

**„SARANTIS“ D.O.O., BEOGRAD**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the owner and director of the company „SARANTIS“ DOO, BEOGRAD

### Opinion

We have audited the accompanying financial statements of “SARANTIS” DOO, Beograd (hereinafter referred to as the „Company“), which comprise the balance sheet as at December 31, 2021, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as of December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with accounting regulations prevailing in the Republic of Serbia.

### Basis for Opinion

We conducted our audit in accordance with the requirements of the Law on Accounting and accounting regulation effective 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 ethical requirements that are relevant to our audit of the financial statements in the Republic of Serbia, and have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other questions

Financial reports of the Company for year 2020 were audited by another auditor, which in its Report of March 24<sup>th</sup> 2021 expressed his opinion without the reserve on these financial statements.

### Other information contained in the annual business report

Other information relates to the information contained in the annual business report, but does not include the financial statements and the auditor's report on them. The management of the Company is responsible for the preparation of other information in accordance with the regulations of the Republic of Serbia.

*This is a translation of the original Independent Auditors' Report issued in the Serbian language. All due care has been taken to produce a translation that is as faithful as possible to the original. However, if any questions arise related to interpretation of the information contained in the translation, the Serbian version of the document shall prevail.*

TC Stari Merkator | Palmira Toljatija 5/III | 11070 Novi Beograd | Republika Srbija | Tel/fax: +381 11 30 18 445  
www.pkf.rs | mat.br. 08752524 | PIB 102397694 | t.r. 285-2011000000084-52 Naša AIK Banka | šifra delatnosti 6920

PKF d.o.o., Beograd je članica PKF International Limited, familije pravno nezavisnih firmi i ne prihvata odgovornosti i obaveze proistekle delovanjem ili nedelovanjem ostalih pojedinačnih firmi koje su članice mreže.

PKF d.o.o., Belgrade, is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

## **INDEPENDENT AUDITOR'S REPORT (Continued)**

### **Other information contained in the annual business report (Continued)**

Our opinion on the financial statements does not include other information. In relation to the audit of financial statements, it is our responsibility to read other information and thereby consider whether other information is consistent in all material respects with the financial statements with our knowledge gained during the audit or otherwise appears materially inaccurate. In addition, we assessed whether other information was prepared, in all material respects, in accordance with the Law on Accounting of the Republic of Serbia, especially whether other information in the formal sense is in accordance with the requirements and procedures for preparing other information of the Law on Accounting, in the context of materiality, ie whether any non-compliance with these requirements could affect the judgments based on this other information.

Only based on the implemented procedures, to the extent that we are able to assess them, we report that other information describing the facts that are also presented in the financial statements are, in all material respects, in accordance with the financial statements and prepared in accordance with requirements Law on Accounting of the Republic of Serbia.

In addition, if, based on the work we have done, we conclude that there is a material misstatement of other information, we are required to disclose that fact in a report. Based on the procedures we performed in relation to the other information obtained, we did not identify any material misstatements.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations prevailing 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.

### **Auditor's 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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## **INDEPENDENT AUDITOR'S REPORT (Continued)**

### **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

As part of an audit in accordance with ISAs, 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 there is material uncertainty, we are obliged in our report to draw attention to related disclosures in the financial statements or, if such disclosures are not adequate, to modify our opinion. Our conclusions are based on audit evidence collected up to the date of the auditor's report. However, future events or conditions may result in the entity ceasing to operate in accordance with the 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.

Belgrade, March 22<sup>th</sup> 2022

Slobodan Škurtić  
Certified auditor

for „PKF“ d.o.o., Beograd  
Palmira Toljatija 5/III  
11070 Novi Beograd



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Fulfilled by a legal entity			
Registration No 17162403	Activity type 46.45	VAT No	100180969
<b>Name: SARANTIS Ltd Belgrade, Serbia</b>			
Address: Belgrade (New Belgrade), Zelengorska 1g			

**BALANCE SHEET**  
on 31.12.2021

- in thousand RSD -

Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount		
				Current year 2021	Previous year	
					Closing balance 2020	Opening balance 01.01.2020
1	2	3	4	5	6	7
	<b>ASSETS</b>					
00	<b>A. SUBSCRIBED CAPITAL UNPAID</b>	0001		0	0	0
	<b>B. PERMANENT ASSETS</b> (0003+0009+0017+0018+0028)	0002		1.946.029	1.201.724	0
01	<b>I. INTANGIBLE ASSETS</b> (0004+0005+0006+0007+0008)	0003		20.352	22.210	0
010	1. Investments in research and development	0004		0	0	0
011, 012 i 014	2. Concessions, patents, licences, software and other intangible assets	0005	1	20.352	22.210	0
013	3. Goodwill	0006		0	0	0
015 i 016	4. Intangible assets leased and intangible assets in preparation	0007		0	0	0
017	5. Payments in advance for intangible assets	0008		0	0	0
02	<b>II. REAL ESTATE, INSTALLATIONS AND EQUIPMENT</b> (0010+0011+0012+0013+0014+0015+0016)	0009	2	82.841	100.961	0
020, 021 i 022	1. Land and Buildings	0010		0	0	0
023	2. Equipment	0011		6.032	7.104	0
024	3. Immovable assets for rental purposes	0012		0	0	0
025 i 027	4. Real estate, plant and equipment leased and real estate, plant and equipment in preparation	0013		76.809	93.857	0
026 i 028	5. Other real estate, plant and equipment and investments in other people's real estate, plant and equipment	0014		0	0	0
029 ( deo )	6. Advances for real estate, plant and equipment in the country	0015		0	0	0
029 ( deo )	7. Advances for real estate, plant and equipment foreign	0016		0	0	0
03	<b>III. BIOLOGICAL ASSETS</b>	0017		0	0	0
04 i 05	<b>IV. LONG-TERM FINANCIAL INVESTMENTS AND LONG-TERM RECEIVABLES</b> (0019+0020+0021+0022+0023+0024+0025+0026+0027)	0018		1.842.836	1.078.553	0
040 ( deo ), 041 ( deo ) i 042 ( deo )	1. Participation in the capital of legal entities (except for participation in the capital which is valued by the method of participation)	0019	3	1.078.453	1.078.453	0



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount		
				Current year 2021	Previous year	
					Closing balance 2020	Opening balance 01.01.2020
1	2	3	4	5	6	7
040 (deo), 041 (deo) i 042 (deo)	2.Equity investments that are valued using the equity method	0020		0	0	0
043, 050 (deo) i 051 (deo)	3. Long-term placements to affiliates and associate and long-term receivables of affiliates and associates in the country	0021		0	0	0
044, 050 (deo) i 051 (deo)	4. Long-term placements to affiliates and associate and long-term receivables of affiliates and associates foreign	0022	4	764.283	0	0
045(deo) i 053 (deo)	5. Long-term placements (loans granted) in the country	0023		0	0	0
045(deo) i 053 (deo)	6.Long-term placements (loans granted) foreign	0024		0	0	0
046	7. Long-term financial investments (securities valued at amortized cost)	0025		0	0	0
047	8. Repurchased own stocks and repurchased own shares	0026		0	0	0
048, 052, 054, 055 i 056	9. Other long-term financial plasmas and other long-term receivables	0027	5	100	100	0
28 (deo) osim 288	V. LONG - TERM ACCRUED COSTS AND DEFERRED REVENUES	0028		0	0	0
<b>288</b>	<b>V. DEFERRED TAX ASSETS</b>	0029	6	636	1.027	0
	<b>G. CURRENT ASSETS (0031+0037+0038+0044+0048+0057+0058)</b>	0030		1.996.662	2.523.921	0
Klasa 1 osim gupe računa 14	I. STOCK (0032+0033+0034+0035+0036)	0031	7	713.871	787.400	0
10	1. Material, spare parts, tools and small inventory	0032		11.210	14.331	0
11 i 12	2.Work in progress and finished products	0033		0	0	0
13	3. Goods	0034		522.776	623.584	0
150,152, i 154	4.Paid advances for supplies and services in the country	0035		6.282	47	0
151,153, i 155	5.Paid advances for supplies and services foreign	0036		173.603	149.438	0
14	II. FIXED ASSETS HELD FOR SALE AND TERMINATION OF BUSINESS	0037		0	0	0
20	III. RECEIVABLES IN RESPECT OF SALE (0039+0040+0041+0042+0043)	0038	8	895.459	928.164	0
204	1. Receivables from customers in the country	0039		811.483	842.456	0
205	2. Receivables from customers foreign	0040		48.871	46.080	0
200 i 202	3. Receivables from affiliates and associates in the country	0041		0	0	0
201 i 203	4. Receivables from affiliates and associates foreign	0042		35.105	39.628	0
206	5. Other receivables from sales	0043		0	0	0
21,22 i 27	IV. OTHER SHORT - TERM RECEIVABLES (0045+0046+0047)	0044	9	1.546	11.568	0



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount		
				Current year 2021	Previous year	
					Closing balance 2020	Opening balance 01.01.2020
1	2	3	4	5	6	7
21,22 osim 223 i 224, i 27	1. Other receivables	0045		812	4.229	0
223	2. Receivables for overpaid income tax	0046		0	0	0
224	3. Receivables based on prepaid other taxes and contributions	0047		734	7.339	0
23	V. SHORT - TERM FINANCIAL INVESTMENTS (0049+0050+0051+0052+0053+0054+0055+0056)	0048	10	360.000	768.951	0
230	1. Short-term loans and placements to affiliates	0049		0	0	0
231	2. Short-term loans and placements - other related parties	0050		0	293.951	0
232 ,234 (deo)	3. Short-term loans, borrowings and placements in the country	0051		0	0	0
232 ,234 (deo)	4. Short-term loans, borrowings and placements foreign	0052		0	0	0
235	5. Securities that are valued at amortized cost	0053		0	0	0
236 deo	6. Financial assets that are measured at fair value through profit or loss	0054		0	0	0
237	7. Repurchased own stocks and repurchased own shares	0055		0	0	0
236 (deo), 238 i 239	8. Other short-term financial investments	0056		360.000	475.000	0
24	VI. CASH AND CASH EQUIVALENTS	0057	11	15.536	19.061	0
28(deo) osim 288	VIII. SHORT - TERM ACCRUED COSTS AND DEFERRED REVENUES	0058	12	10.250	8.777	0
	<b>D. TOTAL ASSETS = OPERATING ASSETS (0001+0002+0029+0030)</b>	0059		3.943.327	3.726.672	0
88	<b>Đ.MEMORANDUM ASSETS</b>	0060		0	0	0
	<b>LIABILITIES</b>			0	0	0
	<b>A. EQUITY (0402+0403+0404+0405+0406-0407+0408+0411-0412) ≥ 0</b>	0401	13	3.507.419	3.222.801	0
30 osim 306	I. INITIAL CAPITAL	0402		70.663	70.663	0
31	II. SUBSCRIBED CAPITAL UNPAID	0403		0	0	0
306	III. ISSUE PREMIUM	0404		0	0	0
32	IV. RESERVES	0405		12.380	12.380	0
330 i potražni saldo računa 331, 332, 333, 334, 335, 336 i	V. POSITIVE REVALUATION RESERVES AND UNREALIZED GAINS ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULT	0406		0	0	0
dugovi saldo računa 331, 332, 333, 334, 335, 336 i 337	VI. UNREALIZED LOSSES ON FINANCIAL ASSETS AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULT	0407	41	564	0	0
34	VII. RETAINED EARNINGS (0409+0410)	0408		3.424.940	3.139.758	0
340	1.Retained earnings from prior years	0409		3.139.758	2.868.058	0



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount		
				Current year 2021	Previous year	
					Closing balance 2020	Opening balance 01.01.2020
1	2	3	4	5	6	7
341	2. Retained earnings from current year	0410		285.182	271.700	0
	VIII. PARTICIPATIONS WITHOUT CONTROLLING RIGHTS	0411		0	0	0
35	IX. LOSS (0413+0414)	0412		0	0	0
350	1. Loss from prior years	0413		0	0	0
351	2. Loss from current year	0414		0	0	0
	<b>B. LONG TERM PROVISIONS AND LONG TERM LIABILITIES (0416+0420+0428)</b>	0415		49.847	80.787	0
40	I. LONG TERM PROVISIONS (0417+0418+0419)	0416	14	5.589	5.198	0
404	1. Provisions for remunerations and other benefits to employees	0417		3.762	2.889	0
400	2. Provision for costs incurring during the warranty period	0418		0	0	0
40 osim 400 i 404	3. Other long term provisions	0419		1.827	2.309	0
41	II. LONG TERM LIABILITIES (0421+0422+0423+0424+0425+0426+0427)	0420		44.258	75.589	0
410	1. Liabilities that can be converted into capital	0421		0	0	0
411 (deo) i 412 (deo)	2. Long-term loans and other long-term liabilities to affiliates and associates in the country	0422		0	0	0
411 (deo) i 412 (deo)	3. Long-term loans and other long-term liabilities to affiliates and associates foreign	0423		0	0	0
414 i 416 (deo)	4. Long-term loans, borrowings and liabilities based on leasing in the country	0424		43.291	63.014	0
415 i 416 (deo)	5. Long-term loans, borrowings and liabilities based on leasing foreign	0425		0	0	0
413	6. Liabilities for long term securities	0426		0	0	0
419	7. Other long term liabilities	0427		967	12.575	0
49 (deo) osim 498 i 495 (deo)	III. LONG - TERM ACCRUED COSTS AND DEFERRED REVENUES	0428		0	0	0
498	V. DEFERRED TAX LIABILITIES	0429	15.	2.512	2.674	0
495 (deo)	G. LONG-TERM DEFERRED INCOME AND DONATIONS RECEIVED	0430		0	0	0
	<b>D. SHORT-TERM PROVISIONS AND SHORT-TERM LIABILITIES (0432+0433+0441+0442+0449+0453+0454)</b>	0431	16	383.549	420.410	0
467	I. SHORT - TERM PROVISIONS	0432		0	0	0
42, osim 427	II. SHORT - TERM FINANCIAL LIABILITIES (0434+0435+0436+0437+0438+0439+0440)	0433		29.160	31.477	0
420 (deo) i 421 (deo)	1. Liabilities on the basis of loans to affiliates and associates in the country	0434		0	0	0
420 (deo) i 421 (deo)	2. Liabilities on the basis of loans to affiliates and associates foreign	0435		0	0	0
422 (deo), 424 (deo), 425 (deo) i 429 (deo)	3. Liabilities based on loans and borrowings from persons other than domestic banks	0436		29.160	31.477	0



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount		
				Current year 2021	Previous year	
					Closing balance 2020	Opening balance 01.01.2020
1	2	3	4	5	6	7
422 (deo), 424 (deo), 425 (deo) i 429 (deo)	4. Liabilities based on loans from domestic banks	0437		0	0	0
423, 424 (deo), 425 (deo) i 429 (deo)	5. Loans, borrowings and liabilities from foreign	0438		0	0	0
426	6. Obaveze po kratkoročnim hartijama od vrednosti	0439		0	0	0
428	7. Liabilities based on financial derivatives	0440		0	0	0
430	III. ADVANCES RECEIVED DEPOSITS AND BAILS	0441		609	823	0
43 osim 430	IV. OPERATING LIABILITIES (0443+0444+0445+0446+0447+0448 )	0442		296.733	330.323	0
431 i 433	1. Liabilities to vendors- affiliates and associates in the country	0443		0	0	0
432 i 434	2. Liabilities to vendors- affiliates and associates foreign	0444		30.598	27.772	0
435	3. Liabilities to vendors- 3rd parties domestic	0445		85.175	87.281	0
436	4. Liabilities to vendors- 3rd parties foreign	0446		180.960	215.270	0
439 (deo)	5. Liabilities to bills of exchange	0447		0	0	0
439 (deo)	6. Other operating liabilities	0448		0	0	0
44, 45, 46 osim 467, 47 i 48	V. OTHER SHORT TERM LIABILITES (0450+0451+0452)	0449		22.960	20.148	0
44,45 i 46 osim 467	1. Other short term liabilities	0450	17	11.476	10.724	0
47,48 osim 481	2. Liabilities based on VAT and other public revenues	0451	18	2.428	10	0
481	3. Income tax liabilities	0452	19	9.056	9.414	0
427	VI. LIABILITIES IN RESPECT OF ASSETS FOR SALE AND ASSETS FROM DISCONTINUED OPERATIONS	0453		0	0	0
49 (deo) osim 498	VII. SHORT - TERM ACCRUED COSTS AND DEFERRED REVENUES	0454	20	34.087	37.639	0
	<b>Đ. LOSS EXCEEDING THE EQUITY (0415+0429+0430+0431-0059)≥0 = (0407+0412-0402-0403-0404-0405-0406-0408-0411)≥0</b>	0455		0	0	0
	<b>E. TOTAL LIABILITIES (0401+0415+0429+0430+0431-0455)≥0</b>	0456		3.943.327	3.726.672	0
89	<b>Ž. MEMORANDUM LIABILITIES</b>	0457		0	0	0

In Belgrade

22.3.2022

*Handwritten signature*



Legal representative

*Handwritten signature: Camo Mestoguy*



Fulfilled by a legal entity		
Registration No 17162403	Activity type 46.45	VAT No 100180969
<b>Name: SARANTIS Ltd Belgrade, Serbia</b>		
Address: Belgrade (New Belgrade), Zelengorska 1g		

**INCOME STATEMENT**  
for the period 01.01 to 31.12.2021.

- in thousand RSD -

Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount	
				Current year	Previous year
1	2	3	4	5	6
	<b>A. OPERATING INCOME</b> (1002+1005+1008+1009-1010+1011+1012)	1001		2.917.894,00	2.863.401,00
60	I. REVENUE FROM THE SALE OF GOODS (1003+1004)	1002	21	2.872.297,00	2.833.889,00
600,602 i 604	1. Revenues from the sale of goods on the domestic market	1003		2.543.090,00	2.511.291,00
601,603 i 605	2. Revenues from the sale of goods on foreign markets	1004		329.207,00	322.598,00
61	II. REVENUE FROM SALE OF PRODUCTS AND SERVICE (1006+1007)	1005		1.701,00	1.889,00
610,612 i 614	1. Revenues from sales of products and services on the domestic market	1006		0,00	0,00
611,613 i 615	2. Revenues from sales of products and services on foreign markets	1007	22	1.701,00	1.889,00
62	III. REVENUES FROM ACTIVATION OF GOODS AND EFFECTS	1008	23	39.879,00	14.840,00
630	IV. INCREASING THE VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1009		0,00	0,00
631	V. DECREASE IN VALUE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS	1010		0,00	0,00
64 i 65	VI. OTHER OPERATING INCOME	1011	24	4.017,00	12.783,00
68, osim 683, 685 i 686	VII. INCOME FROM ASSETS REVALUATION (EXCEPT FINANCIAL)	1012		0,00	0,00
	<b>B. OPERATING EXPENSES</b> (1014+1015+1016+1020+1021+1022+1023+1024)	1013		2.360.542,00	2.332.332,00
50	I. PURCHASE VALUE OF GOODS SOLD	1014	25	1.760.981,00	1.726.183,00
51	II. MATERIAL, FUEL AND ENERGY COSTS	1015	26	15.760,00	17.406,00
52	III. SALARY EXPENSES, SALARY COMPENSATION AND OTHER PERSONAL EXPENSES (1017 + 1018 + 1019)	1016	27	194.194,00	216.076,00
520	1. Salary expenses and salary compensation	1017		161.938,00	169.272,00
521	2. Costs of taxes and contributions on salaries and salary compensations	1018		23.856,00	24.824,00
52 osim 520 i 521	3. Other personal expenses and fees	1019		8.400,00	21.980,00
540	IV. DEPRECIATION COSTS	1020	28	36.886,00	37.102,00



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount	
				Current year	Previous year
1	2	3	4	5	6
58, osim 583,585 i 586	V. EXPENSES FROM ASSETS REVALUATION (EXCEPT FINANCIAL)	1021		0,00	0,00
53	VI. PRODUCTION SERVICES COST	1022	29	263.075,00	273.171,00
54, osim 540	VII. PROVISION EXPENSES	1023		309,00	343,00
55	VII. NON-MATERIAL SERVICES COSTS	1024	30	89.337,00	62.051,00
	<b>V. NET OPERATING INCOME (1001-1013)≥0</b>	1025		<b>557.352</b>	<b>531.069</b>
	<b>G. NET OPERATING LOSS (1013-1001)≥0</b>	1026		<b>0</b>	<b>0</b>
	<b>D. FINANCIAL INCOME (1028+1029+1030+1031)</b>	1027		23.586,00	15.459,00
660 i 661	I. FINANCIAL INCOME FROM RELATIONS AFFILIATES , ASSOCIATES AND OTHER RELATED PARTIES	1028	31	11.261,00	8.501,00
662	II. INTEREST INCOME	1029	32	7.066,00	2.797,00
663 i 664	III. GAINS ON FOREIGN EXCHANGE RATE AND POSITIVE EFFECTS OF THE CURRENCY CLAUSE	1030	33	2.815,00	1.935,00
665 i 669	IV. OTHER FINANCIAL INCOME	1031	34	2.444,00	2.226,00
	<b>Đ. FINANCIAL EXPENSES (1033+1034+1035+1036)</b>	1032	35	18.759,00	19.106,00
560 i 561	I. FINANCIAL EXPENSES FROM RELATIONS AFFILIATES , ASSOCIATES AND OTHER RELATED PARTIES	1033		2.858,00	2.160,00
562	II. INTEREST EXPENSES	1034		2.007,00	3.489,00
563 i 564	III. NEGATIVE EXCHANGE RATE DIFFERENCES AND NEGATIVE EFFECTS OF THE CURRENCY CLAUSE	1035		3.760,00	4.048,00
565 i 569	IV. OTHER FINANCIAL EXPENSES	1036		10.134,00	9.409,00
	<b>E. NET FINANCIAL PROFIT (1027-10320)≥ 0</b>	1037		4.827,00	0,00
	<b>Ž. NET FINANCIAL LOSS (1032-1027)≥ 0</b>	1038		0,00	3.647,00
683,685 i 686	<b>Z. INCOME FROM REVALUATION OF FINANCIAL ASSETS EXPRESSED AT FAIR VALUE THROUGH INCOME STATEMENT</b>	1039	36	1,00	88,00
583,585 i 586	<b>I. EXPENSES FROM REVALUATION OF FINANCIAL ASSETS EXPRESSED AT FAIR VALUE THROUGH INCOME STATEMENT</b>	1040	37	181,00	626,00
67	<b>J. OTHER REVENUES</b>	1041	38	121.392,00	138.821,00
57	<b>K. OTHER EXPENSES</b>	1042	39	343.302,00	343.925,00
	<b>L. TOTAL INCOME (1001+1027+1039+1041)</b>	1043		3.062.873,00	3.017.769,00
	<b>LJ. TOTAL EXPENSES (1013+1032+1040+1042)</b>	1044		2.722.784,00	2.695.989,00
	<b>M. OPERATING PROFIT BEFORE TAX (1043-1044) ≥ 0</b>	1045		340.089,00	321.780,00
	<b>N. OPERATING LOSS BEFORE TAX (1044-1043) ≥ 0</b>	1046		0,00	0,00
69-59	<b>N J. POSITIVE NET EFFECT ON RESULTS BASED ON PROFIT FROM DISCONTINUED OPERATIONS, CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM PREVIOUS PERIODS</b>	1047		0,00	0,00



Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount	
				Current year	Previous year
1	2	3	4	5	6
59-69	<b>O. NEGATIVE NET EFFECT ON RESULTS BASED ON DISCONTINUED LOSSES, CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS FROM PREVIOUS PERIODS</b>	1048		0,00	0,00
	<b>P. PROFIT BEFORE TAX</b> (1045-1046+1047-1048)≥ 0	1049		340.089,00	321.780,00
	<b>R. LOSS BEFORE TAX</b> (1046-1045+1048-1047)≥ 0	1050		0,00	0,00
	<b>S. INCOME TAX</b>			0,00	0,00
721	<b>I. TAX EXPENSE OF THE PERIOD</b>	1051	40	54.678,00	49.206,00
722 dug. Saldo	<b>II. DEFERRED TAX EXPENSE OF THE PERIOD</b>	1052		229,00	874,00
722 pot. Saldo	<b>III. DEFERRED TAX INCOME OF THE PERIOD</b>	1053		0,00	0,00
723	<b>T. EMPLOYER'S PERSONAL INCOME PAID</b>	1054		0,00	0,00
	<b>Đ. NET PROFIT</b> (1049-1050-1051-1052+1053-1054)≥ 0	1055	41	285.182,00	271.700,00
	<b>U. NET LOSS</b> (1050-1049+1051+1052-1053+1054)≥ 0	1056		0,00	0,00
	<b>I. NET PROFIT BELONGING TO SHARES WITHOUT CONTROL RIGHTS</b>	1057		0,00	0,00
	<b>II. NET PROFIT BELONGING TO THE PARENT LEGAL ENTITY</b>	1058		0,00	0,00
	<b>III. NET LOSS BELONGING TO PARTICIPATIONS WITHOUT CONTROL RIGHTS</b>	1059		0,00	0,00
	<b>IV. NET LOSS BELONGING TO THE PARENT LEGAL ENTITY</b>	1060		0,00	0,00
	<b>V. EARNINGS PER SHARE</b>			0,00	0,00
	1. Basic earnings per share	1061		0,00	0,00
	2. Deluted earnings per share	1062		0,00	0,00

In Belgrade

22.3.2022

*Mosior*



Legal representative

*Camilla Nestoguta*



Fulfilled by a legal entity		
Registration No 17162403	Activity type 46.45	VAT No 100180969
<b>Name: SARANTIS Ltd Belgrade, Serbia</b>		
Address: Belgrade (New Belgrade), Zelengorska 1g		

**REPORT ON OTHER COMPREHENSIVE RESULT**  
for the period 01.01 to 31.12.2021.

- in thousand RSD -

Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount	
				Current year	Previous year
1	2	3	4	5	6
	<b>A. NET RESULT FROM OPERATIONS</b>				
	I. NET PROFIT (AOP 1064)	2001	41	285.182	271.700
	II. NET LOSS (AOP 1065)	2002		0	0
	<b>B. OTHER COMPREHENSIVE INCOME OR LOSS</b>				
	<b>a) items that will not be reclassified in Income Statement in future periods</b>				
330	1. Changes due to revaluation of intangible and tangible assets				
	a) increase in revaluation reserves	2003		0	0
	b) decrease in revaluation reserves	2004		0	0
331	2. Actuarial gains or losses on defined benefit plans				
	a) gains	2005		0	0
	b) losses	2006		564	0
333	4. Gains or losses on the basis of the share in other comprehensive income or loss of associates				
	a) gains	2007		0	0
	b) losses	2008		0	0
	<b>b) Items that can subsequently be reclassified to the Income Statement in future periods</b>				
332	3. Gains or losses on investments in equity instruments				
	a) gains	2009		0	0
	b) losses	2010		0	0
334	1. Gains or losses arising from the translation of financial statements of foreign operations				
	a) gains	2011		0	0
	b) losses	2012		0	0
335	2. Gains or losses on instruments for the protection of net investments in foreign operations				
	a) gains	2013			
	b) losses	2014			
336	3. Gains or losses arising from hedging instruments of cash flow				
	a) gains	2015			
	b) losses	2016			
337	4. Gains or losses on securities carried at fair value through other total equity				
	a) gains	2017		0	0
	b) losses	2018		0	0
	<b>I. OTHER GROSS COMPREHENSIVE INCOME</b>				

Group of accounts, account	DESCRIPTION	AOP	Reference No	Amount	
				Current year	Previous year
1	2	3	4	5	6
	(2003+2005+2007+2009+2011+2013+2015+2017)- (2004+2006+2008+2010+2012+2014+2016+2018)≥0	2019		0	0
	II. OTHER GROSS COMPREHENSIVE LOSS  (2004+2006+2008+2010+2012+2014+2016+2018)- (2003+2005+2007+2009+2011+2013+2015+2017) ≥0	2020		564	0
	III. DEFERRED TAX EXPENSES ON OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD	2021			
	IV. DEFERRED TAX REVENUE ON OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD	2022			
	V. NET OTHER COMPREHENSIVE INCOME (2019-2020-2021+2022)≥0	2023		0	0
	VI. NET OTHER COMPREHENSIVE LOSS (2020-2019+2021-2022)≥0	2024		564	0
	<b>V. TOTAL NET COMPREHENSIVE RESULT OF THE PERIOD</b>				
	I. TOTAL NET COMPREHENSIVE RESULT (2001-2002+2023-2024)≥0	2025		284.618	271.700
	II. TOTAL NET COMPREHENSIVE LOSS (2002-2001+2024-2023) ≥0	2026			
	<b>G. TOTAL NET COMPREHENSIVE INCOME OR LOSS</b> (2028+2029)= AOP 2025 ≥0 ili AOP 2026> 0	2027		0	0
	1. Attributable to the parent legal entity	2028		0	0
	2. Attributable to participations without the right of con	2029		0	0

In Belgrade

Legal representative

22.3.2022

*Miroslav*



*Carina Mestogaj*



Fulfilled by a legal entity

Registration No 17162403 Activity type 46.45 VAT No 100180969

Name: SARANTIS Ltd Belgrade, Serbia

Address: Belgrade (New Belgrade), Zelengorska 1g

REPORT OF CHANGES IN EQUITY  
for the period 01.01 to 31.12.2021.

- in thousand RSD -

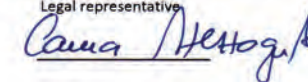
Position	DESCRIPTION	Share capital		Other share capital		Subscribed but unpaid capital		Issue premium and reserves		Revaluation reserves and unrealized gain and losses		Retained earnings		Loss		Participation without the right of control		Total (same as AOP 0401)		Loss above the amount of capital (same as AOP 0455)	
		AOP	( group 30 w/o 306 i 309)	AOP	(account 309 )	AOP	(Group 31)	AOP	( account 306 and group 32)	AOP	( group 33)	AOP	( group 34)	AOP	( group 35)	AOP		AOP	( columns 2+3+4+5+6+7-8+9 )≥0	AOP	( col. 2+3+4+5+6+7-8+9 )≤0
	1		2		3		4		5		6		7		8		9		10		11
1	Opening balance as of 01.01.2018.	4001	70.663	4010	0	4019	0	4028	12.380	4037	0	4046	2.868.058	4055	0	4064	0	4073	2.951.101	4082	0
2	Effects of retroactive correction of material errors and changes in accounting policies	4002	0	4011	0	4020	0	4029	0	4038	0	4047	0	4056	0	4065	0	4074	0	4083	0
3	Adjusted opening balance as of 01.01.2018. ( row no 1+2)	4003	70.663	4012	0	4021	0	4030	12.380	4039	0	4048	2.868.058	4057	0	4066	0	4075	2.951.101	4084	0
4	Net changes in 2018. year	4004	0	4013	0	4022	0	4031	0	4040	0	4049	271.700	4058	0	4067	0	4076	0	4085	0
5	Balance at 31.12.2018. ( row no 3+4)	4005	70.663	4014	0	4023	0	4032	12.380	4041	0	4050	3.139.758	4059	0	4068	0	4077	3.222.801	4086	0
6	Effects of retroactive correction of material errors and changes in accounting policies	4006	0	4015	0	4024	0	4033	0	4042	0	4051	0	4060	0	4069	0	4078	0	4087	0
7	Adjusted opening balance at 01.01.2019. (row no 5+6)	4007	70.663	4016	0	4025	0	4034	12.380	4043	0	4052	3.139.758	4061	0	4070	0	4079	3.222.801	4088	0
8	Net changes in 2019. year	4008	0	4017	0	4026	0	4035	0	4044	-564	4053	285.182	4062	0	4071	0	4080	0	4089	0
9	Balance at 31.12.2019. (row no 7+8)	4009	70.663	4018	0	4027	0	4036	12.380	4045	-564	4054	3.424.940	4063	0	4072	0	4081	3.507.419	4090	0

In Belgrade

22.3.2022




Legal representative





Fulfilled by a legal entity		
Registration No 17162403	Activity type 46.45	VAT No. 100180969
<b>Name: SARANTIS Ltd Belgrade, Serbia</b>		
Address: Belgrade (New Belgrade), Zelengorska 1g		

**CASH FLOW STATEMENT**  
for the period 01.01 to 31.12.2021.

- in thousand RSD -

ITEM	AOP	Amount	
		Current year	Previous year
1	2	3	4
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
I. Cash flow from operating activities (1 to 4)	3001	3.523.075	3.505.758
1. Sales and advances received in the country	3002	3.065.702	3.017.123
2 Sales and advances received abroad	3003	332.641	339.330
2. Interest from operating activities	3004	129	288
3. Other inflows from operating activities	3005	124.603	149.017
II. Cash outflows from operating activities (1 to 8)	3006	3.160.906	3.363.664
1. Payments to suppliers and given advances in the country	3007	937.177	976.745
2. Payments to suppliers and given advances abroad	3008	1.586.604	1.748.543
3. Salaries, wages and other personnel expenses	3009	193.450	206.750
3. Salaries, salary allowances and other personal expenses	3010	14	917
4. Interest paid in the country	3011	0	0
5. Interest paid abroad	3012	55.036	39.831
6. Income tax	3013	388.534	390.795
5. Outflows from other public revenues	3014	91	83
III. Net cash inflow from operating activities (I-II)	3015	362.169	142.094
IV. Net cash outflow from operating activities (II-I)	3016	0	0
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
I. Cash inflows from investing activities (1 to 5)	3017	18.149	10.964
1. Sales of shares and stakes	3018	0	0
2. Sale of intangible assets, property, plant, equipment and biological assets	3019	0	0
3. Other financial revenues	3020	0	0
4. Interest received from investing activities	3021	18.149	10.964
5. Dividends received	3022	0	0
II. Cash outflows from investing activities (1 to 3)	3023	384.352	490.700
1. Purchase of shares and stakes	3024	0	0
2. Purchase of intangible assets, property, plant, equipment and biological assets	3025	29.019	15.731
3. Other financial investments	3026	355.333	474.969
III. Net cash inflows from investing activities (I-II)	3027	0	0
IV. Net cash outflows from investing activities (II-I)	3028	366.203	479.736
<b>V. CASH FLOW FROM FINANCING ACTIVITIES</b>			
I. Cash inflows from financing activities (1 to 7)	3029	967	12.576
1. Share capital increase	3030	0	0
2. Long-term loans in the country	3031	0	0
3. Long-term loans abroad	3032	0	0



ITEM	AOP	Amount	
		Current year	Previous year
1	2	3	4
4. Short-term loans in the country	3033	0	0
5 Short - term loans abroad	3034	0	0
6. Other long-term liabilities	3035	967	12.576
7. Other short-term liabilities	3036	0	0
II. Cash outflows from financing activities (1 to 8)	3037	0	0
1. Treasury shares and stakes	3038	0	0
2. Long-term loans in the country	3039	0	0
3. Long-term loans abroad	3040	0	0
4. Short-term loans in the country	3041	0	0
5. Short-term loans abroad	3042	0	0
6. Other liabilities	3043	0	0
7. Financial leasing	3044	0	0
8. Dividends paid	3045	0	0
III. Net cash inflows from financing activities (I-II)	3046	967	12.576
IV. Net cash outflows from financing activities (II-I)	3047		
<b>G. TOTAL CASH INFLOWS (3001+3017+3029)</b>	3048	3.542.191	3.529.298
<b>D. TOTAL CASH OUTFLOWS (3006+3023+3037)</b>	3049	3.545.258	3.854.364
<b>Đ. NET CASH INFLOWS (3048-3049)≥0</b>	3050	0	0
<b>E. NET CASH OUTFLOWS (3049-3048)≥0</b>	3051	3.067	325.066
<b>Ž. CASH AT THE BEGINNING OF THE PERIOD</b>	3052	19.061	346.917
<b>Z. POSITIVE EFFECTS ON EXCHANGE RATE CHANGES FROM CASH CALCULATION</b>	3053	0	0
<b>I. NEGATIVE EFFECTS ON EXCHANGE RATE CHANGES FROM CASH CALCULATION</b>	3054	458	2.790
<b>J. CASH AT THE END OF THE PERIOD (3050-3051+3052+3053-3054)</b>	3055	15.536	19.061

In Belgrade

Legal representative

22.3.2022

*Mesroc*



*Čana Atanoglu*

Fulfilled by a legal entity+AW1:BR24

Registration No 17162403	Activity type 46.45	VAT No 100180969
Name: SARANTIS Ltd Belgrade, Serbia		
Address: Belgrade (New Belgrade), Zelengorska 1g		

REPORT OF CHANGES IN EQUITY  
for the period 01.01 to 31.12.2021.

- in thousand RSD -

Position	DESCRIPTION	Share capital		Other share capital		Subscribed but unpaid capital		Issue premium and reserves		Revaluation reserves and unrealized gain and losses		Retained earnings		Loss		Participation without the right of control		Total (same as AOP 0401)		Loss above the amount of capital (same as AOP 0455)	
		( group 30 w/o 306 i 309 )	AOP	(account 309 )	AOP	(Group 31)	AOP	( account 306 and group 32 )	AOP	( group 33 )	AOP	( group 34 )	AOP	( group 35 )	AOP	( columns 2+3+4+5+6+7-8+9 )≥0	AOP	( col. 2+3+4+5+6+7-8+9 )≤0			
1		2		3		4		5		6		7		8		9		10		11	
1	Opening balance as of 01.01.2020.	70.663	4001	0	4010	0	4019	12.380	4037	0	4046	2.868.058	4055	0	4064	0	4073	2.951.101	4082	0	
2	Effects of retroactive correction of material errors and changes in accounting policies	0	4002	0	4011	0	4020	0	4038	0	4047	0	4056	0	4065	0	4074	0	4083	0	
3	Adjusted opening balance as of 01.01.2020. ( row no 1+2 )	70.663	4003	0	4012	0	4021	12.380	4039	0	4048	2.868.058	4057	0	4066	0	4075	2.951.101	4084	0	
4	Net changes in 2020. year	0	4004	0	4013	0	4022	0	4040	0	4049	271.700	4058	0	4067	0	4076		4085	0	
5	Balance at 31.12.2020. ( row no 3+4 )	70.663	4005	0	4014	0	4023	12.380	4041	0	4050	3.139.758	4059	0	4068	0	4077	3.222.801	4086	0	
6	Effects of retroactive correction of material errors and changes in accounting policies	0	4006	0	4015	0	4024	0	4033	0	4042	0	4060	0	4069	0	4078	0	4087	0	
7	Adjusted opening balance at 01.01.2021. (row no 5+6)	70.663	4007	0	4016	0	4025	12.380	4043	0	4052	3.139.758	4061	0	4070	0	4079	3.222.801	4088	0	
8	Net changes in 2021. year	0	4008	0	4017	0	4026	0	4044	-564	4053	285.182	4062	0	4071	0	4080		4089	0	
9	Balance at 31.12.2021. ( row no 7+8 )	70.663	4009	0	4018	0	4027	12.380	4045	-564	4054	3.424.940	4063	0	4072	0	4081	3.507.419	4090	0	

In Belgrade

22.03.2022

*M. Stojanovic*



Legal representative

*Camilla Petrovic*



**SARANTIS LTD BELGRADE**  
**NOTES WITH FINANCIAL REPORTS**  
**FOR YEAR 2021**



## General information

Full name: Sarantis ltd for trade and provision of services

Short name: Sarantis ltd Belgrade

Legal form: SARANTIS ltd., Belgrade was founded in 1997 as company with limited liability

Head office: Zelengorska 1 G, 11070 Belgrade – New Belgrade.

Business units Sarantis Sever in Novi Sad and Sarantis East in Niš ceased to exist, change registered through APR resolution of 30.06.2021.

TIN: 100180969

Company number: 17162403

Description of business nature and general activities: general activity of the company is wholesale trade with perfume and cosmetic products, as well as home packaging for food and disposal of garbage

Founder Sarantis ltd Belgrade until 30.12.2019 was GR SARANTIS CYPRUS LIMITED, Nicosia Cyprus, whose founder (100% ownership) was GR SARANTIS SA, Athens, Greece. On the day of 30.12.2019 affiliation of GR Sarantis Cyprus to the parent company GR Sarantis SA Athens was completed, after which GR Sarantis SA Athens, Greece became the direct founder of Sarantis ltd Belgrade.

Final owner physical person of the parent company:

- GR Sarantis SA Athens is an open joint stock company listed at the Athens stock exchange.
- The criteria for the final owner physical person is only fulfilled by Kiryakos Sarantis (Athens, Greece) with the share of slightly less than od 20% in capital, and as the legal representative of GR Sarantis SA from Athens.

Position within wider economic arrangement: Sarantis ltd Belgrade is dependant entity in relation to GR Sarantis SA Athens, Greece, and as a parent company in relation to Sarantis ltd Banja Luka and Sarantis ltd Skopje. In accordance with the Law on accounting, Sarantis ltd Belgrade is obliged to create consolidated reports for the unit comprised by SARANTIS ltd BELGRADE, SARANTIS doo BANJA LUKA and SARANTIS ltd SKOPJE. On the level of the group SARANTIS, the obligatory for creation of consolidated reports is GR SARANTIS SA Athens, Greece.

Besides the stated companies, within SARANTIS group, Sarantis ltd Belgrade deals with the following companies: Sarantis Poland, Sarantis Romania, Sarantis Bulgaria, Sarantis Czech Republic, Sarantis Hungary and Polipack Poland and Ergopak Ukraine, and with them has the capacity of connected persons.

Number of employees: On the day of 31<sup>st</sup> December 2021 the company had 78 employees (on the day of 31.12.2020 had 90 employees). Average annual number of employees in the year 2021 was 80 (in the year 2020 there were 90 employees on average).

Approval for publishing: Financial reports for the year 2021 which is an integral part of this Note, were approved on the day of 08.03.2022 by the management organs of the parent company GR Sarantis Athens.

Classification: According to the classification criteria in compliance with the article 6 of the Law on accounting, the legal entity Sarantis ltd is classified as MEDIUM, based on the sizes from the Financial report for the year 2021, as well as based on the sizes from the Financial report for the year 2022.

## Information on adjustment with national regulations and International Accounting Standards (IAS)

Financial reports for the year 2021 have been created in accordance with stipulations of the following regulations:

- Law on accounting (Official Gazette RS 73/19 and 44/21),
- Rules on the Account frame and content of the account for commercial companies, cooperatives and entrepreneurs (Official Gazette RS 89/20)
- Rules on content and form of forms of the financial reports for commercial companies, cooperatives and entrepreneurs, (Official Gazette RS 89/20)



- Rules on content of items in form Statistical report for commercial companies, cooperatives and entrepreneurs (Official Gazette RS 89/20)
- Full IAS / MSFI / IFRIC were applied considering the stipulations of the article 20 of the Law on accounting, which prescribe the obligation of application of MSFI and for legal entities of medium size if they have an obligation to create consolidated reports (parent legal entities).
- The company composes consolidated reports for the year 2021 in accordance with the prescribed deadline i.e. until 30.04.2021.

#### **Information on the correction of initial balance according to error and changes of accounting policies and information on comparative balances**

The company did not have any changes of accounting policies in 2021 and accordingly the correction of results of previous years was not corrected at the initial balance for the year 2021.

#### **Information on the applied bases for valuation of items in preparation of the financial report and accounting policies that were approved and applied to the important business changes and events**

##### **• Nonmaterial investments**

In compliance with IAS 38 nonmaterial property is initially measured per purchase price i.e. first cost. Upon initial recognition, non material property is presented per buying price or cost price deducted by the total amortisation and total losses due to depreciation. At the end of the business year utilized service life is evaluated of each non material investment. Amortization is performed by proportional method during the utilized service life. Regarding determination and accounting records depreciation of non material investment, IAS 36 – Decrease of value of the property is applied.

Basic general amortisation rates for specific non material investments are as follows:

**SAP software 4,55%**

**Other software 20%**

##### **• Immovables, plant, equipment**

In relation to IAS 16 immovables, plants and equipment are initially evaluated as per the purchase price, that is the cost price. Upon the initial acceptance of the immovables, plants and equipment they are presented as per the purchase price or cost price decreased for accumulated amortisation accumulation and eventual accumulated loss due to decreased value.

Amortisation is done by proportional method during of useful shelf life. Amortisation is calculated starting from next month of the purchase of basic device to the purchase value of the capital assets. For the calculation of amortisation proportional method is applied, per rates defined by the accounting policy.

At the end of a commercial year a shelf life is evaluated of each particular immovable, plant and equipment. Evaluation of the depreciation is done in relation to IAS-36 decrease of property value. Checking the decrease of value is done when events or changed circumstances present that accountancy value might not be recovered, in that case the difference between the accountancy value and recoverable value notify loss.

The costs of current and investment maintenance of work instruments are covered with returns of calculation period when accrue. Reconstruction and adaptation changing capacity or purpose of the capital assets are accounting, that is evidenced as increase of the equipment value.

Till the end of 2021 the Company did not acquire immovables or plants, but only equipment. Since 01.01.2019 the Company started to apply IFRS 16 standard for the booking of tenancy of commercial premises and lease of vehicles through operational lease, this premise and vehicles start to express as own objects and equipment. IFRS 16 standard has been applied in the year 2021.



However, the Company does not possess assets that have unlimited shelf life. Basic annual amortization rates might be presented in following groups:

**Computer equipment and PDA equipment 30%**  
**Furniture and other office upholstery 15%**

**Objects and equipment as per IFRS 16 standard have amortization rate in compliance with particular contracts.**

- **Long-term financial placement**

Within long-term financial placement, the share in capital of dependant legal entities and other long-term placement are notified.

- **Capital share of dependant persons:** Whereas dependant legal entities are in major ownership of legal entity Sarantis Ltd Belgrade, initial recognition and also additional valuation of capital share of dependant legal entities is done on the basis of purchase value representing right indemnification value given for them, as such it is not changeable. In income sheet statement the investment income is shown only to such extend in which the Company receives its share from the distribution of the undisposed gain of the investment user acquired upon the gain.

Sarantis ltd Belgrade produces consolidated statements. In consolidation with the Company as a parent company comes dependant companies as Sarantis doo Skoplje and Sarantis doo Banja Luka, and in both there are *major capital share* (100%) .

- **Other long-term debts and placement:** Initial recognition of long-term financial placements relating to deposit as per contracts done by historical value, for the assets given for that purpose.

- **Deferred tax assets and obligations**

Deferred tax assets relate to calculated income tax that can be recovered in future periods. Deferred tax assets in FI 2021 come from long-term reservations for loss risk on the basis of receivables. Deferred tax obligations represent gain taxes to be payable in future periods in relations to taxable temporary differences. Calculation is made in relation to provisions IAS 12. It comes from temporary difference by applying accounting amortisation and tax amortisation. Other bases, such as reservation that might influence the formation of deferred tax assets, that means obligations are not calculated, due to their material insignificancy.

- **Stocks**

Initially, at the moment of purchase, in compliance with IAS 2 stocks are admitted as per purchase value which consists of purchase price, import duties (duty and tax), transport costs, shipping costs, laboratory analyses costs, and other dependant purchase costs commonly arise in the process of putting stocks into useable condition for further putting into market. If there exists trade default, abatements and other similar actions are deducted when defining costs of purchase, whereas borrowing costs are not included in initial acceptance.

Outgoing stock value is then valuated through the method of average weighted cost.

In cases when net sale value is not sufficient to cover purchase value, stocks are balanced to net realizable value as per principle item by item. In business operation up to now there was no need to balance stocks under purchase value.

- **Short-term debts and placement**

Short-term debts of the byers and short-term finance placements are recognised on the bases of account document upon which debt-fiduciary relation is based. If the value stated in a document is



in foreign currency, the conversion is done in reported currency per the middle rate on the transaction date. Changes of the currency rate from the transaction date to the payment date of the debt is expressed as currency differences on behalf of gain or u loss. Receivables expressed in foreign currency are expressed in dinar counter-value in middle rate of NBS on the balance date.

Write-off short-term receivables and finance placements where there exists possibility of uncollectible, indirect method is used, whereas in cases where impossibility of recovery is certain and documented, complete or partial write-off is done by direct method.

Correction of receivable value that is indirect write-off done on basis of evaluation of their chargeability by the management, for receivables due at least 60 days evaluating economic position and solvency of the debtor as well as impossibility of recovery by regular way or assets indemnity. The proposal for write off based upon the estimation of sales department is given by the inventory commission, approved by the director of the Company with his decision.

Short-term finance placement relates to receivables based upon draft obtained by the buyers as means of purchase, also to time monetary deposits with banks. Monetary deposits in foreign currency are expressed in middle rate of NBS on the balance date.

- **Cash and cash equivalents**

Cash and cash equivalents are: money in box office, demand deposit with banks and separated monetary funds such as letters of credit and visa accounts.

- **Active time limits (except for deferred tax assets)**

Active time limits include invoiced advance costs delimited to future period, as also interim balance VAT for issued booking permission for which at the balance moment there was not fulfilled condition of verification by the buyer to whom the permission is issued.

- **Basic capital**

Initially, basic capital is shown in share in the Company, in registered sum in the Business Registers Agency. Sum of basic capital comes from historic value of the share applying middle rate of NBS on the day of pay-in/conversion of share. Relating legal form of ltd., basic capital is expressed in founders' shares.

- **Reserves**

Reserves of the Company consist of statutory reserves and other reserves coming from abstracting sum on the basis of revalorisation of capital stock, in order to harmonize with capital registered in Business Registers Agency.

- **Undivided profits**

Undivided profits have cumulated profit of all previous years (since foundation of the Company 1997 to balance date the profit was not divided) and profit of the current year, upon the deduction of accounted tax profit.

- **Long-term reservation**

Long-term reservation for expenditures and risks are stipulated within IAS 37, dealing with reservations for renewal and protecting environment, restructure, claims, reservations for guarantee period and alike, are not applicable for type of activity of the Company. There are no proceedings or expected actions leading to creation of present obligation with uncertain due limit or sum, therefore requesting application of this IAS.

Considering the nature of activity, the Company during the year 2021 performed the assessment of risk from loss due to uncollectible claims from byers prescribed by MSFI 9, and performed correction of results of the previous years in accordance with IAS 8, filing long-term reservation according to this base.



Relating to structure and business of the Company, the standard IAS 19 is applied for the calculation of long-term reservation. Income of the employed, comprising the part relating to Earnings upon the completion of engagement to one-shot pay-off is the legally stipulated dismissal wage. Calculation of reservation based upon this, represented in Note 14, until 2020 did not show the effects that were materially important for the Financial report, while in 2020 accruals of costs and long-term obligation was performed.

- **Long-term obligations**

Completely relates to Contracts on operational lease and Contract on hire of business premises booked as per IFRS16 standard.

- **Short-term obligations**

Short-term obligations of the Company relate to received advance payment of the buyer for goods, obligations towards supplies and for standing tax to gain that on the balance day were not due for payment. These obligations are initially represented by value represented in document which presents basis for acceptance, but additionally are evaluated as expected flow of assets. Obligations presented in foreign currency are at middle rate of NBS on the balance date.

- **Accrued liabilities**

Within accrued liabilities obligations are presented for including expenditures for which on the balancing day the bills were not received.

- **Recognition of earnings**

In relation to rules and international accountancy standards, earning from goods sale are not presented as per invoice value which represents wholesale value deducted for given abatements and discounts. Realisation is presented at the moment of goods delivery that means given service. Revenues from services are presented as fair value for done activities. Apart from revenues from sale of goods and services, the company evidenced also revenues from re-invoicing expenditures (for those that re-invoicing is stipulated by contract) in amount of really incurred expenses, up to contracted amount.

- **Recognition of expenditures**

Expenditures comprise all expenditures in relation to realized income, in compliance with principle of facing income and expenditure. For the expenditures for which at the moment of balancing the documents were not received, and for which is known that they were made in period of reporting, are included as expected sums.

- **Financial earnings and expenditures**

*Conversion of foreign instruments of payment and accountancy treatment of currency rates:* During the initial recognition of commercial change in foreign currency, as well as the change of contracted with currency clause, the sum in dinars is determined as per the middle rate of NBS on the day of occurrence commercial change. All outstanding claims and obligations in foreign currency, or contracted with currency clause, once a month on the day of balancing, once a month on the balance day are rearranged in their dinar counter value as per middle rate in effect on the balance sheet. Positive and negative currency rates appeared due to that basis are shown during the year on behalf/debt of unrealized exchange rate differences within financial gain/loss. Positive and negative exchange rates during a year on the basis of payment of claims and payment of obligations, as well as positive and negative exchange rates on the basis of calculating monetary fund, are shown in balance sheet on behalf/debt unrealised monetary funds within financial revenues/expenditures.

*Interest as revenues/expenditures:* Interests incurred on the basis of placement and receivables that is on the basis of commercial relations are shown in balance sheet within financial revenues/(expenditures). Taxed interests are mainly related to interests on the basis of time



deposits with banks. Smaller part relates to interest on the basis of credit to connected legal entity also to default interest of debt-creditor relations with buyers, that are taxed on the basis of court duties upon the claim. As expenditure, interest cost relates to default interest to public revenue.

### **Information about items that are not qualified to be shown in financial statement, but important for valuation of financial position and business efficiency of legal entity**

All items are important for valuation of financial position and success of legal entity are shown in financial reports. Whereas items that are materially of no importance are not included in finance report but are published in this Notes in corresponding sections.

### **Disposal and risk management**

The Company is exposed to following operation risks:

- Risk due to change of foreign currency exchange rates. As in 2021 percentage of import of goods in total was 80%, as the Company deals with export, there is very high risk due to change of foreign currency rate. The Company protects itself from the risk, if it is possible, keeping the policy of balance between the currency claims and deposits on one side and foreign currency obligations on the other side.
- Credit risk: The Company has defined rules and procedures that are followed during business with buyers, by the means of precisely defined criteria when choosing buyers to start cooperation with, by providing protection instruments of receivables payment (notes receivable, warranties), through permission of credit limit (automatic system block of delivery goods to buyer who has overleaped permitted credit limit up to the payment of debt that puts him back to the permitted limits).
- Solvency risk: Disposal to this risk in the last few years is significantly low, as the undertaken measures in order to improve the payment of debts. Also, during the contracting of deferred payment the Company pay attention to contract with suppliers' date of deferred payment correlated with dates of contract with buyers.
- Risk of cash flow: The Company carefully plans cash flow, and coordinates time of expected flow out with expected flow, therefore enabling solvency at any moment. Free assets are time deposit in order not to lose its value (protection from inflation and change of exchange rate)
- Capital management risk: The goal of capital management is to keep the Company capable to operate in indefinite time in future, providing profit and optimal structure of capital. Since its foundation the Company has neither incurred debits through financial credit nor other short-term or long-term, making business exclusively by finance from own funds or short-term obligations to suppliers which were always timely completed within due time, that means that the structure was very healthy. Observing through a profit prism the Company operated with loss during the civil war and sanctions in 1999, since 2000 it started with ascending line both with a turnover and profit increase.

### **Information on repurchase of own shares** (Article 29. Para 4 Law on accountancy)

There was no repurchase of own shares neither in 2021 nor in previous years.

### **Publishing unadjusted receivables and obligations** (Article 18 Para 4 Law on accountancy)

Upon the completion of adjustment of mutual debts and obligations, on the day 31.12.2021. the degree of discrepancy between the buyers and suppliers is irrelevant. the greatest discrepancy between the suppliers and buyers is MetroC&C, it relates to dismissal of debts on the basis of unfounded penal for undelivered goods. Metro C&C of few years ago, also new one, is called in question with good foundation, which Metro has not corrected up to present, the amount of about 1,8 mil. dinars. Other significant item relates to supplier Delhaize in the amount of 300 thousand



dinars, disclaimed invoices based on terms, which constitutes nearly the entire amount on unadjusted balance with the suppliers and buyers on the day of 31.12.2021. For elimination of these discrepancies activities that will be performed in 2022 have been agreed Collating balance with foreign buyers and suppliers differences were not found.

## ADDITIONAL PRESENTATION AND PUBLICATION

### ITEMS OF ASSETS AND LIABILITIES

#### ➤ Intangible investments

#### 001 column 5 Balance sheet

Within intangible investments computer programs that have not been bought are booked together with computers.

#### *Changes with immovables, plants, equipment and biological substances in 2021*

(in 000 din)

Account group, account	DESCRIPTION	Gross	Correction of value	Nett (quant.4-5)
1	2	4	5	6
01	<b>1. Intangible assets</b>			
	1.1 Balance at the beginning of the year	46.002	23.792	22.210
	1.2. Increases during the year (procurement, reconstruction, etc. without advances or software)	0	0	0
	1.3. Increases during the year -software	0	0	0
	1.4. Increases during the year -advances	0	0	0
	1.5. Decreases during the year (sales, expenditure, etc.)	0	0	0
	1.6. Depreciation and devaluation	0	1.858	-1.858
	1.7. Revaluation	0	0	0
	1.8. Balance at the end of the year	46.002	25.650	20.352

#### ➤ Immovables, plants, equipment and biological substances

#### 002 Column 5 Balance sheet

#### *Changes in immovables, plants, equipment and biological substances in 2021*

02 (part)	<b>2. Buildings, plants, equipment</b>			
	2.1. Balance at the beginning of the year	157.800	56.839	100.961
	2.2. Increases during the year (procurement, reconstruction, etc. without advance)	12.796	0	12.796
	2.3. Increases during the year -advances	10.620	4.555	6.065
	2.4. Decreases during the year (sales, expenditure, etc.)	0	-1.953	1.953
	2.5. Depreciation and devaluation	0	35.028	-35.028
	2.6. Revaluation	0	0	0
	2.7. Balance at the end of the year	181.216	98.375	82.841



02 (part)	<b>3. Land</b>			
	3.1 Balance at the beginning of the year	0	0	0
	3.2. Increases during the year (procurement, reconstruction, etc. without advance)	0	0	0
	3.3. Increases during the year - significant improvements in land (deforestation, reclamation, etc.)	0	0	0
	3.4. Increases during the year -advances	0	0	0
	3.5. Decreases during the year (sales etc.)	0	0	0
	3.6. Depreciation and devaluation	0	0	0
	3.7. Revaluation	0	0	0
	3.8. Balance at the end of the year	0	0	0
03	<b>4. Biological assets</b>			
	4.1 Balance at the beginning of the year	0	0	0
	4.2. Increases during the year (procurement, reconstruction, etc. without advance)	0	0	0
	4.3. Increases during the year -advances	0	0	0
	4.4. Decreases during the year (sales, expenditure etc.)	0	0	0
	4.5. Depreciation and devaluation	0	0	0
	4.6. Revaluation	0	0	0
	4.7. Balance at the end of the year	0	0	0

Increase on objects as a whole, on equipment in the greatest extent it is generated by booking lease of commercial premises and operational leasing of vehicles as per IFRS 16 standard.

➤ **Capital share**

**003 Column 5 Balance sheet**

AOP	Account group	Description	2021	2020
0025	040 and part 049	Capital share SARANTIS doo Skopje	947.636	947.636
		Capital share SARANTIS doo Banja Luka	130.817	130.817
		TOTAL	1.078.453	1.078.453

Company Sarantis ltd Belgrade is obliged to create consolidated finance report for all three companies. Consolidation will be made in legally proscribed time.

➤ **Long-term placement with other connected legal entities**

**004 Column 6 Balance sheet**

AOP	Account group	Description	2021	2020
0022	044	Long term loan given to Sarantis Romania	293.955	0
		Long term loan given to Sarantis Poland	470.328	0
		TOTAL	764.284	0

293.982 thousand dinars relates to a loan given to Sarantis in Romania in December 2021 is due within one calendar year and was placed on class 231 Short-term credits and placements to connected



legal entities. 01.04.2021 an annex has been signed and in accordance with this annex the return period is 23.12.2023 and accordingly the funds have been returned to class 044.

➤ **Other long-term placements**

**005 Column 5 Balance sheet**

Other long-term placements relate to deposit for electronic toll-pay of 100 thousand dinars

➤ **Deferred tax assets**

**006 Column 5 Balance sheet**

Deferred tax assets were formed from:

- long-term reservations for risk of loss due to uncollectible of receivables from buyers (MFSI 9)
- long-term reservations for dismissal wages of employees (IAS 19)

➤ **Stocks**

**007 Column 5 Balance sheet**

Structure of stocks is shown in details in Balance sheet. Inventory of stocks is made twice a year. Annual inventory was made on 31.12.2021 and all adjustments of discrepancy are found upon the inventory in a manner that the shown balance is corresponding to real state.

➤ **Receivables based on sale**

**008 Column 5 Balance sheet**

Structure of receivables is given in details in Balance sheet. Receivables on the sale basis for the delivered goods and services. Total amount of sale of 895.459 thousand dinars is previously decreased for the amount of adjustment done valued 181 thousand dinars, out of which the complete amount is related to buyers at domestic market.

• ***Declaration on receivables pending over one year***

that are not put on the adjustment of claims. Concluding with 31.12.2021 SARANTIS ltd Belgrade does not have receivables older than one year that are not put on adjustment.

• ***Declaration on legal procedures***

In legal procedures lodged at courts on 31.12.2020 where the Company Sarantis acts as the petitioner in cases relating to receivables from sale. Further we give survey of court legal actions covering claims to buyers whose receivables are presented in balance sheet on the day 31.12.2021. All amounts are placed for correction of claims, in 2021 or earlier. Several other buyers who have been put on the receivables update in 2021 have begun launching a lawsuit, but at the time of drafting the Note, no solution has yet been obtained.

<i>Ordinal number</i>	<i>Name of respondent</i>	<i>Value of dispute</i>	<i>Resolution number</i>	<i>Current status of court procedure</i>	<i>Year of correction of claim</i>	<i>Status on the day 25.03.2019/Expected outcome</i>
1	ZAM PLUS DOO	73.707,54	IIV-190/2020; IIV-532/20	active	2020	Listing of possessions 08.09.2021
2	T&T PINGVIN	45.845,72	IIV-1/2022; IIV-25/22	active	2021	Procedure in initial phase
3	ANAKTRO doo	35.552,95	IIV-759/2022	active	2021	Procedure in initial phase
TOTAL		155.106,21				



➤ **Other receivables**  
**009 Column 5 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0060	220	RECEIVABLES FOR INTEREST FROM LOAN TO RELEVANT PERSONS	0	3
	221	RECEIVABLES FROM EMPLOYEES	56	70
	223	RECEIVABLES FOR OVER PAID INCOME TAX	0	0
	224	RECEIVABLES FOR VAT AND CUSTOMS	734	7.339
	225	RECEIVABLES FOR MATERNITY LEAVE	756	3.152
	228	OTHER RECEIVABLES	0	1.004
		TOTAL	1.546	11.568

➤ **Short-term financial placements**  
**010 Column 5 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0050	231	SHORT-TERM LOANS TO RELEVANT PERSONS	0	293.951
0056	239	RECEIVED DRAWN BILLS OF EXCHANGE	0	0
	239	FIXED TIME DEPOSITS	360.000	475.000
0048	TOTAL		360.000	768.951

➤ **Cash equivalents and cash**  
**011 Column 5 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0057	241 and 244	CURRENT ACCOUNTS DINAR AND FOREIGN CURRENCY	15.536	18.697
	242	SEPARATE MONETARY ASSETS FOR DEBIT CARDS	0	365
	245	ACCREDITIVES	0	0
		TOTAL	15.536	19.061

➤ **Active time apportionment**  
**012 Column 5 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0058	280	ADVANCED INVOICED COSTS OF FUTURE PERIOD	17	89
	281	RECEIVABLES FOR UNINVOICED PERIOD	0	0
	289	CORRECTION OF VAT OBLIGATION FOR ZA PERMIT WITHOUT VERIFICATION AND ALIKE CORRECTIONS	10.233	8.689
		TOTAL	10.250	8.777

➤ **Basic capital, reserves and undistributed profit**  
**013 Column 5 of the Balance sheet**

Detailed structure of the capital and changes in relation to previous year are already given in the Balance sheet and form Report on changes at capital.



➤ **Long-term reservations**  
**014 Columns 5 and 6 the Balance sheet**

At AOP 0417 Reservations for compensations and other benefits of employees expressed reservations for dismissal wages.

**Longterm reservations for dismissal wages according to MRS 19**

Amounts in the following table are presented in DINARS

**DISCLOSURE AND ENTRY OF RESERVATIONS on the day 31.12.2021**

NO	DESCRIPTION		AMOUNT
1	Obligation of reservations on the day	31.12.2020	2.888.786
1a	Corrected obligation of reservations on the day	31.12.2020	0
1б	Previously reserved for persons that retired in the current year and that left the company		381.007
1и	Obligation (Corrected) deducted by pervious reservations on the day (1-1b or 1a-1b)	31.12.2020	2.507.779
2	Designed obligation of reservations on the day	31.12.2021	3.251.507
2a	Designed reservation s for persons that left the company		434.388
2б	Deducted designed reservations (2 - 2a)		2.817.119
3	Costs of interests (no. 1c x Ds for previous year)		125.013
4	Costs of previous services (1c – 1b)		0
4a	Costs of current work services (no. 2б – no. 1c – no. 3)		184.327
5	Actual obligation for reservation on the day	31.12.2021	3.761.779
6	Actuary profit (no. 5 – no. 2) < 0		0
7	Actuary loss (no. 5 – no. 2) > 0		635.320
8	Payment of obligation		0
9	Change of reservation amount (no 5 - no 1 - no 8)		872.992
10	Reservation costs ((no 3 + no 4 + no4a)		309.340
11	Profit tax rate		15,00%

ASSUMPTIONS FOR 2021 REGULAR CALCULATION		YEAR	2021
1	Discount Rate	4,5000%	Ds
2	Date of making reservation	31.12.2021	Dir
3	Estimated increase rate of earnings	2,95%	Sr
4	Fluctuation percentage	6,69%	PF
5	SEVERANCE BY LAW	178.311,00	Oz

ASSUMPTIONS FOR PROJECTED TABLE FOR 2021		YEAR	2021
1	Discount Rate	4,9850%	Ds
2	Date of making reservation	31.12.2021	Dir
3	Estimated increase rate of earnings	1,91%	Sr



4	Fluctuation percentage	5,23%	PF
5	SEVERANCE BY LAW	164.100,00	Oz

At AOP 0419 Other long-term reservations it is presented that **reservation for risk of loss based on receivables from buyers.**

**Long-term reservation for risk from loss based on uncollectable receivables from buyers according to MSFI 9**

Initial risk assessment was performed based on historical data of unpaid due receivables with delay longer than 5 months. Average participation of such receivables in total receivables in the three years' period 2014-2016 was 1,752%. By application of this percentage at total receivables on the day of 31.12.2017 resulted with the amount of 12.017 thousand dinars where non undistributed profit is corrected at the initial balance for year 2018. Then, the calculation was performed for average participation of unpaid due receivables according to the same criteria for the period 2015-2017 which was 0,735%. By application of this percentage at total receivables from domestic buyers on the day of 31.12.2018, resulted with the amount for correction of long-term reservations in the amount of 6.043 thousand that was credited to income at the account of the group 678, and by which the obligation for long-term reservations has been reduced to the amount of 5.974 thousand dinars.

In the year 2019 change of criteria was performed for evaluation of risk, therefore receivables with delay longer than 6 months have been taken into evaluation. Based on this ground cancelation of long-term reservations in the amount of 3,181 mil dinars was performed.

Given the improved collection of receivables from customers, in 2020 there will be 100,000 receivables. In 2014, under the same criteria (delays of more than 6 months) the abolition of long-term booking in the amount of RSD 483,000 was made, and in 2021 an additional RSD 482,000 was made.

➤ **Delayed tax obligations**

**015 Column 5 of the Balance sheet**

Delayed tax obligations arose from calculation of differences between tax and accounting amortisation.

➤ **Shor-term obligations from business**

**016 Column 5 of the Balance sheet**

Detailed analyses of obligations to the suppliers is already given at the Balance sheet.

➤ **Other short-term obligations**

**017 Column 5 of the Balance sheet**

Other short-term liabilities mostly relate to the Total Account of Tax Liabilities and contributions to earnings of RSD 11,366 thousand (tax payments and contributions to earnings 12-24 months-COVID 19), while the remaining part of 19 thousand refers to employee liabilities and the amount of RSD 91,000 on disability fund liabilities (closed in January 2022).

➤ **Obligations based on Value added tax and other public revenue**

**018 Column 5 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0451	479	OBLIGATIONS BASED ON VALUE ADDED TAX	2.415	0
	482	OBLIGATIONS FOR ENVIRONMENTAL PROTECTION	7	10



		TAX		
	482	OBLIGATIONS FOR COMMUNAL TAX FOR COMPANY	7	0
		TOTAL	2.428	10

➤ **Obligations income tax**

**019 Column 5 of the Balance sheet**

Balance on the day of 31.12.2021 consists of obligation for income tax of 9.056 thousand dinars.

➤ **Short term accrued liabilities**

**020 Columns 5 i 6 of the Balance sheet**

AOP	Account Group	Description	2021	2020
0454	490	PRECALCULATED COSTS-THIRD PERSONS	3.257	3.263
	490	CALCULATED COSTS OF DAMAGED GOODS	0	2.508
	490	CALCULATED OBLIGATIONS FOR UNINVOICED TRADE AT THE END OF YEAR	30.813	31.610
	490	CALCULATED COSTS OF SHOPPER DISC RATE IN ADVANCE	0	30
	494	CALCULATED COSTS OF SUPPLY OF GOODS	18	227
			TOTAL	34.087

**ITEMS OF THE INCOME STATEMENT**

➤ **Income from regular business**

**021 Column 5 of the Income statement**

- Incomes from sales of goods (AOP 1002) are presented in detail in items from AOP 1003 to AOP 1004)

**022 Column 5 of the Income statement**

- Incomes from sales of products and services at international market refer to hiring of workforce to ino partner, AOP 1007

➤ **Income from activation of performance and goods**

**023 Column 5 of the Income statement**

AOP 1008: Refer to goods given without charge with the purpose of promotion or representation and include calculated VAT obligation.

➤ **Other business income**

**024 Column 5 of the Income statement**

AOP	Account Group	Description	2021	2020
1011	64	Income from Covid direct grants	0	11.479
	565	Income from cost refunds for stickers placing	4.017	1.304
		TOTAL	4.017	12.783

➤ **Buying value of the sold goods**

**025 Columns 5 and 6 of the Income statement**



AOP	Account Group	Description	2021	2020
1014	501	Buying value of sold materials	292	6.224
	501	Buying value of sold goods	1.720.581	1.705.034
	501	Buying value of goods for internal use	40.108	14.924
		TOTAL	1.760.981	1.726.183

➤ **Costs of material, fuel and energy**

**026 Columns 5 and 6 of the Income statement**

Refer to declarations, operating supplies for maintenance of vehicles, operating supplies for distribution of goods, maintenance of structure and equipment, fuel and electricity. The most significant item refer to costs for fuel for vehicles 11.073 thousand dinars (in 2020 the amount was 8.998 thousand dinars).

➤ **Costs of earnings**

**027 Columns 5 and 6 of the Income statement**

AOP	Account Group	Description	2021	2020
1016	520	Costs of gross earnings and compensation of earnings	161.938	169.272
	521	Costs of contributions paid by the employer	23.856	24.824
	524	Costs of compensations based on contracts	4.735	5.016
	525	Costs of compensation based on hiring business premises to physical persons	334	539
	529	Other personal expenditure and compensations	3.331	16.424
		TOTAL	194.194	216.076

Costs of gross earnings, compensation of earnings and other personal expenditure include gross costs of earnings, costs of contributions paid by the employer, costs of hiring manpower through youth and students cooperatives, as well as other personal expenditures: granting for new year, wages, imbursement for costs at business trip, costs of transportation to and from work, joint support. During entry of costs of gross earnings, causative principle has been respected, therefore business changes were entered at the moment of occurrence.

➤ **Costs of amortization**

**028 Columns 5 and 6 of the Income statement**

AOP	Account Group	Description	2021	2020
1020	540	COSTS OM AMORTIZATION OF SOFTWARE	1.757	1.889
	540	OTHER NON MATERIAL INVESTMENTS	101	101
	540	COSTS OF AMORTIZATION OF STRUCTURES UNDER LEASE-MSFI 16	10.230	10.230
	540	COSTS OF AMORTIZATION OF VEHICLES UNDER LEASING -MSFI 16	22.914	23.086
	540	COSTS OF AMORTIZATION OF PDA DEVICES	141	211
	540	COSTS OF AMORTIZATION OF COMPUTER EQUIPMENT	643	466
	540	COSTS OF AMORTIZATION OF FURNITURE	1.101	1.120
		TOTAL COSTS OF AMORTIZATION	36.886	37.102



➤ **Costs of production services**

**029 Columns 5 and 6 of the Income statement**

AOP	Account Group	Description	2021	2020
1022	531	Costs of transportation services	49.104	57.330
	532	Costs of maintenance services	177	156
	533	Costs of rent of warehouse and business premises	38.941	42.398
	535	Costs of advertisement and propaganda	133.513	127.851
	537	Costs of development which is not capitalised	211	309
	539	Costs of other services	41.128	45.128
			TOTAL costs of production services	263.075

➤ **Nonmaterial costs**

**030 Columns 5 and 6 of the Income statement**

AOP	Account Group	Description	2021	2020
1024	550	Costs of non productional services	31.791	30.460
	551	Costs of representation	43.926	17.717
	552	Costs of insurance premium	791	736
	553	Costs of payment operations	2.860	2.961
	554	Costs of membership of the chambers and to the Fund of disabled persons connected to the calculation of salaries	1.694	1.603
	555	Costs of taxes that are not dependant on the results	7.389	8.276
	559	Other non material costs	886	298
			TOTAL costs of non productional services	89.337

➤ **Financial incomes from master and dependant legal entities**

**031 Columns 5 and 6 of the Income statement**

- Financial incomes from master, dependent companies are totally referred to exchange rate changes, since they are foreign companies.
- Financial incomes from connected persons refer to incomes from interest on loan 11.209 thousand dinars and exchange rate differences 28 thousand dinars.

➤ **Incomes from interest**

**032 Columns 5 and 6 of the Income statement**

AOP	Account Group	Description	2021	2020
1029	662 part	Interests based on time deposits	6.937	2.509
	662 part	Interests from dpo	129	288
		Total income from interests	7.066	2.797

➤ **Financial incomes**

**032 Columns 5 and 6 of the Income statement**



- Financial incomes from parent, dependant companies completely refer to exchange rate differences, due to the fact that these are foreign companies.
- Financial incomes from connected persons refer to incomes from interest rate for the loan of 8.458 thousand dinars and exchange rate differences of 9 thousand dinars.
- Incomes based on effects of currency clause refer to contracted protection from risk of currency clause refer to the contracted protection from risk towards third parties in the amount of 1,5 thousand dinars as well as the contracted protection from risk of currency clause IFRS16 and are in the amount of 78 thousand dinars.
- Other financial incomes refer to se incomes from cash from account: 2.26 thousand in year 2020 and 2.163 thousand in year 2019.
- Income from interest rate from third persons almost completely refer to income from interest based on short-term placements of free assets by fix term savings at the banks.

AOP	Account Group	Description	2020	2019
AOP	662 part	Interests based on fixed-term deposits	2.509	2.355
1038	662 part	Interests from DPO	288	89
		<b>Total income from interests</b>	<b>2.797</b>	<b>2.444</b>

➤ **Financial expenditures**

**035 Columns 5 and 6 of the Income statement**

- Financial expenditures from parent, dependant and connected companies completely refer to exchange rate differences, i.e. there were not any costs of the loaning of assets.
- Expenditures of interests (to third persons) in the amount of 1.993 thousands of dinars refer to interests arisen from entry according to IFRS16 standard (for lease of objects and vehicles from operative leasing), and part of 14 thousand dinars refer to default interest on public revenue.
- Other financial expenditures refer to fees for factoring I additionally approved casa skonto in total amount of 10.134 thousand dinars.

➤ **Income from adjustment of value of property**

**036 Columns 4 and 5 of the Income statement**

Completely refer to paid previously written-off outstanding claims from the buyers

➤ **Expenditure from adjustment of value of other property**

**037 Columns 4 and 5 of the Income statement**

Completely refer to the correction of value of outstanding claims from the buyers performed in 2021, and 2020.

➤ **Other income**

**038 Columns 4 and 5 of the Income statement**

AOP	Account	Description	2021	2020
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	Group			
1041	670	PROFIT FROM SALES OF EQUIPMENT	15	10
	673	PROFIT FROM SALES OF MATERIALS	0	0
	674	SURPLUSES	1.866	4.373
	675	INCOME FROM ADJUSTMENT WITH BUYERS	171	148
	677	INCOME FROM REDUCTION OF OBLGATIONS	98	0
	678	INCOME FROM CANCELATION OF LONG-TERM RESERVATIONS	482	483
	679	ADDITIONALLY PERMITTED ABATEMENT FROM THE SUPPLIER	22	594
	679	LESS INVOICING INCLUSIVE OF PREVIOUS YEARS	732	45
	679	ADDITIONALLY PERMITTED ABATEMENT FROM THE SUPPLIER	5.228	13.780
	679	INCOME FROM INDEMNIFICATION FOR SHORTAGES	422	5.815
	679	INCOME FROM INDEMNIFICATION FOR DAMAGED GOODS	10.546	353
		INCOME FROM PAID OUTSTANDING CLAIMS ACCORDING TO UPPR (RTB BOR)	0	0
	679	OTHER EXTRAORDINARY INCOME FROM PREVIOUS YEARS	0	19
	679	INCOME FROM CONTRACTING REFUND OF COSTS	101.706	113.048
679	INCOME FROM COLLECTED PENALTIES AND FINES FOR DAMAGE OF 3. PERSONS	105	151	
	TOTAL	121.392	138.821	

➤ **Other expenditures**

**037 Columns 4 and 5 of the Income statement**

AOP	Account Group	Description	2021	2020
1042	570	LOSSES BASED ON CONDEMNATION AND SALES OF EQUIPMENT	0	154
	574	SHORTAGES	2.937	10.750
	576	DIRECT WRITE-OFF OF OUTSTANDING CLAIMS	0	0
	577	EXPENDITURE BASED ON DAMAGED GOODS	13.862	4.322
	579 part	LESS INVOICING INCLUSIVE OF PREVIOUS YEAR	2.717	41
	579 part	OTHER BUSINESS CONDEMNATION	0	0
	579 part	ABATEMENTS FROM SALES	322.399	326.975
	579 part	MAGISTRATE AND CONTRACTING FINES AND PENALTIES	1.387	1.683
		TOTAL OTHER CONDEMNATION	343.302	343.925

➤ **Tax expenditure in the period**

**040 Columns 4 and 5 of the Income statement**

Final tax expenditure of the period included change of taxation base according to adjustment of income and expenditure during creation of tax statement. In the year 2021 correction of tax on income based on transferred prices was not required.

➤ **Net profit**

**041 Column 5 of the Report on other result**

In year 2021 the Company has based on actuary calculation of reservation for dismissal wages expressed actuary loos in class 331 in the amount of 564 dinars.

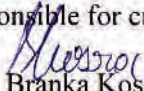


➤ **Other Notes**

- Company Sarantis Ltd Belgrade did not provide warranties, guarantees or pledges on the properties of the Company.
- After the date of the reporting period there were not any events that would lead to the correction of the stated results of business in the year u 2021.

In Belgrade  
22.03.2022

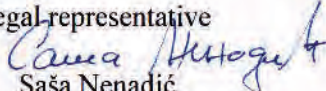
Person responsible for creation of notes

  
Branka Kosovac  
(Signed)

(Official seal)



Legal representative

  
Saša Nenadić  
(Signed)



**SARANTIS LTD BELGRADE**

**ANNUAL BUSINESS REPORT  
FOR YEAR 2021**



**Legal Regulation:** The annual report on operations is compiled in accordance with Article 34 of the Law on Accounting (Official Gazette of RS, 73/19 and 44/21).

## I

### **Infections about the Company's business activities and the organizational structure of the Company:**

Full name: Sarantis Ltd for trade and provision of services Belgrade (New Belgrade)

Abbreviated name: Sarantis Ltd. Belgrade

Legal form: limited liability company

Headquarters: Zelengorska 1 G , 11070 Belgrade - New Belgrade

Registration number: 17162403

TIN: 100180969

Web site: <https://serbia.sarantisgroup.com/>

E-mail: [RS-Sarantis@sarantisgroup.com](mailto:RS-Sarantis@sarantisgroup.com)

Date of foundation: 28<sup>th</sup> April 1997.

Basic activity: 46.45 Wholesale of perfumery and beauty products

Representative/Director: Saša Nenadić

Base Capital Value: 70.662.684,62 RSD

Data on subsidiaries: Sarantis ltd Skoplje, Northen Makedonija i Sarantis doo Banja Luka, Republic Srpska

Business name, headquarters and address of the auditing company that audited the latest financial report: PKF d.o.o., Palmira Toljatija 5/III, 11000 Belgrade

Position within the broader economic grouping: Sarantis Ltd Belgrade is an dependent entity in relation to GR Sarantis SA Athens, Greece, and parent regarding to Sarantis ltd Banja Luka and Sarantis ltd Skopje. In accordance with the Law on Accounting, Sarantis Ltd. Belgrade is a obliged to produce consolidated reports for the unit consisting of SARANTIS ltd BELGRADE, SARANTIS ltd BANJA LUKA and SARANTIS ltd SKOPJE. At the level of the SARANTIS group, obligatory of producing consolidated reports is GR SARANTIS SA Athens, Greece. In addition to these companies, within SARANTIS group Sarantis doo Belgrade operates with the following companies: Sarantis Poland, Sarantis Romania, Sarantis Bulgaria, Sarantis Czech Republic, Sarantis Hungary , Sarantis Slovakia, Polypak Poland, and Ergopak Ukraine , and with them has the property of associated entities.

The basic activities of the Company are wholesale trade. The assortment consists of two categories:

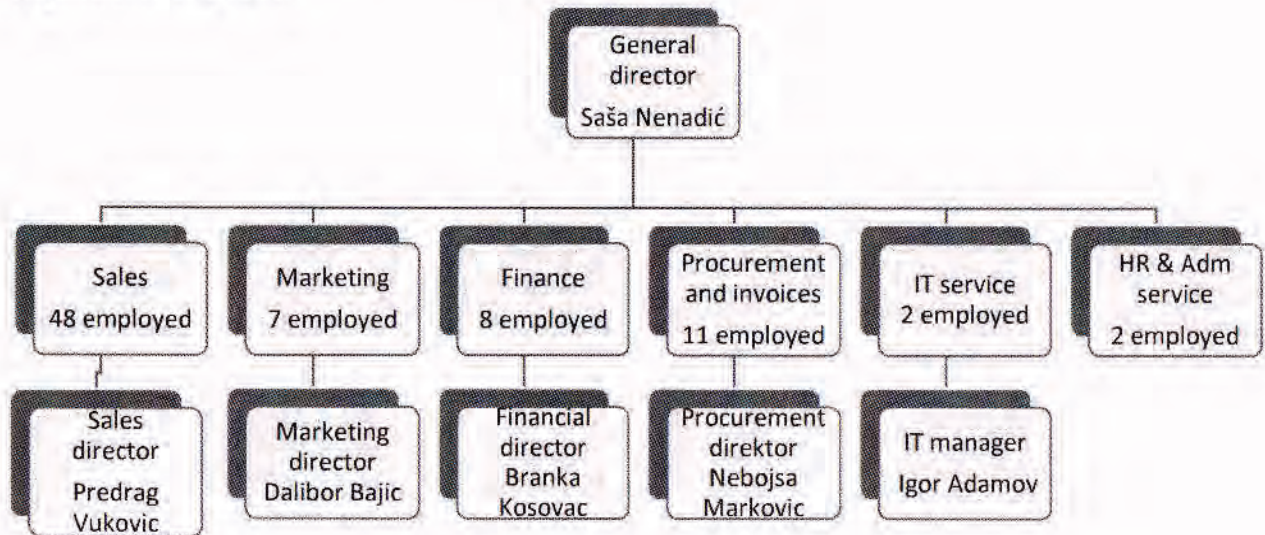
1. Perfumery and beauty products for facial and body care: shampoos and hair balms, shower gels, creams and milk for facial and body care, sunscreen, deodorant in spray and stick, toilet water, facial care products after shaving...
1. Packaging and other household products: aluminum and teflon foils and food storage containers, stretch foil for storing food, food storage bags, sandwich bags, ice ball bags, bags and baking paper, wires and sponges for dishwashers, cloths for cleaning dishes, dirt and dust, gloves for use in household, garbage disposal bags, brushes, brooms, joggers, buckets and similar household hygiene products and water pipe discharge products.



**Company Management Data:**

The governing bodies of the Company are: The Assembly and the Director. The activities of the Assembly are performed by the Founder of the Company.

**Organizational scheme:**



## II

### Development, financial position and results of the Company's operations

**Summary of business results achieved:**

In 2021, the company continued its successful business, achieving growth in revenues and profits, even though it faced problems primarily caused by the Covid 19 crisis.

**Positive actions in 2021:**

- Program for Packaging and other household products continue to be the main generator of growth.
- The sunscreen program had excellent performance - with low levels of seasonal returns.
- The successfully implemented reorganization has led to a reduction in operating costs.
- The development of the export market is continued, with a special emphasis on Croatia.

**Negative actions in 2021:**

1. Due to disruptions caused by the Covid 19 crisis was caused by an unexpected increase in the price of transport, the purchase price of goods, and frequent delays in deliveries by suppliers.

**Financial analyses:**



In 2021, the Company achieved total income of RSD 3,062,873,000, total expenditures in the amount of RSD 2,722,784,000 and positive result: profit before tax of RSD 340,089 thousand, i.e. profit after tax of RSD 285,182 thousand.

#### Basic business indicators in RSD 000

Year	2017	2018	2019	2020	2021
Total Assets	2.772.99 6	3.127.24 5	3.429.86 0	3.726.67 2	3.943.32 7
Capital	2.462.41 3	2.709.28 6	2.953.26 5	3.222.80 1	3.507.41 9
Long-term liabilities	0	5.974	86.845	80.787	49.847
Deferred tax liabilities	1.692	2.511	2.236	2.674	2.512
Short-term liabilities	308.891	409.474	387.514	420.410	383.549
Total Revenues	2.355.61 8	2.817.04 4	2.947.76 4	3.002.84 1	3.062.87 3
Net result	202.469	257.087	243.979	271.700	285.182
Number of employees	75	87	89	90	85

Liquidity indicators	2017	2018	2019	2020	2021
General liquidity rational (Acid test)	5,34	4,90	4,90	5,97	5,17
Rigorous liquidity rationale	3,46	3,42	3,32	4,10	3,32
Net working assets	1.348.56 7	1.606.81 5	1.518.56 9	2.100.83 7	1.610.60 1

General liquidity rational: Working assets/Short-term liabilities

Rigorous liquidity rationale: (Working assets-stocks)/Short-term Liabilities

Net working assets: Working assets - Short-term liabilities

Financial Structure Indicators	2017	2018	2019	2020	2021
Debt Coefficient	0,11	0,13	0,14	0,14	0,11
Financial Stability Coefficient	0,45	0,41	0,50	0,36	0,55
Long-term debt coefficient	2,21	2,45	2,00	2,75	1,83

Debt Coefficient Total Liabilities/Capital

Financial Stability Coefficient: (fixed assets+ long-term financial investments+ permanent torque+ deferred tax assets)/ (capital+ long-term reservations +long-term liabilities+ deferred tax liabilities)

Long-term debt coefficient: (capital+ long-term reservations +long-term liabilities obligations +deferred tax liabilities)/(unpaid inscribed capital +stable property+ deferred tax assets)



<b>Rentability indicators</b>	2017	2018	2019	2020	2021
Rate of contribution on total business assets	7,50%	8,71%	7,44%	7,59%	7,44%
Rate of contribution on own business assets	8,57%	9,94%	8,62%	8,80%	8,47%
Income per employee	31.512	32.640	33.337	33.530	36.503
Net result per employee	2.700	2.955	2.741	3.019	3.355
Capital per employee	32.832	31.141	33.183	35.809	41.264
Assets per employee	36.973	35.945	38.538	41.407	46.392

Rate of contribution on total business assets:  $\text{net profit} / ((\text{previous year's assets} + \text{current year assets}) / 2)$

Rate of contribution on own business assets:  $\text{net profit} / ((\text{own capital of the previous year} + \text{own capital of current year}) / 2)$

#### **Human Resources Information:**

Number of employees: On the day of 31<sup>st</sup> December 2021 the company had 78 employees (on 31.12.2020. there were 90 employees). The average annual number of employees in 2021 is 85 (in 2020 there were of 90 employees on average). The reduction was due to an overhaul of the business conducted mid-year.

### **III**

#### **Information on investments in order to protect the environment**

The Company by nature of activities (wholesale trade) has no direct impact on environmental pollution, and therefore there are no direct investments in order to protect the environment. In accordance with the Law on Fees for The Use of Public Goods, the Company is categorized as a medium legal entity with little environmental impact, and the total annual cost on this basis was RSD 125,000.

The Company, in accordance with the same Law, regularly reports on packaging that is placed on the market and which after use becomes packaging waste, and for these purposes in 2021 has stated a cost of RSD 2,603 thousand.

### **IV**

#### **Significant events at the end of the business year**

The Company had no significant events after the end of the business year, and until the date of submission of the Financial reports for the year 2021.

### **V**

#### **Planned Future Development**



The main direction of the company is planned through further strengthening of packaging programs and other household products, as well as through strengthening the market share of perfumery and toilet products. The focus is also on further penetration of foreign markets.

## VI

### **Research and Development Activities**

In accordance with the underlying activity, which is wholesale trade, the Company does not engage in research and development activities mainly related to production.

## VII

### **Information about the purchase of its own shares, i.e. stakes**

There has been no redemption of its own shares either during 2021 or in the years preceding this one.

## VIII

### **Existence of branches**

By the end of June 2021, the company was operating from its headquarters in Belgrade, and from two business units: Sarantis Sever in Novi Sad and Sarantis Istok in Nis. These two branches ceased to exist due to an overhaul of the firm. Change is registered through APR on 05.07.2021

## IX

### **Financial instruments**

The Company did not use financial instruments in its operations during 2021, taking into account the stable exchange rate and increased costs incurrants in the conditions of a stable exchange rate. Also, the Company has constant foreign exchange inflows that constitute a partial counterweight to foreign currency outflows.

## X

### **Objectives and policies related to financial risk management**

#### **Exposure to price risk, credit risk, liquidity risk and cash flow risk, management of these risks and assessing their effectiveness**

The Company is exposed to the following risks in business:

- **Risk of foreign exchange rate changes.** Since in 2021 the percentage of imports of goods in total purchases of goods was 80%, and since the Company also deals with export activities, there is a very high risk of changes in the exchange rates of foreign currencies. The Company protects against exposure to this risk by, as far as possible, implementing a policy of balance between the level of foreign currency receivables and deposits on the one hand and the level of foreign currency liabilities on the other.
- **Credit Risk:** The Company has certain rules and procedures that are observed when dealing with customers, through precisely defined criteria when choosing customers with whom cooperation begins, through the provision of instruments to protect the collection of receivables




(bills, guarantees), through approval of the loan limit (automatic systematic blocking of goods deliveries to the customer who has exceeded the approved credit limit and to the collection of receivables that return it to the permitted limits)

- **Liquidity risk:** Exposure to this risk has decreased significantly in recent years, given the measures being taken to improve the collection of receivables. Also, when arranging the day of deferred payment, the Company ensures that it also arranges with suppliers the days of deferred payment that would be correlated with the days it contracts with customers.
- **Cash flow risk:** The Company carefully plans cash flows, and adjusts the time of expected outflows with expected inflows, so that it enables solvency at all times. Free funds are time deposited so as not to lose value (protection against inflation and exchange rate changes)
- **Capital Management Risk:** The aim of capital management is for the Company to retain the ability to continue operating for an unlimited period in the future, while ensuring profits and optimal capital structures. Since its foundation, the Company has not borrowed through financial loans either short-term or long-term, i.e. it operated solely through financing from its own funds and short-term obligations to suppliers that were always neatly settled within due dates, i.e. the capital structure was very healthy. Viewed through the prism of profit, the Society dealt with losses during the civil war and sanctions in 1999, starting from 2000, advancing through both turnover growth and profit growth.

**In Belgrade,  
22.03.2022**

**Person responsible for creation of the Report**

  
**Branka Kosovac**

**Legal representative**



  
**Saša Nenadić**