

UAB "Atelda"

COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR 2022
(1 JANUARY 2022 - 31 DECEMBER 2022)
PREPARED ACCORDING TO LITHUANIAN
FINANCIAL REPORTING STANDARDS

UAB "Atelda"

Company code 305682223, address Jogailos g. 4, LT-01116 Vilnius

FINANCIAL STATEMENTS FOR THE YEAR 2022

(all amounts are in EUR unless otherwise stated)

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Financial position

	31 December 2022	31 December 2021
ASSETS		
A. FIXED ASSETS	-	-
1. Tangible assets	-	-
2. Other fixed assets	-	-
B. CURRENT ASSETS	2	2 500
1. Inventory	-	-
2. Other current assets	2	2 500
C. PREPAYMENTS AND ACCRUED INCOME	-	-
TOTAL ASSETS	2	2 500
EQUITY AND LIABILITIES		
D. EQUITY	(24 890)	2 500
E. GRANTS, SUBSIDIES	-	-
F. PROVISIONS	-	-
G. AMOUNTS PAYABLE	21 141	-
1. Amounts payable after one year and other long-term liabilities	-	-
2. Amounts payable within one year and other short-term liabilities	21 141	-
	-	-
H. ACCRUALS AND DEFERRED INCOME	3 751	-
TOTAL EQUITY AND LIABILITIES	2	2 500

Financial statements were signed using electronic signature by:

General Manager

Grėtė Bukauskaitė

Company representative in charge of accounting

Virginija Skirmantė

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Income Statement

	<u>2022</u>	<u>2021</u>
1. Net turnover	-	-
2. Other income	-	-
3. Acquired stocks and used resources	-	-
4. The change of stocks value	-	-
5. Expenses related to employment relations	(896)	-
6. Depreciation, amortization and impairment of assets	-	-
7. Other expenses	(26 494)	-
8. Tax on profit	-	-
9. Net profit (loss)	(27 390)	-

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Explanations to the financial statements

Liquidity risk and going concern

As of December 31st, 2022, the Company has reported short-term liabilities exceeding short-term assets by EUR 24 890. At the reporting period, a loss of EUR 27 390 and negative equity of EUR 24 890 were recorded.

Due to the extended timeline involved in the development and construction of renewable energy projects, it takes several years before these parks begin generating revenue from their primary operations. As a result, the Company's management anticipates potential short-term liquidity challenges during the project development phase.

To reduce liquidity risk, the Company is taking a proactive approach to managing cash flow, implementing a comprehensive forecasting process to anticipate and respond to potential mismatches. Additionally, short-term financing options like shareholder equity and bond issuance will be considered as needed to manage cash flows.

The Company intends to carry on with its strategy of developing renewable energy power plants in Lithuania, based on signed cooperation agreement with major landowner in December 2022.

According to the Law on Companies of the Republic of Lithuania, a Company's equity capital may not be less than ½ of its share capital, as specified in its articles of association. The Company did not meet the minimum capital requirement.

The Company's shareholder undertakes to continue providing financial and non-financial assistance, as economical reasonably feasible, for a minimum of one year following the signing of these Financial Statements. This is to ensure the uninterrupted operation of the Company and compliance with its obligation.

Accordingly, these financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations.

Subsequent events

On 9th January 2023, the Company entered into a bond agreement with its sole shareholder, UAB "Atsinaujinančios Energetikos Investicijos", a closed-end investment Company intended for informed investors. As of the date of issue these financial statements, the Company has issued 50 000 bond units, each with a nominal value of EUR 1. The shareholder has undertaken to acquire 3 000 000 bond units and possesses the contractual entitlement to acquire the remaining bonds until 5th February 2026.

On 31st January 2023, the shareholder has issued a guarantee in amount of EUR 2 000 000 in regard to obligations of Company towards land owner and with an intention to confirm that Company would fulfil its obligations under cooperation agreement.

There were no other significant subsequent events.

Financial statements were signed using electronic signature by:

General Manager

Grėtė Bukauskaitė

Company representative in charge of accounting

Virginija Skirmantė

Independent Practitioner's Review Report

To the Shareholders of UAB Atelda

■ Report on the Financial Statements

We have reviewed the accompanying financial statements of UAB Atelda (“the Company”), which comprise the balance sheet as at 31 December 2022 and the income statement for the year then ended, which are set out on pages 3–5.

■ Emphasis of Matter

We draw attention to explanations to the financial statements, which indicate that the Company's current liabilities exceed its current assets by EUR 25 thousand. In addition, the Company's equity as at 31 December 2022 is negative and does not meet the requirement of the Law on Companies of the Republic of Lithuania. The Company's financial statements are prepared on a going concern basis. The going concern assessment was based on the assumption that the parent undertaking had approved the provision of financial support to the Company to the extent that it is economically reasonable, for a period of at least twelve months from the date of approval of the financial statements. Our opinion is not modified in respect of this matter.

■ Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Lithuanian Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

■ Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.



A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

■ Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of UAB Atelda as at 31 December 2022, and its financial performance for the year then ended, in accordance with Lithuanian Financial Reporting Standards.

On behalf of KPMG Baltics, UAB

Monika Saulienė
Certified Auditor

Vilnius, the Republic of Lithuania
9 June 2023

The electronic auditor's signature applies only to the Independent Practitioner's Review Report on pages 6 to 7 of this document.