GROSS COMPREHENSIVE LOSS (2004 + 2006 + 2008 + 2010 + 2012 + 2014 + 2016 + 2018) - (2003 + 2005 + 2007 + 2009 + 2011 + 2013 + 2015 + 2017) ≥ 0	2020			
	III. DEFERRED TAX EXPENSE ON OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD	2021			
	IV. DEFERRED TAX INCOME ON OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD	2022			
	IV. NET OTHER COMPREHENSIVE INCOME (2019 - 2020 - 2021+2022) ≥ 0	2023			
	V. NET OTHER COMPREHENSIVE LOSS (2020 - 2019 + 2021-2022) ≥ 0	2024			
	C. TOTAL NET COMPREHENSIVE INCOME FOR THE PERIOD				
	I. TOTAL NET COMPREHENSIVE PROFIT (2001 - 2002 + 2023 - 2024) ≥ 0	2025		274.636	249.982
	II. TOTAL NET COMPREHENSIVE LOSS (2002 - 2001 + 2024 - 2023) ≥ 0	2026			
	D. TOTAL NET COMPREHENSIVE INCOME OR LOSS (2028 + 2029) = EDP 2025 ≥ 0 or EDP 2026 > 0	2027			
	1. Attributed to the parent legal entity	2028			
	2. Attributed to non-controlling interests	2029			

In Belgrade ,
30.04.2024.

Legal representative



REPORT ON CHANGES IN EQUITY
for the period from 01.01. until 31.12.2024.

Item	Description	EDP	Share capital (group 30 excluding 306 and 309)	EDP	Other share capital (m 309)	EDP	Subscribed and unpaid capital (group 31)	EDP	Issue premium and reserves (acc 306 and group 32)	EDP	Rev. res. and undistr profit and loss (group 33)
	1		2		3		4		5		6
1	Balance as of 01.01.2023.	4001	4.057	4010	-	4019	-	4028	681,237	4037	-
2	Effect and retroactive corrections of material errors and changes in accounting policies	4002	-	4011	-	4020	-	4029	-	4038	-
3	Corrected initial balance as of 01.01.2023 (s. no. 1+2)	4003	4.057	4012	-	4021	-	4030	681,237	4039	-
4	Net changes in 2023	4004	-	4013	-	4022	-	4031	-	4040	-
5	Balance as of 12/31/2023. (s. no. 3+4)	4005	4.057	4014	-	4023	-	4032	681,237	4041	-
6	Effects and retroactive corrections of material errors and changes in accounting policies	4006	-	4015	-	4024	-	4033	-	4042	-
7	Corrected initial balance as of 01.01.2024 (years 5+6)	4007	4.057	4016	-	4025	-	4034	681,237	4043	-
8	Net changes in 2024	4008	-	4017	-	4026	-	4035	-	4044	-
9	Balance as of 31.12.2024. (s. no. 7+8)	4009	4.057	4018	-	4027	-	4036	681,237	4045	-

REPORT ON CHANGES IN EQUITY
for the period from 01.01. until 31.12.2024.

- in 000 dinars -

Item	Description	EDP	Retained profit (group 34)	EDP	Loss (Group 35)	EDP	Participation without the right of control	EDP	Total (corresponds to position EDP 0401) (col.2+3+4+ 5+6+7-8+9) ≥ 0	EDP	Loss above the capital limit (corresponds to position EDP 0455) (col. 2+3+4+5+ 6+7-8+9) (0
	1		7		8		9		10		11
1	Balance as of 01.01.2023.	4046	9.285	4055	255.277	4084	-	4073	439.302	4082	-
2	Effect and retroactive corrections of material errors and changes in accounting policies	4047	-	4056	-	4065	-	4074	-	4083	-
3	Corrected Initial balance as of 01.01.2023 (s. no. 1+2)	4048	9.285	4057	255.277	4066	-	4075	439.302	4084	-
4	Net changes in 2023	4049	240.696	4058	9.284	4067	-	4076		4085	-
5	Balance as of 12/31/2023. (s. no. 3+4)	4050	249.981	4059	245.993	4068	-	4077	689.282	4086	-
6	Effects and retroactive corrections of material errors and changes in accounting policies	4051	-	4060	-	4069	-	4078	-	4087	-
7	Corrected Initial balance as of 01.01.2024 (years 5+6)	4052	249.981	4061	245.993	4070	-	4079	689.282	4088	-
8	Net changes in 2024	4053	37.834	4062	236.803	4071	-	4080		4089	-
9	Balance as of 31.12.2024. (s. no. 7+8)	4054	287.815	4063	9.190	4072	-	4081	963.919	4090	-

In Belgrade ,
30.04.2025.

Seal



Legal representative

CASH FLOW STATEMENT
for the period from 01.01. until 31.12.2024.

- in 000 of dinars -

POSITION	EDP	Amount	
		Current year	Previous year
1	2	3	4
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I. Cash inflows from operating activities (1-4)	3001	23.776	55.274
1. Sales and received advances in the country	3002	1.943	1.956
2. Sales and advances received abroad	3003		
3. Received interest from operating activities	3004	21.622	53.318
4. Other inflows from regular operations	3005	211	
II. Cash outflows from operating activities (1 to 8)	3006	45.646	50.400
1. Payments to suppliers and advances made in the country	3007	6.466	7.387
2. Payments to suppliers and advances made abroad	3008		34.259
3. Earnings salary compensation and other personal expenses	3009	11.490	8.360
4. Interest paid in the country	3010	4.820	114
5. Interest paid abroad	3011		
6. Income tax	3012		
7. Outflows based on other public revenues	3013	22.869	290
8. Other outflows from operating activities	3014		
III. Net cash inflow from operating activities (I - II)	3015		4.874
IV. Net cash outflow from operating activities (II - I)	3016	21.869	-
B. CASH FLOWS FROM INVESTING ACTIVITIES I. Cash inflows from investing activities (1 to 5)	3017	689.291	128.893
1. Sale of shares and stakes	3018	-	-
2. Sale of intangible assets, real estate, plants, equipment and biological resources	3019	-	-
3. Other financial placements	3020	101.093	95.590
4. Received interest from investment activities	3021	-	-
5. Dividends received	3022	488.198	33.305
II. Cash outflows from investing activities (1 to 3)	3023	455.847	35.990
1. Purchase of shares and stakes	3024	-	-
2. Purchase of intangible assets, real estate, plants, equipment and biological resources	3025		
3. Other financial placements	3026	455.847	35.990
III. Net cash inflow from investing activities (I - II)	3027	133.444	92.903
IV. Net cash outflow from investing activities (II - I)	3028		
C. CASH FLOWS FROM FINANCING ACTIVITIES I. Cash inflows from financing activities (1 to 7)	3029	-	-
1. Increase of the share capital	3030	-	-
2. Long-term loans in the country	3031	-	-
3. Long-term loans abroad	3032	-	-
4. Short-term loans in the country	3033	-	-
5. Short-term loans abroad	3034	-	-
6. Other long-term liabilities	3035	-	-
7. Other short-term liabilities	3036	-	-
II. Cash outflows from financing activities (1 to 8)	3037	-	94.175
1. Purchase of own shares and stakes	3038	-	-
2. Long-term loans in the country	3039		
3. Long-term loans abroad	3040		
4. Short-term loans in the country	3041		
5. Short-term loans abroad	3042		94.175
6. Other liabilities	3043		-
7. Financial leasing	3044	-	-
8. Dividends paid	3045		-
III. Net cash inflow from financing activities (I - II)	3046	-	-
IV. Net cash outflow from financing activities (II - I)	3047	-	94.175
D. TOTAL CASH INFLOW (3001 + 3017 + 3029)	3048	613.067	184.169
E. TOTAL CASH OUTFLOW (3006 + 3023 + 3037)	3049	501.492	180.565
F. NET CASH INFLOW (3048 - 3049) ≥ 0	3050	111.575	3.604
G. NET CASH OUTFLOW (3049 - 3048) ≤ 0	3051		
H. CASH AT THE BEGINNING OF THE ACCOUNTING PERIOD	3052	8.220	4.723
I. POSITIVE EXCHANGE RATE DIFFERENCES BASED ON CASH CONVERSION	3053	8	10
J. NEGATIVE EXCHANGE RATE DIFFERENCES BASED ON CASH CONVERSION	3054	108	117
K. CASH AT THE END OF THE ACCOUNTING PERIOD (3050-3051+3052+3053-3054)	3055	119.695	8.220

In Belgrade,
28.03.2025.

Seal



(All amounts are expressed in RSD 000, unless otherwise indicated)

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2024

(All amounts are expressed in RSD 000, unless otherwise indicated)

1. General information

Fintel Energija AD (hereinafter referred to as the "Company" or "Fintel Energija") is the leading independent producer of electricity from renewable sources in the Republic of Serbia. Fintel Energija's subsidiaries are pioneers in the field of electricity production from renewable sources, being the first companies to complete the construction and operate wind farms in Serbia.

The Company was founded on June 27, 2007 as a closed joint stock company under the name "Privredno društvo za proizvodnju električne energije Fintel Energija a.d. Beograd" ("Electricity Production Company Fintel Energija ad Belgrade"), by "Fintel Energia Group SPA" (registration number 02658620402) which is also the sole shareholder of the Company ("Owner"). "Fintel Energia Group SPA" is 86.22% owned by Hopafi Srl ("Ultimate Owner").

The headoffice of "Fintel Energija" is located at Masarikova Street No. 5, Belgrade, Serbia.

As of December 31, 2024, the Company has subscribed and paid-in share capital in the amount of RSD 4,057 thousand, consisting of 26,510,506 ordinary shares with an individual nominal value of RSD 0.153.

The Company's shares are traded on an organized market – the Belgrade Stock Exchange. The stock symbol is FINT, and the ISIN number is RSFINEE60549. The Company's market capitalization as of December 31, 2024 is RSD 17,762,039 thousand (unit price per share is RSD 670).

Fintel Energia Group SPA, the majority shareholder of the Company, is a joint-stock company established in accordance with the law in force in the Republic of Italy, and is a vertically integrated operator in the energy supply chain, whose business is the sale of electricity and natural gas in Italy, as well as the development and exploitation of renewable energy sources (solar energy and wind energy) in Italy and Serbia.

The submitted separate financial statements for the period ended December 31, 2024 were approved for issue by the Company's directors on April 28, 2024.

On December 31, 2024, the Company had 14 employees (2023: 14 employees).

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies

The principal accounting policies applied in the drafting of these financial statements are presented below. These policies have been consistently applied to all presented years, unless otherwise indicated.

2.1. Basis for drafting and presentation of individual financial statements

The Company keeps records and prepares financial statements in accordance with the Accounting Law of the Republic of Serbia ("Official Gazette of the Republic of Serbia", No. 73/2019 I 44/2021) and other applicable legal regulations in the Republic of Serbia.

Pursuant to the Accounting Act, large legal entities, legal entities that have the obligation to prepare consolidated financial statements (parent legal entities), public companies, i.e. companies that are preparing to become public pursuant to the Capital Market Act of the Republic of Serbia, regardless of size, for the recognition, valuation, presentation and disclosure of positions in financial reports, they apply the International Financial Reporting Standards (IFRS), whose translation into Serbian was published by the Ministry in charge of financial affairs.

International Financial Reporting Standards published in Serbian by the Ministry of Finance include the Conceptual Framework for Financial Reporting, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as well as interpretations of standards issued by the Accounting Standards Interpretations Committee, but do not include bases for conclusions, illustrative examples, application guidance, commentaries, dissenting opinions, or other supporting materials except in cases where they are explicitly included as an integral part of the standard or interpretation.

IAS, IFRS and interpretations published by the Board for International Accounting Standards and the Committee for Interpretations of Accounting Standards were officially translated by the decision of the Ministry of Finance of the Republic of Serbia on determining the translation of International Financial Reporting Standards (Decision number 401-00-4980/2019-16) and published in Official Gazette of the Republic of Serbia No. 92 of November 21, 2019 and are applied when preparing consolidated financial statements for annual periods ending on December 31, 2020 or after that date.

New or amended IFRS and interpretations adopted by the decision of the Ministry of Finance of the Republic of Serbia on determining the translation of International Financial Reporting Standards published in the Official Gazette of the Republic of Serbia No. 123/2020 on October 13, 2021 are applied when preparing financial statements for annual periods ending on or after December 31, 2021.

In addition, the attached financial statements have been prepared in accordance with the requirements of the Rules on the Chart of Accounts and the Content of Accounts in the Chart of Accounts for Companies, Cooperatives and Entrepreneurs (Official Gazette of the Republic of Serbia No. 89/2020) and the Rules on the Content and Form of Financial Statement Forms for Companies, Cooperatives and Entrepreneurs (Official Gazette of the Republic of Serbia No. 89/2020).

The aforementioned regulations governing the presentation of financial statements have precedence over the requirements defined in this regard by IFRS, which are published by the Ministry of Finance.

Due to the above deviations, these financial statements are not in accordance with IFRS.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.1. Basis for drafting and presentation of individual financial statements (continued)

The accompanying financial statements represent individual financial statements that include receivables, liabilities, operating results, changes in other comprehensive income, changes in equity and cash flows of the Company. The Company has prepared these individual financial statements in accordance with the deadlines prescribed by the Accounting Law of the Republic of Serbia. The Company also prepares consolidated financial statements for the Company and its related parties (the Group) with the prescribed deadline for issuance by April 30, 2025. Users of these financial statements should view them together with the consolidated financial statements of the Group as at and for the year ended December 31, 2024, for the purpose of obtaining complete information about the financial position, operating results and changes in the financial position of the Group as a whole. The method of recognition of investments in equity of subsidiaries is disclosed in note 3, and details of investments in subsidiaries are disclosed in note 8.

The preparation of financial statements pursuant to the Accounting Law of the Republic of Serbia requires the application of certain critical accounting estimates. It also requires management to exercise its judgment in applying the Company's accounting policies. Areas that require a higher degree of judgment or greater complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 3.

2.2. Accounting basis

These financial statements have been prepared under the historical cost principle, unless the application of fair value is specifically stated. The financial statements are presented in of the Republic of Serbia ("RSD"), which is also the functional currency of the Company, and all reported numerical values are expressed in thousands of dinars (RSD'000), unless otherwise stated. The principal accounting policies applied in the preparation of these financial statements are disclosed in Note 2.4.

Comparative data are presented in the financial statements for the year ended December 31, 2023.

The financial statements have been prepared in accordance of the going concern concept, which implies that the Company shall continue to operate indefinitely period of time for the foreseeable future. In order to determine the validity of this assumption, management analyzes future cash flow projections. Based on the aforementioned analysis, management believes that the Company is capable to continue its business activities in accordance with the going concern principle and that this principle should be applied in the preparation of these financial statements.

2.3. Foreign currency conversion

Functional and display currency

Items included in the Group's financial statements are measured and presented in thousand of dinars (RSD). The dinar is the official reporting currency in the Republic of Serbia.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.3. Foreign Currency Conversion (Continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction or at the date of the valuation if the items have been remeasured. Exchange gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end are recognised in the income statement, except when they are deferred in equity as cash flow hedges and net investment hedges.

2.4. Significant accounting policies

Real estate, plant and equipment

Property, plant and equipment are stated at purchase cost less accumulated depreciation. The purchase price includes all expenses necessary to put the asset to its intended use. This value is increased by the present value of the estimated cost of land reclamation when there is a legal or construction obligation to remove the asset. The related liability is recognized as a provision for the costs of removing the asset. The accounting treatment of revised estimates of these costs, the time value of money and the discount rates are highlighted in the section on provisions for these costs.

Borrowing costs that are directly attributable to the acquisition or construction of an asset that qualifies for the attribution of borrowing costs are included in the purchase value of the mention asset that qualifies, i.e., one that takes a substantial period of time to prepare for planned use or sale.

Costs incurred for regular and/or periodic repairs and maintenance are recognized directly in the income statement. Costs incurred for the expansion, modernization or improvement of structural elements owned by the Company or used by third parties are capitalized to the level when they meet the conditions to be recognized as a separate asset or part of an asset.

Depreciation is calculated using the straight-line method using rates that allow the assets to be depreciated over their estimated useful life. When an asset consists of several individually identifiable assets with estimated useful lives that are significantly different from the others, depreciation of those assets is calculated separately.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

Estimated useful life for each category of property, plant and equipment:

	Number of years
Construction object	40
Equipment	3-20

Impairment of property

On the date of preparation of the financial statements, an assessment is made of the existence of any indications of impairment of tangible assets. The Company's assets are stated at a value that does not exceed their recoverable amount. If there is an indication that, for the said asset, there is an impairment, the recoverable amount of that asset is estimated in order to determine the amount of the impairment. The carrying amount is reduced to the recoverable amount, and the difference is recognized as an expense (loss on impairment of assets) charged to the income statement in the period in which the impairment occurred. The impairment loss is reversed if the circumstances that affected the impairment have changed.

Leasing

IFRS 16 defines new or revised requirements for lease accounting, introducing significant changes to the accounting of the lessee by removing the distinction between finance and operating leases and requiring the recognition of an asset representing the right to use the leased asset and a lease liability at the commencement date for all leases, except for short-term leases and those leases where the lease value is small.

When applying IFRS 16 to leases, the Company recognizes assets representing the right-of-use and lease liabilities in the balance sheet, which are initially measured at the present value of future lease payments, and recognizes depreciation expense on the right-of-use assets and interest expense on the lease liability in the income statement.

Lease previously classified as a finance lease – For lease agreements that are classified as a finance lease in accordance with IAS 17, the carrying amounts of the leased asset on the one hand and the finance lease liabilities on the other hand, determined by applying IAS 17 immediately before the date of initial application of the new standard, are reclassified to the value of the right-of-use assets and the value of the lease liabilities without any adjustments.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Leasing (continued)

Valuation

The lease liability is initially measured at the net present value of all future lease payments discounted at the interest rate included in the lease (the implicit interest rate). If it cannot be readily determined, the Company uses its incremental borrowing rate.

Future lease payments, which after discounting are included in the value of the lease liability, include:

- fixed payments (including variable payments that are essentially fixed) less any lease incentives received
- variable lease payments, i.e., payments that depend on market indices or rates, which are initially valued on the lease commencement date, using the market index or rate
- cost price of the call option if it is reasonably certain that the option will be exercised
- penalties for termination of the contract, if it is reasonably likely that the termination option will be exercised.

After initial recognition, the lease liability is increased by accrued interest (using the effective interest rate) and decreased by lease payments made.

Right-of-use assets are initially measured at cost, which initially consists of the value of the lease liability initially recognized, the amount of prepaid lease payments and deposits given before the lease commencement date, less any lease incentives received from the lessor and less any initial direct costs. The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term or the useful economic life of the leased asset.

Variable payments that are not index- or rate-linked are not included in the measurement of the lease liability or right-of-use asset. Such payments are recognized as an expense in the period in which they are incurred.

Company as a lessor

The Company applies a uniform recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities for lease payments and the right-of-use, which represents the right to use fixed assets.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Leasing (continued)

Right to use funds

The Company recognizes the right to use the property at the commencement date (i.e. the date the property is available for use). The right to use the property is valued at cost, less accumulated depreciation and impairment losses, and adjusted for any subsequent value of the lease liability. The cost of the right to use the property includes the amount of the lease liability recognized, initial direct costs and lease payments made on or before the commencement date, less any lease incentives received.

The right to use the property is amortized proportionally over the shorter of the lease term or the estimated useful life of the property.

Leasing liabilities

On the lease commencement date, the Company recognizes lease liabilities, valued at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments, net of any lease incentive receivables, variable lease payments that are index- or rate-linked, and amounts expected to be paid for the residual value. Lease payments also include the exercise price of a purchase option that is reasonably expected to be exercised by the Company and the payment of a termination penalty, if the termination option is exercisable by the Company during the term of the lease agreement.

Variable lease payments that are not index- or rate-linked are recognized as expenses (unless incurred for the production of inventories) in the period in which the events or conditions giving rise to the payment occur.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the inception date because the implicit interest rate for the lease is not readily determinable. After the inception date, the amount of the lease liability is increased by accrued interest for the past period and decreased by lease payments made. In addition, the carrying amount of the lease liability is remeasured if there is a modification to the contract, a change in the lease term, a change in the lease payments (e.g., changes in future payments resulting from a change in the index or rate used to determine such lease payments) or a change in the valuation of the purchase option of the fixed asset that is the subject of the lease.

Short-term leases and leases of low-value assets

The Company applies an exemption from short-term lease recognition for its short-term leases of machinery and equipment (i.e. those leases that have a term of less than 12 months from the commencement date and that do not include a purchase option). Lease payments for short-term leases and leases of low-value assets are recognized as an expense, proportionally over the lease term.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4 Significant Accounting Policies (continued)

Leasing (continued)

The Company as a Lessor

Leasing is classified as operating when the contract stipulates that not all the risks and rewards incidental to ownership of the asset are transferred to the lessee.

All payments during the year under operating leases, which relate to the supply of services and goods that do not have a one-time effect, are accrued on a straight-line basis and recorded as an expense in the income statement over the lease term.

The company as beneficiary of the lease

Assets held under finance lease agreements are initially recognised as assets of the company at the present value of the minimum lease payments determined at the beginning of the lease term. The corresponding liability to the lessor is included in the balance sheet as a liability under a finance lease.

Lease installment payments are distributed between financial expenses and reductions in lease liabilities with the aim of achieving a constant rate of participation in the outstanding amount.

Financial instruments

Financial assets and financial liabilities are recorded in the Company's balance sheet from the moment the Company becomes contractually bound to the instrument. Purchases or sales of financial assets are recognized using the settlement date method, which is the date when the asset is delivered to the other party.

Financial assets are derecognized when the Company loses control of the contractual rights to those instruments, which occurs when the rights to use the instruments are exercised, expired, abandoned or assigned. A financial liability is derecognized when the obligation stipulated in the contract is discharged, cancelled or expired.

The Company has been applying IFRS 9 since January 1, 2020. Accordingly, the Company classifies its financial assets into the following categories: financial assets valued at depreciated value, financial assets valued at fair value through other comprehensive income, and financial assets valued at fair value through the income statement.

A financial asset will be valued at depreciated value if both of the following conditions are met and it is not indicated at fair value through the income statement:

- The asset is held within a business model whose objective is to hold the asset with the intention of collecting contractual cash flows, and
- The contractual terms of the asset result on given dates in cash flows that are solely payments of principal and interest on the remaining principal amount.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

A financial asset will be measured at fair value through other comprehensive income if both of the following conditions are met and it is not designated at fair value through profit or loss:

- The asset is held within a framework of a business model whose objective is achieved both through the collection of contractual cash flows and the sale of financial assets, and
- The contractual terms of the asset result on given dates in cash flows that are exclusively payments of principal and interest on the remaining principal amount.

All financial assets that are not classified as measured at amortized cost or fair value through other comprehensive income, as described above, are measured at fair value through the income statement.

This includes financial assets held for trading and managed and whose performance is valued at fair value. In addition, upon initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be valued at depreciated cost or at fair value through other comprehensive income, at fair value through the income statement if doing so eliminates or significantly reduces an accounting inconsistency that would otherwise arise.

A financial asset is classified into one of these categories upon initial recognition.

Financial assets are reclassified only when the Company changes the business model that affects the asset, in which case all financial assets that suffer that impact are reclassified on the first day of the reporting period after the change in business model.

Business model assessment

The business model is assessed with the aim of determining whether a financial asset with only principal and interest payments is classified at depreciated cost or fair value through other comprehensive income. The business model determines whether the cash flows arise from collecting contractual cash flows, selling the financial asset, or both.

Derecognition of financial assets and financial liabilities

The Company ceases to recognize a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers all rights to the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or when it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the transferred asset.

Any interest in such a financial asset created or retained by the Company is recognized as a separate asset or liability.

A financial asset ceases to be recognized when it is written off. A financial asset also ceases to be recognized when there is a change in the contractual terms of the financial asset that results in a significant change in the cash flows from the financial asset.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Impairment of financial assets

In accordance with IFRS 9, the Company applies a forward-looking "expected credit losses" model, which requires significant judgment regarding how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

The "expected credit loss" model is applied to financial assets valued at depreciated cost, contract assets and debt instruments valued at fair value through other comprehensive income, but not to investments in equity instruments.

In accordance with IFRS 9, provisions for losses will be valued on one of the following two bases:

- 12-month expected credit losses – these are expected credit losses arising from all possible default events during the 12 months following the reporting date, and
- Expected credit losses over the life of the instrument – these are expected credit losses arising from all possible default events over the expected life of the financial instrument.

The impairment requirements in IFRS 9 are complex and require management judgment, as well as estimates and assumptions, particularly regarding the following:

- Determining whether the credit risk of a financial asset has increased significantly since initial recognition, and
- Considering the information about future circumstances when estimating expected credit losses.

Long-term financial investments

Equity investments in other listed companies are initially valued at cost. Subsequent valuation is performed at each balance sheet date to adjust their value to market value.

Long-term financial investments that include equity investments in related legal entities, commercial banks and other legal entities that are not listed on the stock exchange are stated at cost less impairment based on management's assessment in order to reduce them to their recoverable amount.

Trade receivables, short-term placements and other short-term receivables

Trade receivables, short-term placements and other short-term receivables are stated at nominal value, less any allowances made based on management's assessment of their collectability.

Cash and cash equivalents

Cash and cash equivalents include: cash on hand, demand deposits with banks or other financial institutions for current transactions, postal current accounts and other cash equivalents, as well as other investments with original maturities of up to three months.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of significant accounting policies (continued)

2.4. Significant Accounting Policies (continued)

Financial liabilities

Financial liabilities are classified in accordance with the substance of the contractual provisions. Financial liabilities are stated at nominal value, increased by interest based on concluded contracts.

Business liabilities

Trade payables and other operating liabilities are valued at their nominal value.

Provisions

Provisions are recognized when the Company has a present legal or contractual obligation as a result of past events and it is probable that an outflow of funds will be required to settle the obligation. The amount recognized represents the best estimate of the expenditure required to settle the obligation. When the time value of money is significant and the date of settlement of the obligation can be determined approximately, the provision is valued at the present value of the expenditure required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is reported as interest expense.

If the provision relates to disassembly and removal, the provision is recognised as part of the asset to which it relates and the expense is recognised in the income statement as depreciation of the asset to which the expense relates.

Changes in accounting estimates are reflected in the income statement in the year in which the change occurs, except for changes in expected dismantling and removal costs due to changes in the timing and use of economic resources required to settle the obligation, or changes resulting from changes in the discount rate.

Such changes are added to or subtracted from the book value of the asset to which they relate and are recognized in the income statement through depreciation. If changes are added to the book value of the asset, the Company makes an assesment whether the new present value will be fully comensated; if not, the present value of the asset is reduced to take into account the irrecoverable amount and a loss is recognized in the income statement.

If the changes are deducted from the carrying amount of the asset, the decrease is recognized as a reduction of the asset to the amount of its book value, any excess is recognized immediately in the income statement.

Regarding the adopted assessment criteria for determining the deactivation or recovery of assets, it is explained in the paragraph Estimates and assumptions.

Risks that may cause an increase in a contingent liability are disclosed in the contingent liabilities and risks section, but are not recognized.

A contingent liability arising from a business combination is measured at the higher of the amount that would have been recognized applying the above policy for provisioning costs and the present value of the initially defined liability.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Revenue recognition

The company operates as a holding company and performs management and financing activities.

Revenue from contracts with customers is recognized when control over the expected products is transferred to the customer, or when the service is performed, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the related products/goods or services.

Revenues from the provision of services are recognized in the accounting period in which the service was provided and are reported at the invoice value minus approved discounts.

Contracts with customers define the key commercial terms on which customers place their orders. From a revenue recognition perspective, a contract is viewed as a combination of the underlying contract with customers and the orders placed.

Specifically, the revenue recognition process involves the following 5 steps:

- Step 1: Identify the contract(s) with the customer;
- Step 2: Determine performance obligations from the contract;
- Step 3: Determine the transaction price;
- Step 4: Distribute the transaction price to the performance obligations under the contract; and
- Step 5: Recognize revenue when the entity fulfills (or while fulfilling) the performance obligation.

The Company recognizes income when a performance obligation is fulfilled (or during fulfilment of that obligation), i.e., when 'control' over the goods or services underlying the specific obligation is transferred to the customer.

Financial income and expenses

Financial income consists of interest on loans, interest receivables from placed funds and positive exchange rate differences. Interest income is recognized in the income statement on an accrual basis, using the effective income method. Interest income is recognized in the income statement of the period to which it relates, in accordance with the principle of causation.

Financial expenses that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the purchase price of the asset, starting from the date the Company incurs the financial expenses until the date the financed asset is ready for use.

Dividends

Distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements in the period in which the Company's shareholders approved the dividends.

Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding for the period.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Operating expenses

Operating expenses include general expenses such as rent, marketing, insurance, payment transactions, taxes, and other expenses incurred in the current accounting period.

Other expenses

Other expenses include losses from the sale and disposal of real estate, plant, equipment and intangible assets, losses from the sale of securities and equity interests in legal entities, losses from the sale of materials, deficits, expenses from direct write-offs of receivables, expenses from asset impairment, negative effects of value adjustments of intangible assets, real estate, plant, equipment, long-term and short-term financial investments, inventories, securities and receivables in accordance with the Company's accounting policy.

Employee benefits

a) Taxes and contributions to employee social security funds

In accordance with the regulations applicable in the Republic of Serbia, the Company is under the obligation to pay taxes and contributions to tax authorities and state funds that ensure social security of employees. These obligations include taxes and contributions for employees at the expense of the employer in amounts calculated at the rates prescribed by law. The Company is also obliged to withhold contributions from the gross salary of employees and to pay them to the funds on behalf of the employees. Taxes and contributions at the expense of the employer and taxes and contributions at the expense of the employee are recorded as expenses in the period to which they relate.

b) Severance pay liabilities

In accordance with the provisions of the Labor Law, the Company is obliged to pay an employee a severance pay upon retirement in the amount of three average salaries in the Republic of Serbia, determined according to the latest published data from the republican authority responsible for statistics.

To employees whose work is no longer needed and who are not provided with any of the rights established by law, the employer shall pay severance pay in the amount of the sum of one third of the employee's salary for each completed year of work in the first 10 years of employment and one quarter of the employee's salary for each subsequent completed year of work in employment over 10 years of employment. Earnings within the meaning of the previous paragraph shall be considered the average salary of the employee paid for the last 3 months preceding the month in which the severance pay is paid.

(All amounts are expressed in RSD 000, unless otherwise indicated)

2. Overview of Significant Accounting Policies (Continued)

2.4. Significant Accounting Policies (Continued)

Income tax

Current income tax

Current income tax represents the amount calculated by applying the prescribed tax rate of 15% to the base determined by the tax balance, which represents the amount of profit before tax after deducting the effects of adjusting income and expenses, in accordance with the tax regulations of the Republic of Serbia, with a reduction for prescribed tax credits.

The Law on Profit Tax of the Republic of Serbia does not provide that tax losses from the current period can be used as a basis for refunding taxes paid in previous periods. However, losses from the current period reported in the tax balance sheet can be used to reduce the tax base of future accounting periods, but not longer than five years. Tax losses incurred before January 1, 2010 can be carried forward against future profits for a period not longer than ten years.

Deferred income tax

Deferred income tax is calculated using the balance sheet liability method for temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and tax losses and credits that can be carried forward to future fiscal periods, to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax assets and liabilities are calculated at the tax rate expected to apply in the period when the asset is realized or the liability is settled. As of 31 December 2024, deferred tax assets and liabilities were calculated at a rate of 15% (31 December 2023: 15%)

Deferred tax is charged or credited to the income statement, except when it relates to items that are charged or credited directly to equity, in which case the deferred tax is also allocated within equity.

Transactions with related legal entities

For the purposes of these financial statements, legal entities are treated as related if one legal entity has the ability to control another legal entity or exercise significant influence over the financial and operating decisions of the other entity in accordance with the provisions of IAS 24: "Related Party Disclosures".

The Company considers related legal entities in terms of the above-mentioned standard to be legal entities in which it has a share in the capital, or legal entities with a share in the capital of the Company.

Related parties may enter into transactions that unrelated parties might not, and transactions with related parties may be conducted under different terms and for different amounts than the same transactions with unrelated legal entities.

The Company provides services to related parties and is at the same time a user of their services. Relations between the Company and related parties are regulated on a contractual basis and at market conditions.

The Company has disclosed all transactions with related parties in the attached financial statements, as required by IAS 24 - "Related Party Disclosures".

(All amounts are expressed in RSD 000, unless otherwise indicated)

3. Estimates and assumptions

The preparation of these separate financial statements requires management to apply accounting policies and methods, which in certain circumstances are based on accounting estimates and assumptions, and which may also be based on past experience and assumptions that are considered reasonable and realistic. The use of such estimates and assumptions affects the separate financial statements, including the balance sheet, income statement, statement of other financial performance and statement of cash flows, as well as the related disclosures in the notes to the separate financial statements. The actual amounts of items in the financial statements for which the aforementioned estimates and assumptions were used may differ from the amounts recognized in the financial statements due to the uncertainty of the assumptions and conditions on which the estimates are based.

Below is a brief description of the key accounting estimates used in the preparation of the individual financial statements.

Impairment of equity participation in subsidiaries

Investments in subsidiaries are tested for impairment, which, when there are indicators that indicate that it is difficult to recover the net book value, should be recognized as an impairment. Verification of the existence of the aforementioned indicators requires subjective assessments by management, based on information available to the Company, market information and based on past experience. If it is determined that potential impairment may occur, the Company's management uses a valuation technique to calculate the amount of potential impairment. The accurate identification of indicators of potential impairment, as well as the calculation of estimates for its determination, depends on factors that may change over time and that may affect the assumptions and estimates made by management.

Based on the assessments made by the Company's management, there are no indicators of impairment of the equity interest.

Provisions

Other provisions for risks and compensations mainly relate to possible liabilities for fines and interest on amounts due to tax authorities. The allocation of provisions is made based on the best estimates of the costs, at the reporting date, that are likely to be incurred to settle the obligation, after seeking legal advice.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial risk management

Coordination and monitoring of key financial risks is carried out by the owner's central treasury department, which provides guidelines for managing different types of risks and for the use of financial instruments. The main features of the Company's risk management policies are:

- centrally setting operational risk management guidelines relating to market, liquidity and cash flow risks;
- monitoring of achieved results;
- diversification of commitments/obligations and product portfolio.

Credit risk

Credit risk represents exposure to potential losses arising from the failure of business and financial counterparties to meet their contractual obligations.

The maximum credit risk exposure of the Company as of December 31, 2024 and 2023 is the book value of each class of assets as indicated in the following table:

RSD thousands	December 31, 2024.	December 31, 2023.
Trade receivables	51,427	454
Other receivables	19,882	295,000
Long-term receivables and investments	1,832,523	1,480,020
Short-term receivables and investments	14	14
Active time limits	325,620	233,783
TOTAL	2,229,446	2,009,271

Trade receivables as of December 31, 2024 amounted to RSD 51,427 thousand and mostly relate to re-invoiced services related to the management fee. Re-invoicing of these services has been carried out since 2024 and relates to the management fee provided by Fintel Italy to Fintel Serbia and other related entities. In the previous year, as of December 31, 2023, trade receivables amounted to RSD 454 thousand and related exclusively to receivables for accounting services provided.

In 2024, other receivables amount to RSD 19,882 thousand and are significantly lower compared to the previous year, when they amounted to RSD 295,000 thousand. This difference arises primarily from the fact that in 2024 there are no receivables for dividends from dependent legal entities, while at the end of 2023 there was a receivable on this basis. In addition, receivables for contracted and default interest from other related parties are lower in 2024 compared to the previous year, since a part of these receivables was collected during 2024. Other receivables also include receivables for previous VAT in the tax period, the dynamics of which depends on specific business activities and tax refund periods.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

Long-term receivables and investments relate to loans granted by Fintel Energija to related parties. In 2024, these receivables amounted to RSD 1,832,523 thousand, while in 2023 they amounted to RSD 1,480,020 thousand. Compared to the previous year, long-term receivables and investments increased by RSD 352,503 thousand, which amounts to approximately EUR 3,029,604. These funds are used for project development, enabling the financing and implementation of new investments in the renewable energy sector.

Accrued expenses consist of interest receivables from loans granted to subsidiaries. In 2024, they amounted to RSD 325,620 thousand, while in 2023 they amounted to RSD 233,783 thousand. Compared to the previous year, accrued expenses increased by RSD 91,837 thousand. This increase is a direct consequence of the growth of long-term receivables and investments, i.e., an increase in the amount of loans granted to subsidiaries, which also resulted in an increase in accrued interest receivables (MK Fintel Wind ad., MK Fintel Wind Holding doo, VP Lipar doo, VP Lipar 2 doo, Project Torak doo, Fintel Energija Development doo...).

According to the cash flow projections of the subsidiaries, these assets carry a low level of credit risk.

Liquidity risk

Liquidity risk is related to the ability to meet obligations arising from financial commitments undertaken by the Company. Prudent management of liquidity risk during regular activities involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of term loan funds.

The Company manages liquidity risk centrally, as the administration department periodically monitors the Company's net cash/debt through the preparation of appropriate cash inflow and outflow reports. In this way, the Company aims to ensure adequate coverage for financing needs, by precisely monitoring financing, open credit lines and their use, all with the aim of optimizing its resources and managing temporary liquidity surplus.

The Company's objective is to establish a financing structure that, in accordance with its business objectives, guarantees sufficient liquidity for the Company, minimizes opportunity costs and maintains a balance in terms of maturity and debt composition.

The following table presents an analysis of the maturity of liabilities as of 31 December 2024 and 2023. The different maturities are determined based on the period between the reporting date and the contractual maturity of the Company's liabilities, gross of accrued interest as of 31 December. Interest is calculated in accordance with the contractual terms of the financing.

December 31, 2024.				
RSD thousands	Less than a year	1-2 years	2-5 years	Over 5 years
Financial liabilities to shareholders	13,745		1,072,178	
Liabilities for loans to banks	-			
Liabilities to suppliers	34,119			
Other obligations	281,806			
Total	329,670		1,072,178	
December 31, 2023.				
RSD thousands	Less than a year	1-2 years	2-5 years	Over 5 years
Financial liabilities to shareholders	13,759		1,073,633	
Liabilities for loans to banks	-			
Liabilities to suppliers	34,211			
Other liabilities	236,075			
Total	284,045		1,073,633	

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

Market risk

In performing its business, the Company is potentially exposed to the following market risks:

- the risk of exchange rate fluctuations;
- the risk of interest rate fluctuations.

These risks are essentially centrally managed by the parent company Fintel Energija.

Risk of exchange rate fluctuations

Foreign exchange risk is associated with operations in currencies other than RSD. The Company is exposed to foreign exchange rate fluctuations, as it conducts business in Serbia through its subsidiaries, which are companies dedicated to the study, construction, development and management of wind farms and other renewable energy projects. The impact is presented in the balance sheet and income statement of subsidiaries.

By performing an accounting sensitivity analysis as of December 31, 2024, if the currency had strengthened/weakened by 5% against the EUR and all other variables remained constant, the result after tax would have been RSD 46,152 thousand (2023: RSD 46,214 thousand) higher/lower, mainly as a result of positive and negative exchange rate differences due to the exchange rate of liabilities denominated in EUR.

Risk of interest rate fluctuations

The Company is exposed to interest rate risk arising from its financial liabilities. Fixed-rate debt exposes the Company to the risk of changes in the fair value of the debt that are related to changes in market reference rates. Variable-rate debt exposes the Company to cash flow risk arising from interest rate volatility.

The Company's financial indebtedness consists of current debt to the parent company, where the interest rate is fixed.

As a result of the aforementioned hedging transactions, the impact of expected changes in interest rates over the next twelve months is considered negligible in the context of the Company's financial statements.

Capital management risk

The Company's goal in terms of capital risk management is to preserve business continuity in order to guarantee returns to shareholders and benefits to other stakeholders. Furthermore, the Company aims to maintain an optimal capital structure in order to reduce borrowing costs.

The Company monitors its capital based on the ratio of net debt to net invested capital (gearing ratio). Net debt is calculated as total debt, including current and long-term loans and borrowings, plus net exposure to banks. Net invested capital is calculated as the sum of total capital and net debt.

(All amounts are expressed in RSD 000, unless otherwise indicated)

4. Financial Risk Management (Continued)

The debt ratio as at December 31, 2024 and 2023 is presented in the following table:

<i>RSD thousands</i>	31.12.2024	31.12.2023
<i>Long-term financial liabilities:</i>		
- Bank loans	-	-
<i>Short-term financial liabilities:</i>		
- Financial liabilities to shareholders	1,085,923	1,087,392
Cash and cash equivalents	(119,695)	(8,220)
Net debt (A)	966,228	1,079,172
Capital (B)	963,919	689,282
Net capital employed (C=A+B)	1,930,147	1,768,454
Debt ratio (A/C)	50.1%	61.0%

5. Financial assets and liabilities by class

The following table shows the Company's financial assets and liabilities by class, with an indication of the corresponding fair value, as at December 31, 2024 and 2023:

<i>RSD thousands</i>	December 31, 2024.				
	Amortized cost	Fair value through other income	Fair value through profit or loss	Hedge accounting	Total
Funding	1,832,523	-	-	-	1,832,523
Receivables from dependent legal entities	44,446	-	-	-	44,446
Other short-term assets	345,516	-	-	-	345,516
Cash and cash equivalents	119,695	-	-	-	119,695
Total	2,342,180	-	-	-	2,342,180
Loans	-	-	-	-	-
Financial liabilities towards the parent legal entity	1,085,923	-	-	-	1,085,923
Operation liabilities	34,119	-	-	-	34,119
Other short-term liabilities	281,806	-	-	-	281,806
Total	1,401,848	-	-	-	1,401,848

(All amounts are expressed in RSD 000, unless otherwise indicated)

5. Financial assets and liabilities by class (Continued)

RSD thousand	December 31, 2023.				Total
	Amortized cost	Fair value through other results	Fair value through profit or loss	Hedge accounting	
Funding	1,480,020	-	-	-	1,480,020
Receivables from dependent legal entities	454	-	-	-	454
Other short-term assets	528,796	-	-	-	528,796
Cash and cash equivalents	8,220	-	-	-	8,220
Total	2,017,490	-	-	-	2,017,490
Loans	1,087,392	-	-	-	1,087,392
Financial liabilities towards the parent legal entity	34,211	-	-	-	34,211
Operations liabilities	236,075	-	-	-	236,075
Other short-term liabilities	-	-	-	-	-
Total	1,357,678	-	-	-	1,357,678

6. IFRS 8: segment information

Based on the fact that the Company operates only in the renewable energy sector and in Serbia, there is only one reporting segment.

7. Information on guarantees assumed, actual and other contingent liabilities

a) Guarantees issued

No guarantees were issued.

b) Other

There were no other potential liabilities of the Company.

(All amounts are expressed in RSD 000, unless otherwise indicated)

8. Participations in the capital of dependent legal entities

Direct investments in related companies are presented below:

- RSD 16,009 thousand refers to 54% ownership in MK-Fintel Wind AD (RSD 16,009 thousand as at December 31, 2023).
- RSD 5 thousand refers to 54% ownership in MK-Fintel Wind Holding Doo (RSD 5 thousand as at December 31, 2023).
- RSD 200 for 100% ownership in Fintel Energija Development Doo (RSD 200 on December 31, 2023).

In 2024, the Company, as the parent legal entity of the business group, had a share in the capital of the following dependent legal entities:

Name	Share capital (RSD '000)	Head office	31/12/2024 % participation	31/12/2023 % participation	
MK-Fintel Wind ad	29,647	Belgrade (Serbia)	54%	54%	Directly
MK-Fintel Wind Holding doo	10	Belgrade (Serbia)	54%	54%	Directly
Energobalkan doo	360,513	Belgrade (Serbia)	54%	54%	Indirectly
Vetropar Ram doo	10	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Kula doo	314,032	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Torak doo	240	Belgrade (Serbia)	54%	54%	Indirectly
Fintel Energy Dev.doo	0	Belgrade (Serbia)	100%	100%	Directly
MK-Fintel Wind Dev. doo	0	Belgrade (Serbia)	54%	54%	Indirectly
Vetropark Lipar doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Vetropark Lipar 2 doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Vetropark Project Torak doo	0	Belgrade (Serbia)	100%	100%	Indirectly
Fintel Energy Dev. Ltd	0	Nicosia (Cyprus)	100%	100%	Indirectly
Vetropark Torak Ltd	0	Nicosia (Cyprus)	100%	100%	Indirectly
Staklenik Jedan d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Dva d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Tri d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Četiri d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Pet d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly
Staklenik Šest d.o.o.	0	Belgrade (Serbia)	100%	100%	Indirectly

(All amounts are expressed in RSD 000, unless otherwise indicated)

9. Long-term loans and placements – parent and subsidiary legal entities

Long-term financial liabilities – parent and subsidiaries amount to RSD 1,832,523 thousand (2023: RSD 1,480,020 thousand) and relate to financing provided to subsidiaries and other related entities, as set out in the tables below:

Loan beneficiary	Amount 31.12.2024 EUR	Amount 31.12.2024 RSD	Amount 31.12.2024 RSD	Maturity
MK Fintel Wind ad	10,363,689	1,212,706,079	1,315,444,567	2036
MK Fintel Wind Holding d.o.o.	1,732,964	202,782,627	70,468,263	2027
MK-Fintel Wind Development d.o.o.	43,200	5,055,044	5,061,904	2030
Maestrale Ring d.o.o.	50,000	5,850,745	5,858,685	2027
VP Lipar d.o.o.	1,612,000	188,628,019	37,729,931	2027
VP Lipar 2 d.o.o.	1,564,000	183,011,304	20,388,224	2027
Project Torak d.o.o.	76,000	8,893,132	7,850,638	2027
Fintel Energija Development d.o.o.	180,440	21,114,169	14,815,443	2027
Staklenik 1 d.o.o.	5,000	585,075	234,347	2027
Staklenik 2 d.o.o.	7,000	819,104	468,695	2027
Staklenik 3 d.o.o.	7,500	877,612	527,282	2027
Staklenik 4 d.o.o.	5,000	585,075	234,347	2027
Staklenik 5 d.o.o.	4,300	503,164	234,347	2027
Staklenik 6 d.o.o.	3,500	409,552	0	2027
Viafast d.o.o.	4,000	468,060	468,695	2027
Balkan-electro d.o.o.	2,000	234,030	234,347	2027
Total	15,660,593	1,832,522,791	1,480,019,715	

Long-term financial placements were made to subsidiaries and other related parties. The given placements bear an arm's length interest rate, which in 2024 amounts to 6.23%.

Long-term financial investments refer to loans that Fintel Energija provides to subsidiaries and other related parties. In 2024, these receivables amount to 1,832,523 thousand RSD, while in 2023 they amounted to 1,480,020 thousand RSD. Compared to the previous year, long-term receivables and investments increased by 3,029,604 EUR. These funds are used for project development, enabling the financing and implementation of new investments in the renewable energy sector.

The Company has no significant loan credit losses related to the aforementioned placements and loans.

(All amounts are expressed in RSD 000, unless otherwise indicated)

10. Trade receivables

Trade receivables as of December 31, 2024 and 2023 amount to:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Receivables from customers in the country	6,981	-
Receivables from the parent company, subsidiaries and other related parties in the country	44,446	454
Trade receivables	51,427	454

Trade receivables relate to re-invoiced services related to the management fee. The re-invoicing of these services has been carried out since 2024 and relates to the management fee provided by Fintel Italy to Fintel Serbia and other related entities.

This re-invoicing model was introduced to more accurately reflect project management costs and obligations within related legal entities.

11. Cash and cash equivalents

Cash and cash equivalents as of December 31, 2024 and 2023 are:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Current account		
- in dinars	119,655	8,180
- in foreign currency	40	40
Cash and cash equivalents	119,695	8,220

The market value of cash and cash equivalents matches its book value.

For the purpose of preparing the statement of cash flows, investments and financing transactions that did not require the use of cash or cash equivalents are excluded.

12. Other short-term assets

Other short-term assets in the amount of RSD 19,882 thousand as of December 31, 2024 (RSD 295,000 thousand as of December 31, 2023) are given in more detail in the following table:

<i>RSD thousands</i>	December 31, 2024.	December 31, 2023.
Other receivables	15,648	290,766
Claims for overpaid income tax	4,224	4,224
Receivables for prepaid other taxes and contributions	10	10
Total	19,882	295,000

(All amounts are expressed in RSD 000, unless otherwise indicated)

12. Other short-term assets – (Continued)

In 2024, other receivables amount to RSD 19,882 thousand and are significantly lower compared to the previous year, when they amounted to RSD 295,000 thousand. This difference arises primarily from the fact that in 2024 there are no receivables for dividends from dependent legal entities, while at the end of 2023 there was a significant receivable on this basis. In addition, receivables for contractual and default interest from other related parties are lower in 2024 compared to the previous year, since a part of these receivables was collected during 2024. Other receivables also include receivables for previous VAT in the tax period, the dynamics of which depends on specific business activities and tax refund periods.

13. Short-term active accruals

Short-term accrued income and deferred income as of 31 December 2024 amounted to RSD 325,620 thousand (RSD 233,783 thousand as of 31 December 2023). The majority of accrued income and deferred income relates to accrued but unpaid interest on loans granted to subsidiaries and other related entities. These receivables represent income that will be realized in future accounting periods, in accordance with the agreed financing terms.

14. Equity

Equity as of December 31, 2024 and 2023 is shown in the table below:

RSD thousands	December 31, 2024.	December 31, 2023.
Share capital	4,057	4,057
Share premium	681,237	681,237
Retained earnings of the current year	274,636	-
Retained earnings from previous years	13,179	249,981
Loss of previous years	(9,190)	(245,993)
Current year loss	-	-
TOTAL EQUITY	963,919	689,282

Description	Basic capital	Share premium and provisions	Undistributed earnings	Loss	Total
Balance as at January 1, 2023.	4,057	681,237	9,285	255,277	439,302
Effects of retroactive correction of material errors and changes in accounting policies	-	-	-	-	-
Corrected initial balance on 01.01.2023	4,057	681,237	9,285	255,277	439,302
Net changes in 2023.	-	-	240,696	9,284	249,980
Balance as at 31.12.2023.	4,057	681,237	249,981	245,993	689,282
Effects of retroactive correction of material errors and changes in accounting policies	-	-	-	-	-
Corrected initial balance on 01.01. in 2024	4,057	681,237	249,981	245,993	689,282
Net changes in 2024.	-	-	37,834	(236,803)	274,637
Balance as at 31.12.2024.	4,057	681,237	287,815	9,190	963,919

(All amounts are expressed in RSD 000, unless otherwise indicated)

14. Equity (Continued)

Capital components and changes in them are detailed below:

Share capital

As of December 31, 2024, the paid-up subscribed share capital of the Company amounted to RSD 4,057 thousand (RSD 4,057 thousand as of December 31, 2023) thousand, consisting of 26,510,506 ordinary shares of RSD 0.153 each.

Share premium

As of December 31, 2024, reserves include the share premium generated by the capital increase related to the initial public offering of the Company's shares, the Premium segment of the Belgrade Stock Exchange. The share premium amounts to RSD 755,022 thousand (equivalent to RSD 499,847 per each new share issued by the Company). The value of the share premium is stated net of IPO-related expenses. IPO expenses amounted to RSD 73,785 thousand.

Retained earnings / (losses)

They consist of gains / (losses) of previous years. They also include net profit / (loss) for the current year.

15. Long-term and short-term loans from the parent and related entities

Loans from the parent and related legal entities in the amount of RSD 1,085,923 thousand as of 31 December 2024 (RSD 1,087,392 thousand as of 31 December 2023), of which RSD 1,072,178 thousand relate to loans from the majority shareholder Fintel Energia Group Spa. The loans are mainly interest-bearing, with interest rates ranging from 3% to 6%. The amount of RSD 13,745 thousand as of 31.12.2024 relates to short-term loans received from the parent company (RSD 13,759 thousand as of 31 December 2023).

16. Operations liabilities

As of December 31, 2024, operating liabilities amounted to RSD 34,119 thousand, which is approximately the same level as in the previous year (RSD 34,211 thousand as of December 31, 2023). The largest part of these liabilities, amounting to RSD 32,902 thousand, relates to debts to the parent company Fintel Italia Spa based on management fees. The remaining, significantly smaller part, amounting to RSD 1,217 thousand, represents liabilities to suppliers in the country.

17. Other short-term liabilities

As of December 31, 2024, other short-term liabilities amounted to RSD 3,240 thousand, which represents a significant increase compared to the previous year, when they amounted to RSD 20 thousand. The largest part of these liabilities, in the amount of RSD 3,078 thousand, relates to VAT liabilities for the fourth quarter of 2024. The year that is due for collection on January 15, 2025. Other short-term liabilities consist of liabilities from previous years for VAT based on amended VAT returns (RSD 87 thousand) and liabilities transferred to employees that will be settled in 2025.

(All amounts are expressed in RSD 000, unless otherwise indicated)

18. Passive time accruals

As of December 31, 2024, short-term accrued expenses amounted to RSD 278,565 thousand, an increase compared to the previous year, when they amounted to RSD 236,055 thousand. The largest part of these liabilities, amounting to RSD 275,016 thousand, relates to accrued interest on loans received from the parent company Fintel Energia Group SpA.

The remaining amount of RSD 3,549 thousand refers to reserved audit and consulting services costs related to the business year 2024, but for which invoices are expected to be issued in 2025.

(All amounts are expressed in RSD 000, unless otherwise indicated)

INCOME STATEMENT

19. Revenue from sales of products and services

Sales revenues for the twelve-month period ended December 31, 2024 amounted to RSD 13,938 thousand, while as of December 31, 2023 they amounted to RSD 1,786 thousand. Significant revenue growth in 2024 is the result of the introduction of re-invoicing of project management services (management fee), while in the previous year revenues arose exclusively from the provision of accounting services.

20. Salary costs

Salary expenses for the period of twelve months ended on December 31, 2024 and 2023 are presented in the following table:

	2024.	2023.
SALARY COSTS AND SALARY COMPENSATION	8,608	6,603
COSTS OF TAXES AND CONTRIBUTIONS ON EARNINGS AND EARNINGS COMPENSATION	1,304	1,001
OTHER PERSONAL EXPENSES AND FEES	1,350	996
Total	11,262	8,600

21. Intangible costs

Intangible costs for the twelve-month period ended on December 31, 2024 amount to RSD 19,543 thousand, which represents a significant decrease compared to the previous year, when on December 31, 2023 they amounted to RSD 40,412 thousand.

The majority of these costs relate to consulting services, including services provided by the parent company under management consulting contracts, as well as audit costs.

The decrease in intangible costs in 2024 is primarily the result of significantly lower consulting costs compared to the previous year, which contributed to the overall decline in this category of expenses.

22. Financial income

Finance income for the twelve-month period ended 31 December 2024 and 2023 is presented in the following table:

	2024.	2023.
FINANCIAL INCOME FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER LEGAL ENTITIES	330,551	351,141
INTEREST INCOME	-	-
POSITIVE EXCHANGE RATE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1,149	39
Total	331,699	351,180

Financial income mostly refers to income from dividends in the amount of RSD 221,278 thousand (2023: 300,226 thousand). The rest of the isos refers to interest income. In 2024, lower financial income was achieved due to the fact that income from dividends was lower by RSD 78,948 thousand. The difference was somewhat covered by income from interest on loans given to related parties. The interest rate beyond arm's reach for long-term loans in 2023 was 3.22%, while in 2024 it was 6.23%.

(All amounts are expressed in RSD 000, unless otherwise indicated)

23. Financial expenses

Finance expenses for the twelve-month period ended 31 December 2024 and 2023 are presented in the following table:

	2024.	2023.
FINANCIAL EXPENSES FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER LEGAL ENTITIES	43,930	44,217
INTEREST EXPENSES	87	114
NEGATIVE EXCHANGE RATE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	2	146
OTHER FINANCIAL EXPENSES	102	-
Total	44,120	44,477

24. Tax expense for the period

The Company had no tax expense for the year ended 31 December 2024 and the year of 2023.

25. Basic earnings/(loss) per share

Basic earnings per share ranged from earnings of RSD 9.43 for the twelve-month period ended December 31, 2023 to earnings per share of RSD 10.36 for the period ended December 31, 2024. Basic earnings per share were calculated by dividing the Company's net result by the average number of shares of Fintel Energija (average number of shares is 26,511 thousand).

Diluted earnings per share equals basic earnings per share on both dates.

(All amounts are expressed in RSD 000, unless otherwise indicated)

26. Transactions with related parties

As previously indicated, the majority shareholder of the Company is Fintel Energia Group SpA.

Below is an overview of the Company's transactions with related parties in 2024 and 2023. All transactions with related parties were carried out on market terms.

As of December 31, 2024 and December 31, 2023, an overview of the amounts of receivables and liabilities arising from transactions with related parties is presented in the table below:

December 31, 2024.				
	Dependent and affiliated companies			
RSD thousands	Parent company	owner	Subsidiaries	Total
Accounts receivable	-	-	44,446	44,446
Long-term loans	-	-	1,832,523	1,832,523
Other short-term assets	14	-	340,572	340,586
Other short-term liabilities	(275,016)	-	-	(275,016)
Operations liabilities	(32,902)	-	(411)	(33,313)
Loan from owner	(1,085,923)	-	-	(1,085,923)
Total	(1,393,827)	-	2,217,130	823,303
December 31, 2023				
	Dependent and affiliated companies			
RSD thousands	Parent company	owner	Subsidiaries	Total
Short-term loans	-	-	-	-
Long-term loans	-	-	1,480,020	1,480,020
Other short-term assets	-	-	233,783	233,783
Other short-term liabilities	(236,055)	-	-	(236,055)
Operations liabilities	(32,950)	-	-	(32,950)
Loan from owner	(1,087,392)	-	-	(1,087,392)
Total	(1,356,397)	-	1,713,803	357,406

(All amounts are expressed in RSD 1,000, unless otherwise indicated)

26. Related party transactions (Continued)

For the years ended December 31, 2024 and 2023, the following transactions with related parties occurred:

December 31, 2024.					
RSD thousands	Owner	Subsidiaries and affiliates of the owner	Subsidiaries	Other related legal entities	Total
General and administrative expenses	(11,972)	-	-	-	(11,972)
Financial expenses	(41,555)	-	-	-	(41,555)
Revenue from sales of products and services			13,938		13,938
Financial income	1,829		328,725	-	330,554
Total	(51,698)	-	342,663	-	290,965
December 31, 2023.					
RSD thousands	Owner	Subsidiaries and affiliates of the owner	Subsidiaries	Other related legal entities	Total
General and administrative expenses	(32,950)	-	-	-	(32,950)
Financial income	-	-	351,141	-	351,141
Financial expenses	(44,217)	-	-	-	(44,217)
Total	(77,167)	-	351,141	-	273,974

Key management compensation

The members of the Board of Directors were paid remuneration in the gross amount of RSD 1,274 thousand during 2024. Tiziano Giovannetti is the sole executive director of Fintel Energija AD Beograd and its subsidiaries.

27. Tax risk

The tax laws of the Republic of Serbia are often interpreted differently and are subject to frequent changes. The interpretation of tax laws by tax authorities in relation to the Company's transactions and activities may differ from the interpretation of management. As a result, transactions may be challenged by tax authorities and the Company may be assessed additional taxes, penalties and interest. The limitation period for tax liabilities is five years. This practically means that tax authorities have the right to determine the payment of outstanding liabilities within five years from the date the liability arose. Management estimated that the Group had paid all tax liabilities as of 31 December 2024.

28. Events after the balance sheet date

There were no events occurring after the balance sheet date that would require adjustment to the financial statements as of December 31, 2024, or disclosure in the Notes to the Company's financial statements.

Legal representative:

Tiziano Giovannetti

Director

Person responsible for preparing individual financial statements:

Biljana Bogdanov

Accountant

Biljana Bogdanov

**CONSOLIDATED ANNUAL BUSINESS REPORT FOR THE YEAR
ENDED 31 DECEMBER 2024.**

FINTEL ENERGY AD

Contents

1.	Summary of business activities and organizational structure	3
2.	Presentation of the development, financial position and activities of the Company, relevant financial information and non-financial indicators, employee structure	5
3.	Environmental protection	13
4.	Events after the balance sheet date	13
5.	Planned future development	13
6.	Research and development	15
7.	Objectives and policies related to financial risk management, credit risks, liquidity risk and market risk	15
8.	Corporate Governance Report	19

1. SUMMARY OF BUSINESS ACTIVITIES AND ORGANIZATIONAL STRUCTURE

Basic information

Business name: PRIVREDNO DRUŠTVO ZA PROIZVODNJU ELEKTRIČNE ENERGIJE FINTEL ENERGIJA AD BEOGRAD
(ELECTRICITY PRODUCTION COMPANY FINTEL ENERGIJA AD BELGRADE)

Head office: Belgrade

Address: Masarikova Street 5

Registration number: 20305266

TIN: 105058839

Date of establishment: June 27, 2007

Authorized representative: Tiziano Giovannetti

Internet address: www.fintelenergija.rs

Prevailing business activity

Description and code of business activity: 3511 – Electricity production.

Business activities

Fintel Energija AD (hereinafter: the “Company” or “Fintel Energija”) and its subsidiaries (together: the “Fintel Group” or “Group”) are the leading independent producer of electricity from renewable sources in the Republic of Serbia. The Company and the Group are pioneers in the field of electricity production from renewable sources, having been the first in Serbia to build and operate wind farms. The sale of all produced energy is carried out through an arrangement (power purchase agreement) with JP Elektroprivreda Srbije (EPS), and there is no direct supply to end consumers.

Organizational structure and corporate governance

By harmonizing the bodies and acts with the Law on Business Companies (Official Gazette of the Republic of Serbia No. 36/2011, 99/2011, 83/2014-other laws and 5/2015, 95/2018, 91/2019 and 109/2021), the Company has the following internal organizational structure: Shareholders' Assembly (consisting of the sole shareholder Fintel Energija Group SpA) and the Board of Directors.

Purchase of own shares

There were no buybacks of own shares during the year of 2024.

Branch offices

The company does not have separate business units or branch offices.

1. SUMMARY OF BUSINESS ACTIVITIES AND ORGANIZATIONAL STRUCTURE (continued)

Subsidiaries

The Company operates as the parent company of the following affiliate legal entities:

- MK-Fintel Wind akcionarsko društvo Belgrade, registration number 20392126, where the Company owns 53.99737% of the share capital ("MK Fintel ad", " "), the remaining 46.00263% is owned by the company MK Holding d.o.o. za holding poslove Beograd.
- MK-Fintel Wind Holding d.o.o. for holding poslove Beograd, registration number 21280275, where the Company owns 53.99737% of the share capital ("MK Fintel d.o.o."), the remaining 46.00263% is owned by MK Green Energy Limited from Cyprus,
- Fintel Energija development d.o.o. Beograd, registration number 21522732 ("Fintel Energija Development"), where the Company owns 100.00% of the share capital,

MK-Fintel Wind Holding d.o.o. owns 100% of the share capital in the following affiliate legal entities, company for special purposes for other projects:

- Vetropark Kula d.o.o. Beograd, registration number 20901659 – a company for special purposes established for the Kula wind farm project ("Kula"),
- Energobalkan d.o.o. Beograd, registration number 20833122 – special purpose company established for the La Piccolina wind farm project ("Energobalkan"),

Fintel Energija Development d.o.o. owns:

- Fintel Energija Development Ltd Cyprus, registration number HE 419780 ("Fintel Energija Development Cyprus"), where the Company owns 100.00% of the share capital;
- MK-Fintel Wind Development d.o.o. Beograd, registration number 21528536 ("MK-Fintel Wind Development"), where the Company owns 54.00% of the share capital;
- Lipar d.o.o. Beograd, registration number 21452149 ("Lipar"), where the Company owns 100.00% of the share capital;
- Lipar 2 doo Belgrade, registration number 21452122 ("Lipar 2"), where the Company owns 100.00% of the share capital.

MK-Fintel Wind Development owns 100% of the following subsidiaries:

- Vetropark Torak d.o.o. Beograd, registration number 21040339 ("Torak");
- Vetropark Ram d.o.o. Beograd, registration number 20927119 ("Ram").

1. SUMMARY OF BUSINESS ACTIVITIES AND ORGANIZATIONAL STRUCTURE (continued)

Subsidiaries (Continued)

Fintel Energija Development Ltd owns 100% of the following subsidiaries, special purpose vehicles for other projects:

- Vetropark Torak Ltd Cyprus, registry number HE 423070;
- Staklenik 1 doo Beograd, registration number 21861103 ("Staklenik 1"), where the Company owns 100.00% of the share capital.
- Staklenik 2 doo Beograd, registration number 21861111 ("Staklenik 2"), where the Company owns 100.00% of the share capital.
- Staklenik 3 doo Beograd, registration number 21861120 ("Staklenik 3"), where the Company owns 100.00% of the share capital.
- Staklenik 4 doo Beograd, registration number 21861081 ("Staklenik 4"), where the Company owns 100.00% of the share capital.
- Staklenik 5 doo Beograd, registration number 21861090 ("Staklenik 5"), where the Company owns 100.00% of the share capital
- Staklenik 6 doo Beograd, registration number 21974455 ("Staklenik 6"), where the Company owns 100.00% of the share capital.

The following companies are 100% owned through Cypriot companies:

- Project Torak d.o.o. Beograd, registration number 21459631 ("Project Torak").

Information about the Company management

Members of the Board of Directors:

- ✓ Claudio Nardone, President
- ✓ Tiziano Giovannetti
- ✓ Giulio Moreno
- ✓ Tamara Mladjenovic

Key events that affected the Company during 2024

During 2024, several significant financial activities occurred within the Company that had an impact on its operations and financial structure.

During the year, Vetropark Kula made an early repayment of the loan with Erste Bank ad Novi Sad. This also completely closed the accompanying interest rate swap agreement, i.e., the instrument for hedging against interest rate risk.

In 2024, MK Fintel Wind fully settled its obligations under the existing loan arrangement concluded with a group of banks – Erste Bank ad Novi Sad, UniCredit Bank Srbija ad Beograd, Banca Intesa ad Beograd and Zagrebačka banka dd. Repayment was made with funds from a new credit arrangement concluded with NLB Komercijalna banka ad Beograd and Nova Ljubljanska banka dd, Ljubljana. At the same time, all valid interest rate swap agreements related to the previous arrangement were closed. No interest rate swap agreements were concluded with new creditors.

2. PRESENTATION OF DEVELOPMENT, FINANCIAL POSITION AND ACTIVITIES OF THE COMPANY, RELEVANT FINANCIAL INFORMATION AND NON-FINANCIAL INDICATORS, EMPLOYEE STRUCTURE

Fintel Energija is the leading independent producer of renewable energy in Serbia. The total installed capacity of all wind farms is 398 MW, of which 85.5 MW is owned by the Company (21.5%). Out of the total current quota for the construction of wind farms under preferential conditions, which is 500 MW, Fintel Energija has been granted the right to build wind farms with a total capacity of 85.5 MW (17.1%).

BALANCE SHEET
on December 31, 2024

- in thousands of dinars

Account group, account	ITEM	EDP	Amount		
			Current year	Previous year	
				End balance 31.12.2023.	Initial balance 01.01.2023.
1	2	3	5	6	7
	ASSETS				
00	A. SUBSCRIBED AND UNPAID CAPITAL	0001		-	-
	B. FIXED ASSETS (0003 + 0009 + 0017 + 0018 + 0028)	0002	11,874,610	12,348,329	
01	I. INTANGIBLE ASSETS (0004 + 0005 + 0006 + 0007 + 0008)	0003	-	-	
010	1. Investments in development	0004	-	-	
011, 012 and 014	2. Concessions, patents, licenses, trademarks and service marks, software and other intangible assets	0005	-	-	
013	3. Goodwill	0006	-	-	
015 and 016	4. Intangible assets leased and intangible assets in preparation	0007	-	-	
017	5. Advances for intangible assets	0008	-	-	
02	II. REAL ESTATE, PLANT AND EQUIPMENT (0010+0011 + 0012 + 0013 + 0014 + 0015 + 0016)	0009	11,513,806	11,571,386	
020, 021 and 022	1. Land and construction facilities	0010	4,170,612	4,305,233	
023	2. Plants and equipment	0011	6,691,827	7,170,661	
024	3. Investment real estate	0012	-	-	
025 and 027	4. Real estate, plant and equipment leased and real estate, plant and equipment under preparation	0013	649,981	94,106	
026 and 028	5. Other real estate, plants and equipment and investment in other people's real estate, plants and equipment	0014	-	-	
029 (part)	6. Advances for real estate, plant and equipment in the country	0015	1,386	1,386	
029 (part)	7. Advances for real estate, plants and equipment abroad	0016	-	-	
03	III. BIOLOGICAL RESOURCES	0017	-	-	
04 and 05	IV. LONG-TERM FINANCIAL PLACEMENTS AND LONG-TERM RECEIVABLES (0019+0020+0021+0022+0023+0024+0025 + 0026 + 0027)	0018	343,556	776,943	
040 (part), 041 (part) and 042 (part)	1. Share in the equity of legal entities (except for equity share that are valued using the participation method)	0019	-	-	
040 (part), 041 (part) and 042 (part)	2. Equity shares valued using the share method	0020	-	-	
043, 050 (part) and 051 (part)	3. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties in the country	0021	6,553	6,563	
044, 050 (part) and 051 (part)	4. Long-term placements to parent, dependent and other related parties and long-term receivables from those parties and abroad	0022	-	-	
045 (part) and 053 (part)	5. Long-term placements (credits and loans given) in the country	0023	-	-	
045 (part) and 053 (part)	6. Long-term placements (credits and loans given) abroad	0024	-	-	
046	7. Long-term financial investments (securities valued at depreciated value)	0025	-	-	
047	8. Purchased own shares and purchased own shares	0026	-	-	
048, 052, 054, 055 and 056	9. Other long-term financial investments and other long-term receivables	0027	337,003	770,380	
28 (part) except 288	V. LONG-TERM ACCRUED RECEIVABLES	0028	17,248	-	
288	V. DEFERRED TAX ASSETS	0029	39,026	-	

BALANCE SHEET (continued)
on December 31, 2024

- in thousands of dinars

Account group, account	ITEM	EDP	Amount		
			Current year	Previous year	
				End balance 31.12.2023.	Initial balance 01.01.2023.
	I. SUPPLIES (0032+0033+0034+0035+0036)	0030	1,604,862	1,356,196	
Class 1, except account group 14	1. Material, spare parts, tools and small inventory	0031	41,872	32,774	
10	2. Work-in-progress and finished products	0032	7,313	7,312	
11 and 12	3. Goods	0033	-	-	
13	4. Paid advances for supplies and services in the country	0034	-	-	
150, 152 and 154	5. Paid advances for supplies and services abroad	0035	34,475	13,382	
151, 153 and 155	II. FIXED ASSETS HELD FOR SALE AND CESSATION OF BUSINESS	0036	84	12,080	
14	III. RECEIVABLES BASED ON SALES (0039+0040+0041+0042+0043)	0037	-	-	
20	1. Receivables from customers in the country	0038	180,993	302,446	
204	2. Receivables from customers abroad	0039	171,965	300,979	
205	3. Receivables from the parent, dependent and other related persons in the country	0040	5	-	
200 and 202	4. Receivables from parent, dependent and other related persons abroad	0041	9,023	1,467	
201 and 203	5. Other receivables based on sales	0042	-	-	
206	IV. OTHER SHORT-TERM RECEIVABLES (0045+0046+0047)	0043	-	-	
21, 22 and 27	1. Other receivables	0044	84,550	76,475	
21, 22 except 223 and 224 and 27	2. Receivables for overpaid profit tax	0045	56,903	56,237	
223	3. Receivables based on overpaid other taxes and contributions	0046	26,108	18,699	
224	V. SHORT-TERM FINANCIAL PLACEMENTS (0049+0050+0051+0052+0053+0054+0055+0056)	0047	1,539	1,539	
23	1. Short-term loans and placements - parent and subsidiary legal entities	0048	459,361	14	
230	2. Short-term loans and placements - other related parties	0049	-	-	
231	3. Short-term credits, loans and placements in the country	0050	-	-	
232, 234 (part)	4. Short-term credits, loans and placements abroad	0051	459,347	-	
233, 234 (part)	5. Securities valued at depreciated value	0052	-	-	
235	6. Financial assets valued at fair value through the Income Statement	0053	-	-	
236 (part)	7. Repurchased own shares and repurchased own stakes	0054	-	-	
237	8. Other short-term financial placements	0055	-	-	
236 (part), 238 and 239	VI. CASH AND CASH EQUIVALENTS	0056	14	14	
24	VII. SHORT-TERM ACCRUED RECEIVABLES	0057	453,776	652,507	
28 (part) except 288	D. TOTAL ASSETS = BUSINESS ASSETS (0001 + 0002 + 0029+0030)	0058	384,310	291,980	
	DJ. OFF-BALANCE SHEET ASSETS	0059	13,518,498	13,704,525	
88	I. SUPPLIES (0032+0033+0034+0035+0036)	0060		55,127	

BALANCE SHEET (continued)
on December 31, 2024

- in thousands of dinars

Account group, account	ITEM	EDP	Amount		
			Current year	Previous year	
				End balance 31.12.2023.	Initial balance 01.01.2023.
	LIABILITIES				
	A. CAPITAL (0402 + 0403+0404+0405+0406-0407+0408+0411-0412) ≥ 0	0401	3,264,050	3,119,407	
30 except 306	I. SHARE CAPITAL	0402	4,057	4,057	
31	II. SUBSCRIBED AND UNPAID CAPITAL	0403	-	-	
306	III. ISSUE PREMIUM	0404	681,237	681,237	
32	IV. RESERVES	0405	-	-	
330 And the demand balance of accounts 331, 332, 333, 334, 335 336 and 337	V. POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0406	-	114,833	
debt balance calculated 331,332,333,334, 335,336 and 337	VI. UNREALIZED LOSSES BASED ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME	0407	378	-	
34	VII. RETAINED EARNINGS (0409+0410)	0408	1,526,748	1,224,242	
340	1. Retained earnings of previous years	0409	1,224,245	825,063	
341	2. Undistributed profit of the current year	0410	302,503	399,179	
	VIII. SHARE WITHOUT THE RIGHT OF CONTROL	0411	1,052,386	1,095,038	
35	IX. LOSS (0413+0414)	0412	-	-	
350	1. Loss of previous years	0413	-	-	
351	2. Loss of the current year	0414	-	-	
	B. LONG-TERM PROVISIONS AND LIABILITIES (0416+0420+0428)	0415	8,282,892	8,580,069	
40	I. LONG-TERM RESERVATIONS (0417++0418+0419)	0416	132	99	
404	1. Provisions for compensation and other employee benefits	0417	132	99	
400	2. Provisions of costs in the warranty period	0418	-	-	
40 except 400 and 404	3. Other long-term provisions	0419	-	-	
41	II. LONG-TERM LIABILITIES (0421 + 0422 + 0423 + 0424 + 0425 + 0426 + 0427)	0420	8,282,760	8,579,970	
410	1. Liabilities that can be converted into equity	0421	-	-	
411 (part) and 412 (part)	2. Long-term loans and other long-term liabilities to parent, dependent and other related persons in the country	0422	1,257,827	1,326,872	
411 (part) and 412 (part)	3. Long-term loans and other long-term liabilities to parent, dependent and other related parties abroad	0423	1,365,571	1,250,388	
414 and 416 (part)	4. Long-term credits, loans and obligations based on leasing in the country	0424	3,774,705	4,781,195	
415 and 416 (part)	5. Long-term credits, loans and obligations based on leasing abroad	0425	1,884,657	1,221,515	
413	6. Obligations for issued securities	0426	-	-	
419	7. Other long-term liabilities	0427	-	-	
49 (part), except 498 and 495 (part)	III. LONG-TERM ACCRUED COSTS	0428	-	-	

BALANCE SHEET (continued)
on December 31, 2024

- in thousands of
dinars -

Account group, account	ITEM	EDP	Amount		
			Current year	Previous year	
				End balance 31.12.2023.	Initial balance 01.01.2023.
498	V. DEFERRED TAX LIABILITIES	0429	-	60,554	
495 (part)	G. LONG-TERM DEFERRED INCOME AND DONATIONS RECEIVED	0430	-	-	
	D. SHORT-TERM PROVISIONS AND SHORT-TERM LIABILITIES (0432+0433+0441+0442+0449+0453+0454)	0431	1,971,556	1,944,495	
467	I. SHORT TERM PROVISIONS	0432	-	-	
42 except 427	II. SHORT-TERM FINANCIAL LIABILITIES (0434+0435+0436+0437+0438+0439+0440)	0433	914,527	886,462	
420 (part) and 421 (part)	1. Liabilities based on loans to parent, dependent and other related parties in the country	0434	-	-	
420 (part) and 421 (part)	2. Liabilities based on loans to parent, dependent and other related parties abroad	0435	15,794	15,375	
422 (part), 424 (part), 425 (part) and 429 (part)	3. Liabilities based on credits and loans from parties other than domestic banks	0436	608,956	791,429	
422 (part), 424 (part), 425 (part) and 429 (part)	4. Liabilities based on loans from domestic banks	0437	-	-	
423, 424 (part), 425 (part) and 429 (part)	5. Credits, loans and obligations from abroad	0438	289,777	79,658	
426	6. Liabilities for short-term securities	0439	-	-	
428	7. Liabilities based on financial derivatives	0440	-	-	
430	III. ADVANCES DEPOSITS AND BAILS RECEIVED	0441	-	116	
43 except 430	IV. BUSINESS LIABILITIES (0443+0444+0445+0446+0447+0448)	0442	219,878	123,059	
431 and 433	1. Liabilities to suppliers - parent, subsidiary legal entities and other related entities in the country	0443	1,445	1,630	
432 and 434	2. Liabilities to suppliers - parent, subsidiary legal entities and other related entities abroad	0444	32,902	35,171	
435	3. Liabilities to suppliers in the country	0445	182,509	80,519	
436	4. Liabilities to suppliers abroad	0446	3,022	5,739	
439 (part)	5. Bills of exchange liabilities	0447	-	-	
439 (part)	6. Other liabilities from business	0448	-	-	
44, 45, 46 except 457, 47 and 48	V. OTHER SHORT-TERM LIABILITIES (0450+0451+0452)	0449	141,614	343,124	
44, 45 and 46 except 457	1. Other short-term liabilities	0450	134,627	343,124	
47, 48 except 481	2. Liabilities based on value added tax and other public revenues	0451	3,255	-	
481	3. Liabilities based on profit tax	0452	3,732	-	
427	VI. LIABILITIES BASED ON ASSETS INTENDED FOR SALES AND ASSETS OF A OPERATIONS THAT HAVE BEEN SUSPENDED BUSINESS	0453	-	-	
49 except 498	VII. SHORT-TERM ACCRUED COSTS AND DEFERRED REVENUES	0454	695,537	591,734	
	DJ. LOSS ABOVE CAPITAL AMOUNT (0415+0429+0430+0431-0059) ≥ 0 = (0407+0412-0402-0403-0404-0405-0406-0408-0411) ≥ 0	0455	-	-	
	E. TOTAL LIABILITY (0401+0415+0429+0430+0431-0455)	0456	13,518,498	13,704,525	
89	Z. OFF BALANCE SHEET LIABILITIES	0457	-	55,127	

INCOME STATEMENT
in the period 01.01. to 31.12.2024.

- in thousands of dinars -

Account group, account	ITEM	EDP	Amount	
			Current year	Previous year
1	2	3	5	6
	A. BUSINESS INCOME (1002 + 1005+1008+1009-1010+1011+1012)	1001	2,765,433	2,739,292
60	I. INCOME FROM THE SALE OF GOODS (1003 + 1004)	1002	-	-
600, 602 and 604	1. Income from the sale of goods on the domestic market	1003	-	-
601, 603 and 605	2. Income from the sale of goods on the foreign market	1004	-	-
61	II. INCOME FROM THE SALE OF PRODUCTS AND SERVICES (1006+1007)	1005	2,738,117	2,714,764
610, 612 and 614	1. Income from the sale of products and services on the domestic market	1006	2,738,117	2,714,764
611, 613 and 615	2. Income from the sale of products and services on the foreign market	1007	-	-
62	III. INCOME FROM ACTIVATION OF GOODS AND EFFECTS	1008	-	-
630	IV. INCREASE OF VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1009	-	-
631	V. DECREASE IN THE VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1010	-	-
64 and 65	VI. OTHER OPERATING INCOME	1011	27,316	21,704
68, except 683, 685 and 686	VII. INCOME FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1012	-	2,824
	B. BUSINESS EXPENSES (1014+1015+1016+1020+1021+1022+1023+1024)	1013	1,358,042	1,257,741
50	I. PURCHASE VALUE OF SOLD GOODS	1014	-	-
51	II. COSTS OF MATERIALS, FUEL AND ENERGY	1015	16,948	18,093
52	III. SALARY EXPENSES, SALARY COMPENSATION AND OTHER PERSONAL EXPENSES (1017+1018+1019)	1016	44,334	38,806
520	1. Salary expenses and salary compensation	1017	31,720	27,104
521	2. Costs of taxes and contributions on wages and salary benefits	1018	4,745	4,045
52 except 520 and 521	3. Other personal expenses and compensation	1019	7,869	7,657
540	IV. DEPRECIATION COSTS	1020	615,129	615,210
58 except 583, 585 and 586	V. COSTS FROM ADJUSTMENT OF PROPERTY VALUE (EXCEPT FINANCIAL)	1021	-	1,495
53	VI. COSTS OF PRODUCTION SERVICES	1022	339,484	206,478
54 except 540	VII. RESERVATION COSTS	1023	33	-
55	VIII. IMMATERIAL COSTS	1024	342,114	377,659
	V. BUSINESS PROFIT (1001 - 1013) ≥ 0	1025	1,407,391	1,481,551
	G. BUSINESS LOSS (1013 - 1001) ≥ 0	1026	-	-

INCOME STATEMENT (continued)
in the period 01.01. to 31.12.2024.

- in thousands of dinars -

Account group, account	ITEM	EDP	Note	Amount	
				Current year	Previous year
	D. FINANCIAL INCOME (1028+1029+1030+1031)	1027		45,470	31,291
660 and 661	I. FINANCIAL INCOME FROM RELATIONS WITH PARENT, DEPENDENT AND OTHER RELATED PARTIES	1028		11,765	3,662
662	II. INTEREST INCOME	1029		2,401	3,663
663 and 664	III. POSITIVE EXCHANGE DIFFERENCES AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1030		31,304	23,966
665 and 669	IV. OTHER FINANCIAL INCOME	1031		-	-
	D. FINANCIAL EXPENSES (1033+1034+1035+1036)	1032		810,677	618,892
560 and 561	I. FINANCIAL EXPENSES FROM RELATIONS WITH PARENT, SUBSIDIARY AND OTHER RELATED PARTIES	1033		137,839	93,317
562	II. INTEREST EXPENSE	1034		318,049	371,994
563 and 564	III. NEGATIVE EXCHANGE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	1035		21,572	14,966
566 and 569	IV. Other financial expenses	1036		333,217	138,615
	E. PROFIT FROM FINANCING (1027 - 1032) ≥ 0	1037		-	-
	Z. LOSS FROM FINANCING (1032 - 1027) ≥ 0	1038		765,207	587,601
683, 585 and 586	Z. INCOME FROM ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1039		9,686	-
583, 585 and 586	I. COSTS FROM THE ADJUSTMENT OF THE VALUE OF FINANCIAL ASSETS REPORTED AT FAIR VALUE THROUGH THE INCOME STATEMENT	1040		-	7,149
67	J. OTHER INCOME	1041		11,021	76,909
57	K. OTHER EXPENSES	1042		11,755	7,923
	L. TOTAL INCOME (1001+1027+1039+1041)	1043		2,831,610	2,847,492
	LJ. TOTAL EXPENSES (1013+1032+1040+1042)	1044		2,180,474	1,891,705
	M. PROFIT FROM REGULAR OPERATIONS BEFORE TAXATION (1043-1044) ≥ 0	1045		651,136	955,787
	N. LOSS FROM REGULAR OPERATIONS BEFORE TAXATION (1044-1043) ≥ 0	1046		-	-
69-59	NJ. POSITIVE NET EFFECT ON THE RESULT BASED ON PROFIT OF DISCONTINUED OPERATIONS, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1047		-	-
59-69	A. NEGATIVE NET EFFECT ON THE RESULT DUE TO LOSS OF BUSINESS THAT IS SUSPENDED, CHANGE IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM EARLIER PERIODS	1048		277	1,681
	P. PROFIT BEFORE TAXATION (1045 - 1046 + 1047 - 1048) ≥ 0	1049		650,859	954,106
	R. LOSS BEFORE TAXATION (1046- 1045 + 1048 - 1047) ≥ 0	1050		-	-
	S. INCOME TAX			-	-
721	I. TAX EXPENSE OF THE PERIOD	1051		166,133	190,400
722 long. Balance	II. DEFERRED TAX EXPENSES OF THE PERIOD	1052			
722 left Balance	III. DEFERRED TAX REVENUE OF THE PERIOD	1053		61,852	32,547
723	T. PAID PERSONAL INCOME OF THE EMPLOYER	1054		-	-
	Č. NET PROFIT (1049-1050-1051-1052+1053-1054) ≥ 0	1055		546,578	796,253
	U. NET LOSS (1050-1049+1051+1052-1053+1054) ≥ 0	1056		-	-
	I. NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1057		244,075	397,074
	II. NET PROFIT ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1058		302,503	399,179
	III. NET LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1059		-	-
	IV. NET LOSS ATTRIBUTABLE TO THE PARENT LEGAL ENTITY	1060		-	-
	V. EARNINGS PER SHARE				
	1. Basic earnings per share	1061		11.41	15.06
	2. Decreased (diluted) earnings per share	1062		11.41	15.06

2. PRESENTATION OF DEVELOPMENT, FINANCIAL POSITION AND ACTIVITIES OF THE COMPANY, RELEVANT FINANCIAL INFORMATION AND NON-FINANCIAL INDICATORS, EMPLOYEE STRUCTURE (continued)

Financial indicators

Key indicators from the consolidated financial statements are detailed in the table below:

Ratios and key performance indicators	31.12.2024	31.12.2023
Revenues (thousands of RSD)	2,765,433	2,739,292
EBITDA (thousand RSD) (Operating result+Depreciation)	2,022,522	2,098,256
Operating result (thousands of RSD)	1,407,392	1,481,551
Net profit (thousands of RSD)	546,578	796,253
Earnings per share	11.41	15.06
Cash flow from business activities (thousand RSD)	1,671,539	1,754,977
Investments (thousands of RSD)	854,708	292,004
EBITDA per turbine (thousand RSD)	80,901	83,930
Net profit per turbine (thousand RSD)	21,863	31,850

Revenues in 2024 amounted to RSD 2,765,433 thousand, while in 2023 they amounted to RSD 2,739,292 thousand, which represents a growth of approximately 0.96%. Revenues mostly refer to revenues from FiT wind farms.

EBITDA in 2024 amounted to RSD 2,022,522 thousand, while in 2023 it amounted to RSD 2,098,256 thousand, which represents a decrease of approximately 3.61%. Operating expenses in 2024 amounted to RSD 1,358,042 thousand, while in 2023 they amounted to RSD 1,257,741 thousand, which represents an increase of approximately 7.96%. This increase in costs was mainly influenced by the increase in the costs of maintaining wind farms. The company Vestas, which is responsible for maintenance, indexes prices every year in accordance with the contracted conditions, and in 2024 additional repairs and maintenance of equipment were carried out at the company MK Fintel Wind, which required additional expenses. Together, these factors contributed to the increase in total expenses, which directly reflected the decrease in EBITDA compared to the previous year.

The operating result in 2024 amounted to RSD 1,407,392 thousand, while in 2023 it amounted to RSD 1,481,551 thousand, which represents a decrease of approximately 5.01%. The decrease in operating result despite a slight increase in revenue is a consequence of a significant increase in operating costs

Net result (net profit) in 2024 amounted to RSD 546,578 thousand, compared to RSD 796,253 thousand in 2023, which represents a decrease of 31.36%. This decline in net profit is mainly a consequence of the increase in operating costs and financial expenses incurred due to loan repayments, and was additionally affected by income tax.

2. PRESENTATION OF DEVELOPMENT, FINANCIAL POSITION AND ACTIVITIES OF THE COMPANY, RELEVANT FINANCIAL INFORMATION AND NON-FINANCIAL INDICATORS, EMPLOYEE STRUCTURE (continued)

Employee structure

The Company's employees possess the appropriate qualifications, knowledge and experience necessary for the quality provision of the Company's services. In addition to the General Manager, the Company has 14 employees in subsidiaries who work on the maintenance of the existing wind farms.

3. ENVIRONMENTAL PROTECTION

Fintel Energija contributes to the protection of the environment mostly through investing in the construction of capacities for the production of electricity from renewable sources (green energy). The construction of wind farms significantly reduces the emission of CO₂, one of the leading harmful factors for the environment.

4. SIGNIFICANT EVENTS AFTER THE END OF THE BUSINESS YEAR

There were no events that occurred after the balance sheet date that would require adjustments to the consolidated financial statements as of 31 December 2024, nor disclosures in the notes to the Group's financial statements.

5. PLANNED FUTURE DEVELOPMENT

Since September 2019, the Company has increased its wind power generation by 85.5 MW through the construction of three projects "Kula", "La Piccolina" and "Košava faza I". The Company also has development projects related to wind farms with a total installed capacity of approximately 1 GW. The list of projects is actively developing through the development and obtaining of appropriate regulatory approvals. All projects are developed in accordance with the phased approval process (gateway) so the dynamics of development depends on a number of internal and external factors. Of the ongoing projects, the projects whose development is most advanced are the Torak Wind Farm-Kula 2-10 MW project, the Vetropark Lipar-Kula 3-10 MW project, the Vetropark Lipar 2 -Kula 4-10 MW project and the Košava faza I I -project that has secured all licenses and is planned to have 19 turbines with a capacity of up to 68.4 MW, depending on the type of turbine selected, and is expected to be operational at full capacity in 2026.

The growth of the Company's and the Group's business will primarily be driven by the expansion of ongoing projects related to wind farms, as well as solar power plants, with a total capacity of approximately 1 GW.

The Company's management expects to finance 80% to 90% of the investments from loans, while the remainder would be financed from subordinated debt or cash flows of the Company. Also, the Company's management intends to approach the development of wind farm projects in a flexible manner with the aim of achieving growth without jeopardizing the Company's ability to pay dividends in accordance with the Company's dividend policies. Although the Group is focused on organic growth, growth through acquisitions could also be considered on an opportunistic basis.

5. PLANNED FUTURE DEVELOPMENT (continued)

The Group's wind farms in operation and projects in the development/approval phase as of the date of the Annual Business Report are the following:

WIND FARM		LOCATION	DESIGN	OWNER	CAPACITY [MW]	STATUS
LA PICCOLINA	Wind	Vrsac	Energogreen doo	Energobalkan doo	6.6	In progress
KULA	Wind	Tower	Energogreen doo	Vetropark Kula doo	9.9	In progress
KOŠAVA FAZA I	Wind	Vrsac	Energogreen doo	MK Fintel Wind A.D.	69	In progress
KOŠAVA FAZA II	Wind	Vrsac	Energogreen doo	MK Fintel Wind A.D.	68.4	Under construction
RAM	Wind	Veliko Gradiste	Energogreen doo	Vetropark RAM doo	10	Under construction
KULA 2	Wind	Tower	Energogreen doo	Vetropark Torak doo	10	Under construction
LIPAR	Wind	Tower	Energogreen doo	Vetropark Lipar doo	10	Under construction
LIPAR 2	Wind	Tower	Energogreen doo	Vetropark Lipar 2 doo	10	Under construction
DUNAV 1	Wind	Veliko Gradiste	Energogreen doo	Vetropark DUNAV 1 doo	10	In development phase
DUNAV 3	Wind	Veliko Gradiste	Energogreen doo	Vetropark DUNAV 3 doo	10	In development phase
PROJECT TORAK	Wind	Sombor	Energogreen doo	Project TORAK doo.	300	In development
KOŠAVA 2	Wind	Vrsac	Energogreen doo	Vetropark KOSAVA 2 doo	25	In development
STAKLENIK 1	Sun		Energogreen doo	Staklenik 1 d.o.o. Beograd	10	In development
STAKLENIK 2	Sun		Energogreen doo	Staklenik 2 d.o.o. Beograd	10	In development
STAKLENIK 3	Sun		Energogreen doo	Staklenik 3 d.o.o. Beograd	9.9	In development
STAKLENIK 4	Sun		Energogreen doo	Staklenik 4 d.o.o. Beograd	6	In development
STAKLENIK 5	Sun		Energogreen doo	Staklenik 5 d.o.o. Beograd	10	In development
STAKLENIK 6	Sun		Energogreen doo	Staklenik 6 d.o.o. Beograd	10	In development
TOTAL					594.8	

6. RESEARCH AND DEVELOPMENT

There are no research and development programs that are relevant to the Company's operations.

The Company has no registered patents or licenses.

The Company operates, monitors and controls its production facilities from a control centre based in Belgrade (the "Logistics Control Centre") 24 hours a day, 7 days a week. The Company has adopted a service delivery model whereby none of its facilities are continuously manned. The Company's facilities are operated by a team of 7 people, most of whom work remotely. The Company's personnel carry out a preventive maintenance programme and ongoing operational tasks according to a plan set centrally by the Logistics Control Centre via Vestas asset management software and respond to unplanned breakdowns. Remote monitoring is based on a generally accepted SCADA system that can be used across multiple production technologies. This allows the Company to monitor, in real time, the operation of the turbines and generators, including faults, breakdowns and any other problems that may arise. Wind turbines can be started and shut down remotely from the Logistics Control Centre, thus avoiding the need to engage a technician on site in the event of a minor breakdown.

7. OBJECTIVES AND POLICIES RELATED TO THE MANAGEMENT OF FINANCIAL RISKS, CREDIT RISKS, LIQUIDITY RISK AND MARKET RISK

Coordination and monitoring of key financial risks is carried out by the central treasury department of the parent company Fintel Energija, which provides guidelines for managing various types of risks and for the use of financial instruments. The main characteristics of the Fintel Group's risk management policy are:

- centrally setting operational risk management guidelines relating to market, liquidity and cash flow risks;
- monitoring of achieved results;
- diversification of commitments/obligations and product portfolio.

Credit risk

Credit risk represents exposure to potential losses arising from the failure of business and financial counterparties to fulfill their contractual obligations.

The maximum credit risk exposure of the Group as of December 31, 2024 and 2023 is the book value of each class of assets, which is indicated in the following table:

<i>RSD thousands</i>	December 31, 2024	December 31, 2023
Cash and cash equivalents	453,776	652,507
Accounts receivable	180,993	302,446
Other receivables	84,550	76,475
Active time limits	384,310	291,980
TOTAL	1,103,629	1,323,408

7. OBJECTIVES AND POLICIES RELATED TO FINANCIAL RISK MANAGEMENT, CREDIT RISKS, LIQUIDITY RISK AND MARKET RISK (continued)

Account receivables mostly refers to receivables from EPS for energy produced in wind farms in December, and re-invoiced services for management fees.

Accrued income mainly relates to accrued income from the closing of the interest rate SWAP for which the contract was terminated on 30.12.2024, while the payment of funds occurred during 2024, receivables from EPS for energy produced in wind farms in December, deferred insurance costs and receivables for interest from other related parties. Other receivables mainly relate to value added tax and receivables from employees.

These assets carry a low level of credit risk, as most of the above-mentioned claims are against a bank, the state or a state-owned company in Serbia.

There is no need to reduce the value of the above receivables.

Liquidity risk

Liquidity risk is related to the ability to meet obligations arising from financial commitments undertaken by the Group. Prudent management of liquidity risk in the course of regular activities involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of term loan facilities.

The Group manages liquidity risk centrally, as the administration department periodically monitors the Group's net cash/debt through the preparation of appropriate cash inflow and outflow reports. In this way, the Group aims to ensure adequate coverage for financing needs, by closely monitoring financing, open credit lines and their use, all with the aim of optimizing its resources and managing temporary liquidity surpluses.

The Group's objective is to establish a financing structure that, in line with its business objectives, guarantees sufficient liquidity for the Group, minimizes opportunity costs and maintains a balance in terms of maturity and debt composition.

The following table provides an analysis of the maturity of liabilities as at 31 December 2024 and 2023. The different maturities are determined based on the period between the reporting date and the contractual maturity of the Group's liabilities, gross of accrued interest as at 31 December. Interest is calculated in accordance with the contractual terms of the financing.

RSD thousands	December 31, 2024	
	Short-term maturity	Long-term maturity
Financial liabilities to shareholders	15,794	2,623,398
Liabilities for loans to banks	898,7335	5,659,362
Liabilities to suppliers	219,878	-
Other obligations	837,151	-
Total	1,971,556	8,282,760

RSD thousands	December 31, 2023.	
	Short-term maturity	Long-term maturity
Financial obligations to shareholders	15,375	2,577,260
Obligations for banks loans	791,429	6,002,710
Liabilities to suppliers	123,059	-
Other liabilities	934,858	-
Total	1,864,721	8,579,970

7. OBJECTIVES AND POLICIES RELATED TO FINANCIAL RISK MANAGEMENT, CREDIT RISKS, LIQUIDITY RISK AND MARKET RISK (continued)

The analysis of financial liabilities by maturity shows an increase in liabilities maturing within one year as of December 31, 2024 compared to those as of December 31, 2023.

Accordingly, given the fact that the shareholders have confirmed that they do not intend to seek repayment of the loan before the end of 2027, as well as the presence of liquid assets (including financial assets) and by obtaining a full feed-in tariff from 2020 for all wind farms, it is believed that the Company and the Group will be able to meet their obligations in the foreseeable future.

Market risk

In conducting its business, the Group is potentially exposed to the following market risks:

- the risk of exchange rate fluctuations;
- the risk of interest rate fluctuations.

These risks are essentially centrally managed by the parent company Fintel Energija.

Risk of exchange rate fluctuations

Foreign exchange risk is associated with operations in currencies other than RSD. Fintel Group is exposed to foreign exchange rate fluctuations, as it conducts business in Serbia through its subsidiaries, which are companies dedicated to the study, construction, development and management of wind farms and other renewable energy projects. The Group has loans denominated in foreign currencies, mainly in EUR and RSD, which exposes the Company to foreign exchange rate risk. Foreign exchange rate exposure arising from foreign currency loans is managed by having loans denominated in the functional currency of the Group in the total loan portfolio.

As of December 31, 2024, if the RSD currency had strengthened / weakened by 5% against the EUR and all other variables remained constant, the result after tax would have amounted to RSD 390,855 thousand (2023: RSD 402,323) more / less, mainly as a result of positive and negative exchange rate differences due to the exchange rate of liabilities denominated in EUR.

Risk of interest rate fluctuations

The interest rate risk to which the Fintel Group is exposed results from its financial liabilities. Fixed interest rate debt exposes the Group to the risk of changes in the fair value of the debt that are related to changes in the market reference rates. Variable interest rate debt exposes the Group to the cash flow risk arising from the volatility of interest rates.

The Group's financial indebtedness consists of current bank debt, medium/long-term loans granted by banks.

In order to protect themselves from the risk of interest rate changes, the subsidiaries of Vetropark Kula doo and MK Fintel Wind ad have entered into interest rate SWAP and interest rate fixing agreements for the purpose of financing the Kula wind farms and the first phase of the Košava wind farm.

As a result of the aforementioned hedging transactions, the impact of expected changes in interest rates over the next twelve months is considered negligible in the context of the Group's financial statements.

7. OBJECTIVES AND POLICIES RELATED TO FINANCIAL RISK MANAGEMENT, CREDIT RISKS, LIQUIDITY RISK AND MARKET RISK (continued)

Capital management risk

The Group's objective in managing capital risk is to preserve business continuity in order to guarantee returns to shareholders and benefits to other stakeholders. Furthermore, the Group aims to maintain an optimal capital structure in order to reduce borrowing costs.

The Group monitors its capital based on the ratio of net debt to net invested capital (gearing ratio). Net debt is calculated as total debt, including current and long-term loans and borrowings, plus net exposure to banks. Net invested capital is calculated as the sum of total capital and net debt.

The gearing ratio as of December 31, 2024 and 2023 is shown in the following table:

<i>RSD thousands</i>	December 31, 2024	December 31, 2023
<i>Long-term financial liabilities:</i>		
- Financial liabilities to shareholders and other related parties	2,623,398	2,577,260
- Liabilities for loans from banks	5,659,362	6,002,710
<i>Short-term financial liabilities:</i>		
- Liabilities for loans from banks	608,956	791,429
- Financial liabilities to shareholders and other related parties	305,571	95,033
Financial resources	(337,003)	(770,380)
Cash and cash equivalents	(453,776)	(652,507)
Net debt (A)	8,406,508	8,043,545
Capital (B)	3,264,049	3,119,407
Net capital employed (C=A+B)	11,670,557	11,162,952
Debt ratio (A/C)	72.0%	72.1%

8. CORPORATE GOVERNANCE REPORT

Statement on the implementation of the corporate governance code

Pursuant to Article 368 of the Law on Companies ("Official Gazette of the Republic of Serbia", No. 36/2011, 99/2011, 83/2014 - other laws, 5/2015, 44/2018, 95/2018 and 91/2019), the company Fintel Energija ad Beograd declares that it applies the Corporate Governance Code, which is available on the company's website www.fintelenergija.rs. The Corporate Governance Code contains a summary of the corporate governance practices applied by the Company.

The Company's Corporate Governance Code sets out the principles of corporate practice and organizational culture in accordance with which the holders of corporate governance of the Company behave, and especially in relation to the rights of shareholders, the obligations and responsibilities of the Company's management, the role of stakeholders in corporate governance and data disclosure obligations and transparency of the Company.

Internal control system and risk reduction related to financial reporting

The system of internal controls and supervision consists of all measures and methods applied in the Company in order to secure its assets, improve the accuracy and reliability of accounting and operational data, reduce risks related to financial reporting, and comply with procedures, standards, laws and regulations.

The regulatory framework for the work of the internal supervision and internal audit sector is aligned with the Law on Business Companies ("Official Gazette of the Republic of Serbia", No. 36/2011, 99/2011, 83/2014 - other laws, 5/2015, 44/2018, 95/2018 91/2019 and 109/2021). Standards for the Professional Practice of Internal Auditing and other legal and professional regulations.

Internal oversight and internal control tasks include:

- ✓ Control of compliance of the Company's operations with the law, other regulations and Company acts;
- ✓ Supervision of the implementation of accounting policies and financial reporting;
- ✓ Verification of the implementation of risk management policies;
- ✓ Monitoring compliance of the Company's organization and operations with the corporate governance code;
- ✓ Evaluating policies and processes in the Company, as well as proposing their improvement.

The company hires at least one person responsible for internal business oversight and he or she must meet the requirements prescribed for an internal auditor in accordance with the law governing accounting and auditing.

The person in charge of internal supervision is under the obligation to report on the conducted supervision of operations to the audit committee, or the board of directors.

8. CORPORATE GOVERNANCE REPORT (continued)

Internal control system and risk mitigation related to financial reporting (Continued)

Audit Committee:

- ✓ Prepares, proposes and checks the implementation of accounting policies and risk management policies;
- ✓ Makes proposals to the Board of Directors for the appointment and dismissal of persons responsible for performing the internal oversight function in the Company;
- ✓ Supervises the work of internal supervision in the Company;
- ✓ Examines the application of accounting standards in the preparation of financial statements and evaluates the content of financial statements;
- ✓ Examines the fulfillment of the requirements for the preparation of the Company's consolidated financial statements;
- ✓ Conducts the procedure for selecting the Company's auditor and proposes a candidate for the Company's auditor, with an opinion on his/her expertise and independence in relation to the Company;
- ✓ Gives an opinion on the proposed contract with the Company's auditor and, if necessary, provides a reasoned proposal for termination of the contract with the Company's auditor;
- ✓ It oversees the audit process, including determining key issues to be audited and verifying the independence and objectivity of the auditor.

External auditor

The Company's annual financial statements are subject to external audit.

In accordance with the law and the Company's statute, the Company's Shareholders' Meeting decides on the selection of the auditor and the remuneration for his work, with all mandatory elements prescribed by law.

The auditor's reports on the audit of the financial statements and consolidated financial statements of the Company for 2023 were adopted at the regular session of the Company's Shareholders' Meeting on June 24, 2024. At the same session, the Company's Shareholders' Meeting elected the audit company Ernst & Young d.o.o. Beograd.

Company management bodies

The management of the Company is organized as a unicameral body. The bodies of the Company are:

- ✓ Shareholders' meeting;
- ✓ Board of Directors.

The Company's Statute defines the scope of work of the Shareholders' Meeting and the Board of Directors.

Board of Directors

The members of the Board of Directors are:

- ✓ Claudio Nardone, President
- ✓ Tiziano Giovannetti
- ✓ Giulio Moreno
- ✓ Tamara Mladjenovic

8. CORPORATE GOVERNANCE REPORT (continued)

Board of Directors (Continued)

Activities of the board of directors in 2024

During 2024, the Board of Directors performed its duties in accordance with applicable regulations, with the optimal number, composition and qualifications of its members. The agenda of the Board of Directors included regular activities related to the approval of the Company's consolidated and individual financial statements, convening regular and extraordinary meetings of the Shareholders' Assembly, and reviewing the results of key business indicators.

No non-compliances or irregularities were observed in the Company's operations during 2024. Based on the information available to the Board of Directors, the Company's operations are fully compliant with the law, other positive regulations and internal acts of the Company.

Shareholders' meeting

The Rules of Procedure of the Shareholders' Assembly regulate and determine in more detail the manner of work and decision-making of the Shareholders' Assembly. The provisions of these Rules of Procedure apply to and are binding on all persons participating in or attending the work of the Assembly.

The Assembly is composed of all shareholders of the Company. In order to personally participate in the work of the Assembly, a shareholder must own at least 0.1% of the total number of shares of the relevant class. Shareholders who individually do not own 0.1% of the total number of shares have the right to participate in the work of the Assembly through a common proxy.

Activities of the Shareholders' Meeting in 2024

During 2024, two sessions of the Shareholders' Assembly were held. At the regular session, the Shareholders' Assembly considered and adopted the annual financial statements and consolidated financial statements of the Company, the independent auditor's reports on the audit of the financial statements, the report on the remuneration policy of the members of the Board of Directors, and made a decision on the election of the auditor for 2024. At the extraordinary session, the Shareholders' Assembly considered and made a decision on the approval of legal transactions related to the refinancing of the loan of the company MK Fintel Wind ad.


Legal representative:



MK FINTEL WIND AD

STATEMENT ON CODE OF CORPORATE GOVERNANCE IMPLEMENTATION

Fintel Energija a.d. implements Code of Corporate Governance, adopted April 19, 2018. and the Code has been made publicly available on the Company's Internet page (www.fintelenergija.rs).

The Company's Code on Corporate Governance set out the principles of corporate practices and organizational culture that the principal holders of the corporate governance function of the Fintel Energija a.d. comply with, with regard to the shareholders' rights, corporate governance frameworks and methods, public relations and transparency of the Company's business operations. The main objective of this Code is to introduce good business practice in the field of corporate management, which should provide for the right balance between the influences exerted by the principal corporate governance holders, consistency of the control system and strengthening of shareholders' and investors' trust in the Company, all with the aim to achieve long-term development of the Company.

Relevant Company's bodies make a point of presenting the principles laid down in the Code in greater detail in other general acts of the Company.

Fintel Energija a.d. Beograd

Legal representative


Tiziano Giovannetti



FINTEL ENERGIJA AD

STATEMENT BY PERSONS RESPONSIBLE FOR REPORT PREPARATION

To the best of our knowledge, Annual Financial Statements of the Fintel Energija a.d. for 2024 were prepared in compliance with the relevant International Financial Reporting Standards and these present authentic and objective information about assets, liabilities, financial position and operations, profit and losses, cash flows and changes in equity of the Public Company, including those of the Companies included in the Statements.

Legal representative:

Fintel Energija a.d.

Director

Tiziano Giovannetti

DECISION OF COMPETENT COMPANY BODY ON THE ADOPTION OF COMPANY'S ANNUAL FINANCIAL STATEMENTS*

Note*:

The financial statements of Fintel Energija a.d. for the year 2024 were approved on April 24, 2025, at the meeting of Board of Directors. At the moment when the Annual Report of the Company is published, it has not yet been adopted by the competent Company's body (Shareholders' Assembly). The Company shall publish the complete the Decision of the competent body on the adoption of Company's Annual Report at a later date.

DECISION ON DISTRIBUTION OF PROFIT OR COVERAGE OF LOSSES *

Note*:

Decisions on distribution of profit or coverage of losses of the Fintel Energija a.d. for 2024 shall be passed in the regular annual Shareholders' Assembly meeting.

A public company is legally obliged to prepare their annual financial statements, to disclose them and to deliver them to the Commission, and, providing that the securities of such company are admitted for trading, to deliver these Statements to the regulated market or to the MTP and to ensure that the annual financial statements are available to the general public over the course of five years at the minimum from the date of its disclosure.

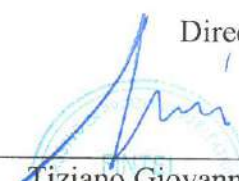
The Company shall be held responsible for the accuracy and veracity of data presented in the Annual Report.

Belgrade, April 2025

Legal representative:

Fintel Energija a.d.

Director


Tiziano Giovannetti