COMPANY WITH FOREIGN INVESTMENTS
AMIC UKRAINE

FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

Together with Independent Auditor's Report

Contents:

BDO LLC

Tel: +38 044 393 26 87
Fax: +38 044 393 26 91

201-203, Kharkivske road, 10th floor
Kyiv, Ukraine 02121

Tel: +38 056 370 30 43
Fax: +38 056 370 30 45

4, Andriia Fabra str.
Dnipro, Ukraine 49000

E-mail: info@bdo.ua
www.bdo.ua

INDEPENDENT AUDITOR'S REPORT

To the Owners of the Company with Foreign Investments "AMIC UKRAINE"

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Company with Foreign Investments "AMIC UKRAINE" (code EDRPOU is 30603572, address: 68, Verhniy Val St., Kyiv, 04071; further – the Company), which comprise:

- Statement of financial position as at December 31, 2023;
- Statement of comprehensive income for 2023;
- Statement of cash flows for 2023;
- Statement of changes in equity for 2023;
- Notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and financial performance and cash flows for the year then ended in accordance with the requirements of International Financial Reporting Standards issued by the International Accounting Standards Board and the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" dated 16.07.1999 No. 996-XIV in respect of the financial reporting preparation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements applied in Ukraine to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Notes 2, 3 and 38 to these financial statements, which describe events and conditions that have arisen due to the fact that on February 24, 2022, the military invasion into Ukraine by the russian federation began and is ongoing, the effects of which on the Company's operations are unpredictable. As described in Note 3, these events, or conditions, together with other matters described in Notes 2 and 38, indicate that a material uncertainty exists that may cast significant doubt on the Company' ability to continue as a going concern. Our opinion is not modified in respect of this matter. We also draw attention to Note 3 to the financial statements, which states that as at December 31, 2023, the Company has negative equity in the amount of UAH 8 934 072 thousand (as at December 31, 2022: UAH 9 399 135 thousand), and its current liabilities are less than its current assets by UAH 801 535 thousand (as at December 31, 2022: current liabilities exceed its current assets by UAH 1 733 125 thousand). These events and circumstances described in Note 2, together with other matters discussed in Notes 3 and 38 to these financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management of the Company is responsible for the other information prepared as at and for the year ended December 31, 2023.

Other information consists of Management Report for 2023, prepared in accordance with the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" dated 16.07.1999 No. 996-XIV, as amended.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management Report

The Company plans to prepare and publish the Management Report for 2023 after the date of publication of this Independent Auditor's Report. Once the Management Report is received and reviewed, if we conclude that there is a material misstatement thereof, we will also communicate this matter with those charged with governance.

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

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the requirements of the Law of Ukraine "On accounting and reporting in Ukraine" dated 16.07.1999 No. 996-XIV in respect of financial statements preparation, and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, 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 assumptions as a 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 financial reporting process of the Company.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on the requirements of other laws and regulations

This information is provided in compliance with the requirements of part 4, Article 14 of the Law of Ukraine "On audit of financial reporting and auditing activities" dated December 21, 2017, No. 2258-VIII on the provision of additional information based on the results of the Company's statutory audit of a public interest entity:

1. BDO LLC was appointed to perform this statutory audit assignment by the Decision of the Company's Owner dated October 06, 2023. "The Report on the Audit of Financial Statements" section of this Independent Auditor's Report discloses information about the scope of the audit and the inherent limitations.
2. Total duration of the audit assignment in respect of the Company's financial statements by BDO LLC, considering the prolongation of authorities that took place, and the repeated appointments, is 7 (seven) years. For BDO LLC, this assignment is also the fifth year of the financial statements' statutory audit of the Company after the Company was recognized as a public interest entity in accordance with the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" dated July 16, 1999, No. 996-XIV.
3. In the "Material uncertainty related to going concern" section of this report, we disclosed the matter that was of greatest importance during the audit of the current period's financial statements and which, according to our professional judgment, should be focused towards. This matter was considered in the context of our audit of the financial statements as a whole and taken into account when forming our opinion thereon; in doing so, we do not express a separate opinion on this matter. During this statutory audit engagement, we did not identify any other matters relating to the audit estimates, the information about which we consider appropriate to disclose in accordance with the requirements of paragraph 4.3 Article 14 of the Law "On audit of financial reporting and auditing activities" dated December 21, 2017, No. 2258-VIII.

4. The information contained herein regarding the audit of the Company's financial statements was agreed with the information in the Additional Report for the Owner dated April 12, 2024.

5. During 2023, BDO LLC did not provide the Company with other services, except for audit of financial statements as at December 31, 2022 and for the year then ended.

6. BDO LLC and a Key Audit Partner are independent to the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and ethical requirements applied in Ukraine to our audit of financial statements, and we performed other ethical responsibilities in accordance with these requirements and the IESBA Code. During the audit, we have not identified any additional facts or matters that could affect our independence and which we would like to draw your attention to.

7. BDO LLC did not provide the Company with other services prohibited in accordance with the requirements of Article 6 of the Law of Ukraine "On audit of financial reporting and auditing activities" dated December 21, 2017, No. 2258-VIII for 2023 and from January 01, 2024, to the date of signing this Independent Auditor's Report.

The audit was performed under the supervision of the Key Audit Partner, Nikolayenko Alexandr M.

Key Audit Partner A. M. Nikolayenko

Number of registration in the Register of auditors and audit entities: 101534

Kyiv, April 19, 2024

Limited Liability Company BDO. Identification code under EDRPOU: 20197074. Number of registration in the Register of Auditors and Audit Entities: 2868. Legal address: 4, Andriia Fabra Str., Dnipro, 49070. Tel. 044 393-26-91.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the independent auditor's responsibilities stated in the Independent Auditor's Report on pages I- IV, is made with a view to distinguishing the respective responsibilities of Management and those of the independent auditors in relation to the financial statements of the CFI AMIC UKRAINE (further – the Company).

Management of the Company is responsible for the preparation of the financial statements that present fairly, in all material respects, the financial position of the Company as at December 31, 2023, its financial performance and cash flows and changes in equity for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements, Management of the Company is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Applying reasonable estimates and assumptions;
- Compliance with relevant IFRS and disclosure of all material departures in Notes to the financial statements;
- Preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business for the foreseeable future.

The Company's Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Company;
- Maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- Taking such steps as are reasonably available to them to safeguard the assets of the Company; and;
- Preventing and detecting fraud and other irregularities.

The financial statements of the Company for 2023 were approved on April 19, 2024.

Signed on behalf of the Company:

General Director ______________________ Stropus Audrius

Chief Accountant ______________________ Yartseva Tetiana Volodymyrivna

Підприємство з іноземними інвестиціями «АМІК УКРАЇНА» * м. Київ * Україна * Ідентифікаційний код 30603572

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

	Note	31.12.2023	31.12.2022
ASSETS			
I. Non-current assets			
Intangible assets	7	3 740	2 948
original cost	7	14 427	12 575
accumulated amortization	7	(10 687)	(9 627)
Capital investments in progress	8	8 746	12 031
Property, plant and equipment	8	1 360 955	1 399 652
original cost	8	2 399 777	2 269 797
depreciation	8	(1 038 822)	(870 145)
Investment property	9	9 947	3 731
original cost	9	30 980	22 386
depreciation	9	(21 033)	(18 655)
Other non-current assets	11	10 680	21 149
Total in Section I		**1 394 068**	**1 439 511**
II. Current assets			
Inventories	12	670 279	785 707
Accounts receivable for goods, works and services	13	59 925	36 011
Accounts receivable from advances made	14	262 554	142 592
Accounts receivable on settlements with budget	15	1 334	42 280
including income tax	15	307	307
Other current accounts receivable	13	3 197	3 410
Cash and cash equivalents	16	257 451	221 645
Other current assets	17	13 130	1 221
Total in Section II		**1 267 870**	**1 232 866**
III. Non-current assets held for sale and disposal groups			-
Balance		**2 661 938**	**2 672 377**

Notes on pages 7-45 are an integral part of the financial statements.

ПІІ АМІК Україна
Верхній Вал 68, Київ 04071, Україна
Тел.: 0038 (044) 593 93 00 Факс: 0038 (044) 501 05 48
Email: office@amicenergy.com.ua

(in thousands of UAH)

	Note	31.12.2023	31.12.2022
Liability			
I. Equity			
Authorized capital	18	51 931	51 931
Additional capital	18	3 834 176	2 350 693
Retained earnings (uncovered loss)	18	(12 820 179)	(11 801 759)
Total in Section I		**(8 934 072)**	**(9 399 135)**
II. Long-term liabilities and provisions			
Deferred tax liabilities	34	69 687	67 716
Long-term loan liabilities	19	11 039 232	9 011 449
Long-term lease liabilities	20	20 756	26 356
Total in Section II		**11 129 675**	**9 105 521**
III. Current liabilities and provisions			
Current accounts payable on:			
Long-term liabilities	19, 20	6 327	2 566 229
Goods, works, services	21	138 855	189 201
Settlements with budget	22	5 675	1 752
Insurance	22	3 325	2 443
Remuneration of labor	22	13 908	11 731
Current payables on advances received	22	83 511	74 902
Current provisions	23	113 429	80 733
Other current liabilities	19, 24	101 305	39 000
Total in Section III		**466 335**	**2 965 991**
IV. Liabilities related to non-current assets held for sale and disposal groups			-
Balance		**2 661 938**	**2 672 377**

Approved by the Management of the Company and signed on its behalf:

General Director ______________________ Stropus Audrius

Chief Accountant ______________________ Yartseva Tetiana Volodymyrivna

Notes on pages 7-45 are an integral part of the financial statements.

ПІ АМІК Україна
Верхній Вал 68, Київ 04071, Україна
Тел.: 0038 (044) 593 93 00 Факс: 0038 (044) 501 05 48
Email: office@amicenergy.com.ua

(in thousands of UAH)

STATEMENT OF COMPREHENSIVE INCOME FOR 2023

	Note	2023	2022
Net income from sales of products (goods, works, services)	26	9 596 417	8 502 285
Cost of sold products (goods, works, services)	27	(8 309 953)	(7 185 050)
Gross profit		**1 286 464**	**1 317 235**
Other operating income	30	26 080	18 930
Administrative expenses	28	(177 891)	(157 703)
Distribution costs	29	(1 042 980)	(916 049)
Other operating expenses	30	(110 353)	(304 104)
Financial result from operating activity		**(18 680)**	**(41 691)**
Other financial income	31	12 442	8 025
Other income	32	19 284	18 756
Financial expenses	31	(617 314)	(505 882)
Other expenses	32	(412 977)	(3 010 425)
Financial result before tax		**(1 017 245)**	**(3 531 217)**
Income tax gain/(expenses)	33	**(1 971)**	**21 395**
Net profit/(loss)		**(1 019 216)**	**(3 509 822)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		**(1 019 216)**	**(3 509 822)**

Approved by the Management of the Company and signed on its behalf:

General Director ______________________ Stropus Audrius

Chief Accountant ______________________ Yartseva Tetiana Volodymyrivna

Підприємство з іноземними інвестиціями «АМІК УКРАЇНА» * м. Київ * Україна * Ідентифікаційний код 30603572

Notes on pages 7-45 are an integral part of the financial statements.

ПІІ АМІК Україна
Верхній Вал 68, Київ 04071, Україна
Тел.: 0038 (044) 593 93 00 Факс: 0038 (044) 501 05 48
Email: office@amicenergy.com.ua

(in thousands of UAH)

STATEMENT OF CASH FLOWS FOR 2023

	Note	2023	2022
I. Cash flows from operating activity			
Inflows from:			
Sale of products (goods, works, services)		10 801 257	9 376 642
Return of taxes and levies		23	145
Target financing			-
Inflows from advances from buyers and customers		84 052	81 467
Inflows from return of advances		25 560	70 926
Inflows from interest on cash balances on current accounts		12 442	8 025
Inflows from borrowers of forfeits (fines, penalties)		7 368	1 703
Inflows from operating leases		20 123	16 983
Other inflows		4 644	9 114
Expenses to pay:			
Goods (works, services)		(7 201 674)	(6 557 219)
Remuneration of labor		(333 701)	(319 891)
Social charges		(84 300)	(80 226)
Tax and duties payable		(279 737)	(241 838)
Payment of advances		(2 831 424)	(2 094 572)
Return of advances		(5 144)	(59 115)
Other expenses		(42 420)	(49 061)
Net cash flows from operating activities		**177 069**	**163 083**
II. Cash flow from investment activity			
Inflows from sales of:			
Financial investment		-	-
Non-current assets		222	169
Other inflows		-	-
Expenses to purchase:			
Financial investment		-	-
Non-current assets		(137 869)	(91 532)
Net cash flow from investment activity		**(137 647)**	**(91 363)**
III. Cash flow from financing activities			
Inflows from:			
Equity		-	-
Receipt of loans	19	-	-
Expenses to repay interest for using a leased property	31	(3 581)	(2 981)
Outflows for:			
Granting of loans		-	-
Repayment of loans	25	-	-
Net cash flow from financing activities		(3 581)	(2 981)
Net cash flow for the reporting period		**35 841**	**68 739**
Opening cash balance	16	221 645	147 027
Effect of changes in exchange rates on cash balances		(35)	5 879
Closing cash balance	16	257 451	221 645

Approved by the Management of the Company and signed on its behalf:

General Director _______________ Stropus Audrius

Chief Accountant _______________ Yartseva Tetiana Volodymyrivna

Notes on pages 7-45 are an integral part of the financial statements.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

STATEMENT OF CHANGES IN EQUITY FOR 2023

	Registered capital	Additional capital	Uncovered loss	Total
Balance as at 01.01.2022	**51 931**	**1 996 562**	**(8 217 793)**	**(6 169 300)**
Net loss for the year and comprehensive loss for the year	-	-	(3 509 822)	(3 509 822)
Other changes (Note 18)	-	354 131	(74 144)	**279 987**
Total changes in equity		**354 131**	**(3 583 966)**	**(3 229 835)**
Balance as at 31.12.2022	**51 931**	**2 350 693**	**(11 801 759)**	**(9 399 135)**
Net profit for the year and comprehensive profit for the year	-	-	(1 019 216)	(1 019 216)
Other changes (Note 18)	-	1 483 483	796	**1 484 279**
Total changes in equity	**-**	**1 483 483**	**(1 018 420)**	**465 063**
Balance as at 31.12.2023	51 931	3 834 176	(12 820 179)	(8 934 072)

Approved by the Management of the Company and signed on its behalf:

General Director _______________ Stropus Audrius

Chief Accountant _______________ Yartseva Tetiana Volodymyrivna

Notes on pages 7-45 are an integral part of the financial statements.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

NOTES TO THE FINANCIAL STATEMENTS

1. Information about the Company

The Company with Foreign Investments AMIC UKRAINE (hereinafter — "The Company") has been established and performs operations on the basis of the Charter registered by the Shevchenkivskyi District State Administration in Kyiv on November 16, 1999, and has one owner as of December 31, 2023:

	2023	2022
AMIC ENERGY MANAGEMENT GmbH (Austria)	100%	100%

The beneficial owners (controllers) of the Company are individuals Mr. Günter Maier, Austria, Mr. Johannes Klezl-Norberg, Austria, Mr. Andreas Sernetz, Austria, and Gillen Philipp Andrew, Ireland.

Legal and actual address of the Company is 68, Verhniy Val St., Kyiv.

The principal activities of CFI AMIC UKRAINE are sale of oil products on the domestic market of Ukraine:

- Wholesale (gasoline, diesel fuel),
- Retail through its own and leased network of filling stations,
- Sale of jet fuel (refueling of aircraft),
- Sale of related products through the network of filling stations.

The Company purchases oil products by import, as well as in the domestic market of Ukraine.

During 2023, the average number of employees was 1 762 persons (2022: 1 913 persons).

The financial statements of the Company for the year ended December 31, 2023 were approved by the Company's management on April 19, 2024.

2. Operating environment in Ukraine

The Company operates in Ukraine, despite the continuation of the full-scale war with russian federation and the state of martial law in the country.

During 2023, the economy was recovering due to the high adaptability of both business and the population to the war conditions and a soft fiscal policy, supported by large-scale international financing. The GDP in 2023, according to NBU estimates, has increased by 5.7% (after falling by 30.3% in 2022). Despite the war, the economic growth will continue. In 2024, real GDP will grow by 3.6% primarily due to the maintenance of high budget expenses amid the expected volume of international aid at a sufficient level.

However, if the active phase of the war lasts longer, the economy is likely to grow slower. Russia does not stop trying to destroy the country's economic potential, evidenced by the terrorist attack on the Kakhovska HPP, the intensification of barbaric shelling of the port infrastructure, the russian blockade of the "grain corridor" in the Black Sea, and eventually its withdrawal from the grain deal. Thus, the risks to the economy, as well as the need for international assistance, were substantial. The main assumption is a significant reduction in high security risks from 2025. Longer persistence of high security risks will have a negative impact on business and consumer behavior, exchange rate and inflation expectations. It will also increase the pressure on public finances and deepen problems in the labor market. Under such a scenario, the potential for economic growth will be lower and inflationary pressure will be higher than currently expected.

Due to external support and the consistent policy of the NBU, the international reserves of Ukraine increased by 42% in 2023 and reached USD 40.5 billion. Despite delays in the arrival of international aid in early 2024, it is expected that its rhythm will be restored in the upcoming months.

Since the beginning of 2023, the inflation has declined faster than expected. A sufficient supply of provisions and fuel, as well as a fairly quick recovery of the energy system from the consequences of russian terrorist attacks, contributed to the facilitation of inflationary pressure. An important factor was the improvement of inflation expectations since the beginning of the year regarding the termination of monetary financing, the strengthening of UAH rate and the increased attractiveness of

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

UAH assets. As a result, consumer inflation in 2023 slowed to 5.1% year on year (26.6% in 2022).

In July 2023, the Board of the National Bank decided to reduce the discount rate to 22% from 25%, set in June 2022. Considering the improvement in inflation expectations and the further slowdown of inflation, the current and projected reduction rate is consistent, preserving the attractiveness of hryvnia savings. In September 2023, the NBU decided to reduce the discount rate from 22% to 20%, in October to 16%, and from December 15, 2023 - to 15%. Such steps support economic recovery and at the same time do not pose threats to macro-financial stability.

From October 3, 2023, the National Bank of Ukraine switched to regime of managed flexibility of the exchange rate, continuing the implementation of the strategy to facilitate currency restrictions. The official exchange rate is determined on the basis of the exchange rate for operations on the interbank market and is not set by the National Bank in a directive manner, as has been the case since February 24, 2022. In doing so, the NBU continues to monitor the situation on the interbank foreign exchange market and tries to materially limit exchange rate fluctuations, preventing both a material weakening of the hryvnia and a material strengthening.

The war between Ukraine and the russian federation continues, leading to significant destruction of property, assets in Ukraine and other material consequences. The effects of war change daily, and their long-term impact is impossible to determine. The further impact on the Ukrainian economy depends on how the full-scale war will end, on the successful implementation of new reforms by the Ukrainian government, the country’s recovery and transformation strategy aimed at gaining EU membership, and cooperation with international funds.

A significant support of Ukraine in the fight against the aggressor country, russia, was the prevention of fuel falling into the hands of the enemy, when it was approaching Kyiv in February - March 2022. As a result, the Company independently coordinated the Armed Forces of Ukraine to destroy fuel at its own oil depot, losing millions of euros at once.

During the full-scale invasion, the Company suffered numerous losses, which, according to preliminary calculations, accumulated over UAH 300 million (EUR 8.5 million), and were reflected in the Company’s lawsuit against the russian federation before the ECHR, as a result of which the Court opened proceedings in the case “Company with foreign investments AMIC Ukraine v. Russia” as 19 gas stations of CFI “AMIC Ukraine” were seized by the aggressor and are located in temporarily occupied territories.

In addition to its statutory activities in these difficult times for Ukraine, the Company is actively engaged in charity and social projects.

Thus, the Company has been supporting the Armed Forces of Ukraine since the first days of the full-scale war, and has already assisted more than 200 recipients: more than 350,000 liters of fuel, personal protective equipment, quadcopters, power banks, thermal vision goggles, vehicles, UAV suppression complexes, etc. for units of the Armed Forces of Ukraine, territorial defense forces and other military units, SSU, the police, etc.

The Company continues to accrue and pay financial support to mobilized employees on a monthly basis, paying additional taxes and providing additional incentives to the Defenders.
The Company has organized a number of charity projects:

- “Nezlamna kava” - part of the profit from sales of hot drinks will be transferred to the reconstruction of Kherson, Luhansk, Donetsk and Zaporizhzhia regions;
- in September 2022, CFI “AMIC UKRAINE” signed an Agreement on charitable assistance with the 242nd Battalion of the territorial defense forces (A-4081 AFU), staffed by the Company’s employees, according to which the Company will provide the military unit with everything necessary during the period of cooperation for the total amount of UAH 10,000 thousand (equivalent to EUR 265 thousand);
- in cooperation with the "Razom for Ukraine" charity fund, the Company handed over 20 fuel cards for 20 thousand liters to drivers of the fund, amounted to more than UAH 1 million. Due to this, the items of tactical medicine and communication, as well as humanitarian goods were delivered to the front-line settlements;
- assistance to the Kherson region to overcome the consequences of the russian federation’s destruction of the Kakhovka HPP;

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

- "MAVIC from AMIC" in cooperation with the "Dignitas" fund, within the framework of which CFI "AMIC UKRAINE" will transfer funds to provide the defenders of the AFU with hundreds of DJI MAVIC-3 drones.
- a joint initiative together with the "12 Vartovych" fund to sterilize and vaccinate all the animals living at gas stations and the surrounding areas.

In addition to the main charitable projects, CFI "AMIC UKRAINE" is an active organizer of social and economic projects such as:

- Austrian Film Week, with the support of the Embassy of Austria, which introduces Ukrainians to the most vivid and iconic Austrian films annually.

All funds from ticket sales within the framework of the film festival are doubled by the general partner AMIC ENERGY and transferred to a special fund-raising account of the National Bank of Ukraine.

- A series of meetings in the format of "Austrian Business Breakfast" - the first meeting between the Head of the TSU in Kyiv, the second meeting between the Head of the National Bank of Ukraine, the Embassy of the Republic of Austria in Ukraine and the representatives of the Austrian business community to discuss problematic issues.

The impact of the war on the Company's current situation and management's assessment of going concern is disclosed in Note 3.

3. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

Statement of compliance

The financial statements of the Company were prepared in accordance with International Financial Reporting Standards (IFRS).

Basis of presentation

The financial statements were prepared on the historical cost basis.

Reporting period

The financial statements were prepared as at December 31, 2023 and cover the period from January 01 to December 31, 2023. The financial statements include comparative information for the period preceding the reporting period.

Functional and presentation currency

The functional currency of the Company is the national currency of Ukraine, Hryvnia (UAH). Transactions in other currencies are treated as foreign currency transactions. The financial statements are presented in Ukrainian Hryvnia ("UAH"). All amounts are rounded to the nearest thousand unless otherwise stated.

Going concern assumptions of the Company

The financial statements were prepared on a going concern basis, which provides for the realization of assets and the settlement of liabilities in the ordinary operating activities.

As at December 31, 2023, the Company has negative equity of UAH 8 934 072 thousands (as at December 31, 2022: UAH 9 399 135 thousand), and current liabilities exceed its current assets by UAH 801 535 thousand (as at December 31, 2022: current liabilities exceed its current assets by UAH 1 733 125 thousand). The Company generated net profit of UAH 1 019 216 thousand for the year ended December 31, 2023 (net loss for the year ended December 31, 2022 amounted to UAH 3 509 822 thousand). Positive cash flow from operating activities for 2023 amounted to UAH 177 069 thousand (positive cash flow from operating activities for 2022 amounted to UAH 163 083 thousand).

The russian military invasion of Ukraine, which took place on February 24, 2022 and continues to this day, is a significant event, the effects of which cannot yet be determined on a country-wide scale; however, the Company continues to operate. These events, together with other matters disclosed in Note 2 "Operating environment in Ukraine", indicate that a material uncertainty exists which may cast significant doubt about the Company's ability to continue as a going concern. Management has

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

considered the conditions and circumstances disclosed below in assessing whether the Company will be able to continue as a going concern.

On the second year of the full-scale war with russia, Ukraine found itself in a situation where the challenges to be overcome are only increasing. Unfortunately, there are almost no simple, risk-free and popular solutions left. This was facilitated by the significant resources of the enemy. The competitive advantages on which Ukraine maintained its defense and carried out counterattacks to return the temporarily occupied territories are gradually decreasing. Unfortunately, the aggressor country makes conclusions from its mistakes and constantly mobilizes additional manpower resource. It can be assumed that russia's resources would suffice to maintain the current intensity of hostilities for some time. But a country isolated from civilized society will not be able to stop the decline of production, stimulate and develop important sectors of the economy, and exist only at the expense of domestic demand. All this will inevitably lead to the declining combat power of the barbarian army e over time.

The Company's management monitors the current situation and takes measures to minimize any negative consequences to preserve jobs, ensure continuity of salary payments to employees, and pay all due taxes and levies to the budget.

Geographically, the Company's own filling stations are located throughout Ukraine, except for the temporarily occupied territory of Donetsk region, the entire Luhansk region and the Autonomous Republic of Crimea. More than 100 of the Company's employees joined the Armed Forces of Ukraine and territorial defense.

Management has prepared updated financial forecasts, including cash flow forecasts, for twelve months from the date of approval of the financial statements, considering the most probable and possible negative scenarios of the effects of military aggression on the Company's operations.

All the forecasts are based on the main criteria, among which: Ukraine will continue fighting and building up its military potential; the support of Western countries will be constant and uninterrupted.

Management determined the following scenarios for modelling:

- Basic scenario. The military aggression and active hostilities will end in 2025; during this time, Ukraine will regain control of all the territories controlled before February 24, 2022; Ukrainians will gradually return to the country.

- Optimistic scenario. Ukraine wins by the end of 2025, regains control of all temporarily occupied territories and returns to the borders of 1991; Ukrainians will actively return to Ukraine. The country's rapid reconstruction will begin.

- Negative scenario. Active hostilities will continue and the enemy will make little progress in some areas of the frontline over the next 24 months; international support for Ukraine may decrease; intensive labor outflows will take place.

According to the Company's management, the negative scenario is unlikely to occur, so the forecasts for 2024 are based on the assumptions of the basic and optimistic scenarios.

Negative scenario

Given the high degree of uncertainty related to the development of hostilities, their results, intensity, impact on the population and businesses in the areas of hostilities, their intensification and transfer to other regions of Ukraine; or possible political and socio-economic consequences of military aggression and a significant reduction in international support for Ukraine, the Company's management is unable to assess and calculate all material consequences for the Company's operations as a result of the negative scenario.

Given the political, economic and military support of Ukraine from foreign partners, political and economic stability of Ukraine as at the date of approval of these financial statements, the Company's management believes that the implementation of the negative scenario is unlikely.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

Basic scenario

The key assumptions used in the basic scenario are as follows:

- No further advancement of russian troops into the territory of Ukraine and no further escalation of hostilities that could seriously affect the assets and operations of the Company.
- Stable supplies of petroleum products from European suppliers, no fuel shortages.
- Increased demand due to the resumption of operations of large enterprises.
- Restoration of infrastructure facilities due to costs of international programs.
- Reopening of filling stations in the de-occupied territories to meet the demand of the Ukrainian market.
- Ukraine controls the airspace over the entire territory of the country. Russia cannot use aviation inside our airspace, so a partial recovery of air traffic and demand for fuel for cargo directions is likely.

Almost 85% of the territories are under the control of our country, and these territories are functioning successfully, the agricultural sector is developing, and metallurgy is being restored. Under such circumstances, freedom of navigation at sea is guaranteed, leading to increased tax payments by businesses that increase production volumes. Using these assumptions, the Company will have the ability and sufficient commodity and financial resources to carry out its operations. In the basic scenario, the Company will not need external working capital financing. The basic scenario was developed based on the actual results of 2023.

Optimistic scenario

The key assumptions used in the optimistic scenario are the need for Ukraine to try breaking the frontline and achieving success in the Crimea direction, preferably, in 2024. This will change the mood inside russia and accumulate resources of Ukrainians. As a result:

- Ukraine will regain control of all territories and return to the borders of 1991.
- International support for Ukraine will only increase, and sanctions against russia will be increased.
- Continuous fuel supply, no shortages.
- Active return of Ukrainians and growing demand for petroleum products among the population.
- Reconstruction of hospitals, schools, kindergartens, critical infrastructure and industrial facilities, which will increase the need for fuel for companies involved in the country's recovery.
- Full reconstruction of destroyed and damaged filling stations.
- Partial resumption of air travel and demand for fuel for air travel, not only for cargo but also for passenger traffic.

The results of the modelling based on the optimistic scenario indicate that, given the growth in demand at the Ukrainian market and the absence of fuel shortages, the Company has sufficient economic resources to continue its operations in the near future.

The full extent of the impact of further development of the military aggression on the Company's operations is unknown, but it may be significant. At the same time, management notes that the development of events, duration and consequences of military aggression are subject to significant uncertainty, and the fact that, in addition to hostilities, the results of the Company's operations may be significantly affected by factors beyond the direct control of the Company's management and it has limited tools to mitigate such risks (bankruptcy and insolvency of market participants, changes in exchange rates, changes in the cost of goods and services due to inflation, etc.) therefore, the estimates and assumptions used by management to forecast the impact of military aggression on the financial position and operations of the Company may change significantly in the future due to possible changes in circumstances.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

While accepting the existence of material uncertainty relating to the consequences of a full-scale military aggression that may affect the Company's ability to continue as a going concern, and given the management's expectations set out in the forecast scenarios, management believes that it is appropriate to prepare the accompanying financial statements on the going concern basis. Therefore, it is assumed that the Company has neither the intention nor the need to liquidate or significantly reduce the scope of its activities.

Detailed information about the impact of the military aggression on the operating environment and activities of the Company is described in Note 2 "Operating environment in Ukraine".

In view of the foregoing, the financial statements have been prepared on a going concern basis, i.e. on the basis of management's belief that the Company will continue in business and operations for the next 12 months from the date of these financial statements.

Management is unable to predict all developments that could affect the economy as a whole and what effect they might have on the future financial position of the Company. Management believes it is taking all the measures necessary to support the sustainability and development of the Company.

The financial statements do not include any adjustments that might be necessary as a result of such uncertainty. Such adjustments will be disclosed when they become known and can be reasonably estimated.

However, the impact of this situation on the Company in the future cannot be predicted. The Company will continue to closely monitor the potential impact of these events and will take all possible measures to mitigate the possible consequences.

On June 08, 2022, a criminal proceeding was registered on the grounds of criminal offences under Art. 212 of the Criminal Code of Ukraine (intentional tax evasion) and Art. 209 of the Criminal Code of Ukraine (legalization of the proceeds from crime), which is being investigated by detectives of the Bureau of Economic Security of Ukraine under the procedural guidance of prosecutors of the Prosecutor General's Office. The proceedings are at the pre-trial investigation stage. As part of the pre-trial investigation, measures to ensure criminal proceedings in the form of arrest were taken: On 14.07.2022, for 100% of the share capital of the Company owned by AMIC Energy Management GmbH (Austria); on 03.08.2022, for a trademark (certificate No. 265078) and real estate owned by the Company.

All arrests were imposed without prohibition of use, so the Company has no restrictions on the daily operations of the filling stations and customer service. At the time of preparation of this report, the Company has not received any official calculations (agreed tax assessment notice, expert opinion, etc.) in the criminal proceedings regarding the taxes or other mandatory payments that the Company has evaded and the amount of such payments. In August 2023, the Company was included in the schedule of planned tax audits approved by the STS of Ukraine.

Scheduled on-site documentary inspection of CFI “AMIC UKRAINE” on compliance with the requirements of tax, currency and other legislation for the period from 01.04.2017 to 30.06.2023 and the correctness of accrual, calculation and payment of a single contribution to mandatory state social insurance for the period from 01.01.2011 to 30.06.2023, in accordance with the approved plan (list of issues), a documentary inspection was engaged in the period from October 5 to November 29, 2023. Based on the results of the tax audit, the controlling body drew up the “Act on the results of the planned on-site documentary inspection of the COMPANY WITH FOREIGN INVESTMENTS “AMIC UKRAINE” (EDRPOU code 30603572). According to the Inspection Act, referred to by the law enforcement body, based on the results of the tax audit, there were no violations by CFI “AMIC UKRAINE” regarding the financial and business operations. The Company believes that the criminal proceedings are baseless, the assumptions about tax and other violations are not documented. The Company carries out its activities in accordance with the requirements of the current legislation and is among the five largest taxpayers per 1 liter of fuel sold. The Company is one of the few oil trading companies that completely focuses on itself (one legal entity) the entire business of the network.

The Company is cooperating with the Bureau of Economic Security of Ukraine and the Prosecutor General's Office to establish the facts and close the criminal proceedings as soon as possible. The

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

conclusions of the Inspection Act, together with the evidence previously provided to the Economic Security Bureau of Ukraine, refute the assumptions being investigated as part of the criminal proceedings, and therefore, for the purpose of recording information about the circumstances that are important for the pre-trial investigation, as well as to ensure the completeness, comprehensiveness and objectivity of the latter, the Company is expected to conduct a review of the "Act on the results of the scheduled on-site documentary inspection of the COMPANY WITH FOREIGN INVESTMENTS "AMIC UKRAINE" by the authorized detectives of the Economic Security Bureau of Ukraine.

In accordance with the provisions of the Criminal Procedure Code of Ukraine, criminal proceedings may be closed at the pre-trial investigation stage without notifying any person of suspicion and without bringing charges.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements requires Management to make estimates and assumptions that affect the amounts presented in the financial statements. These assumptions are based on information known at the date of approval of the financial statements. Actual results may differ from such estimates. The main estimates for the financial statements relate to the assessment of the value and useful life of property, plant and equipment, intangible assets, credit risk assessment.

The following are the main assumptions for future developments and other major sources of inaccuracy of estimates at the reporting date, which carry a significant risk that the carrying amounts of assets and liabilities will be materially adjusted over the next financial year.

The useful life of property, plant and equipment

The Company estimates the remaining useful lives of property, plant and equipment at the end of each financial year (Note 8). The estimate of the useful life of an item of property, plant and equipment depends on Management's judgment based on experience with similar assets. In determining the useful life of an asset, Management considers the conditions of the expected use of the asset, the expected period of obsolescence, physical depreciation and operating conditions in which the asset will be operated. If expectations differ from previous estimates, changes are accounted for as changes in accounting estimates in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. Such estimates may have a material effect on the carrying amount of property, plant and equipment and on the amount of depreciation recognized in the statement of comprehensive income.

Impairment of property, plant and equipment and construction in progress

At each reporting date, the Company assesses whether there is any indication that the recoverable amount of property, plant and equipment has decreased below its carrying amount. Non-financial assets are reviewed for impairment whenever there is an indication that the carrying amount of such assets may not be recoverable. In determining the value in use of assets, Management should estimate the expected future cash flows or the cash-generating unit and select the appropriate discount rate to determine the present value of those cash flows.

Assessment of expected credit losses

The Company charges provisions for impairment of financial assets based on the probability of default and expected loss ratios. The Company uses professional judgment in making these assumptions and selecting source data to calculate impairment based on the Company's experience, current market conditions and future estimates at the end of each reporting period.

Current taxes

Ukrainian tax, currency and customs legislation is constantly interpreted and changed, especially after the russian full-scale invasion. In addition, the interpretation of tax legislation by the tax administration, which is applied to the operating activities of the Company, may not coincide with the interpretation of Management.

The tax reform in Ukraine has significantly changed the approaches to determining the amount of fines based on the results of tax audits and the grounds for holding taxpayers accountable. From now on, tax officials operate with such concepts as "intention" and "guilt" to impose a higher fine. Therefore, the Company should take care in advance of being in accordance with the "due diligence" principle when

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

conducting business activities in order to prevent unjustified additional tax liabilities, fines and penalties, which may be material. The customs and tax services have the right to review tax liabilities for the three calendar years preceding the year of the audit. Under certain circumstances, the inspection may cover longer periods. Management believes that as at December 31, 2023, its interpretation of the relevant legislation is appropriate, and it is likely that the tax, currency and customs positions of the Company can be approved. In addition, in 2022, no significant penalties were imposed on the Company by the controlling bodies for non-compliance with the current norms of Ukrainian legislation.

In addition, based on the results of the comprehensive tax audit for the period from 01.04.2017 to30.06.2023, no significant penalties were imposed on the Company by the controlling bodies for non-compliance with the current Ukrainian legislation or additional taxes were charged.

5. BASIC ACCOUNTING POLICIES

Foreign currency translation

Foreign currency transactions are initially recognized in the functional currency at the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. All differences are reflected in the statement of comprehensive income. Non-monetary assets and liabilities denominated in other currencies are stated at historical cost at the exchange rate in effect at the date of the original transaction. The hryvnia is not a convertible currency outside Ukraine. In Ukraine, official exchange rates are set daily by the National Bank of Ukraine (NBU). Market rates may differ from the official ones, but within a narrow corridor controlled by the NBU.

Official exchange rates set by the NBU and in which the Company conducts its main transactions:

Official NBU rate	**USD**	**EUR**
December 31, 2022	36.5686	38.9510
December 31, 2023	37.9824	42.2079

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Historical cost of PPE includes:

(a) the purchase price, including non-refundable import duties and taxes, net sales and other discounts;

(b) any costs that are directly related to bringing the asset to the location and condition allowing operation in the manner intended by the Company's management;

(c) the initial estimate of the costs of dismantling and removing an item of property and the restoration of the territory occupied at the site.

Deemed cost is the fair value of the property, plant and equipment, which was determined by a professional appraiser on the date of transition to IFRS.

The value of internally created assets includes the cost of materials, direct labor costs and an appropriate proportion of production overheads.

Capitalized costs include significant costs of upgrading and replacing parts of assets that increase their useful lives or improve their ability to generate revenue. Expenses for repairs and maintenance of property, plant and equipment that do not meet the above capitalization criteria are reflected in the statement of comprehensive income for the period in which they were incurred.

Borrowing costs that are directly attributable to the acquisition, construction or creation of property, plant and equipment, provided that their preparation for use or sale takes a long time, are capitalized as part of the value of the relevant property, plant and equipment.

The amount to be depreciated is the historical cost or deemed cost of an item of property, plant and equipment, less its liquidation value. Depreciation of property, plant and equipment is accrued using

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

the straight-line method based on the following expected useful lives of the related assets:

Group	Depreciation period
Land	Not depreciated
Buildings and structures	10-30 years
Machinery and equipment	5-25 years
Vehicles	10 years
Other PPE	3-15 years
Furniture, instruments and fixtures	5 years

An item of property, plant and equipment is derecognized when the asset is disposed of or when no future economic benefits are expected from its use or sale. Gains or losses on write-offs of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are included in the statement of comprehensive income in the year in which the asset is derecognized.

The residual value of property, plant and equipment, useful lives and depreciation methods are reviewed and adjusted as necessary at the end of each financial year.

Construction in progress is stated at cost, less accumulated impairment losses, and includes construction in progress and new equipment to be installed during the completion of construction. Depreciation is not charged until the completion of construction of such assets and their commissioning.

Investment property

Investment property is a property (land or a building, or a part of a building, or both) held by the owner or by the lessee as a right-of-use asset to earn rentals or for capital appreciation or both. An investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner-occupied property. IAS 16, Property, Plant and Equipment applies to owner-occupied property.

Initial assessment of investment property is carried out at its cost. Subsequently, investment property is stated at cost less accumulated depreciation and accumulated impairment losses.

When charging depreciation, the straight-line method is used. The depreciation charged is included in administrative and distribution costs depending on the use of the investment property. The useful life of investment property is the same as the useful life of property, plant and equipment and right-of-use assets.

Intangible assets

Intangible assets, acquired separately, are initially recognized at cost. After initial recognition, intangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. When intangible assets are sold or disposed of, their value and accumulated amortization are removed from the financial statements, and the gain or loss resulting from their disposal is recognized in the statement of comprehensive income. Amortization of intangible assets is accrued using the straight-line method over 3-5 years.

The carrying amount of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be fully recoverable.

The Company's intangible assets consist of software and software licenses.

Impairment of non-financial assets

At each reporting date, the Company determines whether there is any indication that the asset may be impaired. If any such indication exists, or if annual testing is required, the Company assesses the asset's estimated recoverable amount. The estimated recoverable amount of the asset is the higher of the fair value of the asset or cash-generating unit less costs to sell or the value in use of the asset. The estimated recoverable amount of the asset is determined for each individual asset if that asset generates cash inflows independently of other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is considered to have impaired and is written off to the recoverable amount. In determining the value in use, expected cash flows are discounted at the pre-tax discount rate that reflects current market assessments of the time value of money and the

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

risks specific to the asset. Different valuation techniques are used in determining fair value less costs to sell.

Management recognized separate units of the Company — filling stations and oil depots — as a cash generating unit to assess impairment.

An impairment loss for current activities is recognized in the statement of comprehensive income as part of those expense categories that correspond to the functions of the impaired asset.

At each reporting date, there is an assessment that a previously recognized impairment loss on an asset no longer exists or has impaired. If any such indication exists, the Company estimates the asset's recoverable amount. An impairment loss, recognized in prior periods, is adjusted only if the estimates used to determine the recoverable amount for the asset have changed since the last impairment loss was recognized. In this case, the carrying amount of the asset is increased to its recoverable amount. The increased carrying amount of an asset shall not exceed the carrying amount (net of depreciation) that would have been received if the impairment loss had not been recognized in prior years. The reversal of an impairment loss is recognized in the statement of comprehensive income.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement assumes that the sale of assets or transfer of a liability is made:

- whether on a principal market for such assets or liabilities;
- or when there is no principal market, at the most advantageous market for such assets and liabilities.

The Company should have access to the principal or the most advantageous market. Fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which data are available, sufficient for measuring fair value.

All assets and liabilities whose fair value is estimated or disclosed in the financial statements are classified as described below under the fair value hierarchy based on the lowest level inputs that are significant to the fair value measurement in general:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques, in which significant inputs for fair value measurement are inputs relating to lowest level hierarchy observable either directly or indirectly at the market;
- Level 3 — Valuation methods that use unobservable inputs that are relating to the lowest level of the hierarchy are not observable at the market.

When assets and liabilities are recognized in the financial statements on a periodic basis, the Company determines the transfer between levels of the hierarchy, re-analyzing the classification (based on the lowest level inputs that are significant for estimating fair value as a whole) at the end of each reporting period.

Financial instruments

Classification of financial assets

During the initial recognition of financial instruments, the Company classifies them and determines the model for further valuation.

Financial assets are classified as follows:

- financial assets at amortized cost;
- financial assets at fair value through other comprehensive income;

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

- financial assets at fair value through profit or loss.

A financial asset is measured at amortized cost only if it meets both of the following conditions and is not classified as at fair value through profit or loss:

- it is held within the framework of a business model aimed to hold assets for contractual cash flows, and
- its contractual terms provide for the occurrence of cash flows within the set time limits, which represent the payment of exclusively principal and interest (SPPI criterion) for the unpaid part of the principal amount.

The Company evaluates the purpose of the asset holding business model at the level of the financial instruments portfolio as it best reflects the way business is managed and information provided to Management.

In assessing whether the contractual cash flows are exclusively payments of principal and interest on the outstanding part of the principal ("SPPI" criterion), the Company analyzes the contractual terms of a financial instrument, namely whether a financial asset contains a contractual clause that may change the timing or amount of contractual cash flows so that the financial asset will not meet the relative requirement.

In 2022-2023, the Company had no financial assets measured at fair value.

Financial assets are reclassified prospectively only in case of changing the business model within which they are held. Such reclassification is reflected prospectively.

Classification of financial liabilities

Financial liabilities are measured at amortized cost, except for:

1) financial liabilities measured at fair value through profit/loss;

2) financial liabilities resulting when transfer of a financial asset is not in compliance with derecognition criteria or when the continuing involvement principle is applied;

3) financial guarantee contracts, aval, security.

Initial recognition and subsequent measurement of financial instruments

When the Company recognizes a financial instrument, it classifies it as subsequently measured at amortized cost and measures it, except trade receivables, at its fair value plus or less transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Transaction costs and commission income that are an integral part of the return on a financial instrument are recognized in the financial instrument and accounted for when calculating the effective interest rate for such a financial instrument.

At initial recognition, the Company assesses trade receivables at transaction price, which is the consideration to which the Company expects to be entitled in exchange for the transfer of promised goods or services to the buyer, excluding amounts received on behalf of third parties, if the trade receivable does not contain a significant financing component (when the contract payment dates give the buyer or seller significant benefits from the sale of products).

Impairment

The Company applies the impairment requirements of IFRS 9 to financial assets carried at amortized cost. The Company recognizes an allowance for expected credit losses on a financial asset carried at amortized cost for lease receivables under a contractual asset.

Allowances for expected credit losses are to be recognized in an amount equal to either expected credit losses for 12 months or expected credit losses over the lifetime of the instrument.

The Company applies a simplified approach and recognizes allowances for expected credit losses on receivables, contractual assets and receivables under lease agreements in an amount equal to expected credit losses over the lifetime of the instrument, regardless of whether there is a significant financing component.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

The estimation of expected credit losses reflects the difference between contractual cash flows in accordance with the contract terms and all cash flows that the Company expects to receive. Afterwards, the loss is discounted to the original effective interest rate of the asset.

The Company divided financial assets on the basis of general credit risk characteristics such as: type of a financial instrument, credit risk rating, type of debtor or issuer, dates of initial recognition of a financial asset, and applied historical interest on credit losses based on the Company's experience in respect of such losses adjusted for specific factors for debtors and general economic conditions, including projected macroeconomic information.

Derecognition and contract modification

Financial assets are derecognized whenever:

a) the rights to contractual cash flows of the financial asset contract expire;

b) the transfer of a financial asset meets the derecognition criteria;

c) the financial asset is written off against the provision.

The control of the transferred asset is not available if a party to whom the asset is transferred has the real ability to sell it to an unrelated third party and may sell it unilaterally without the need to impose additional restrictions on such transfer. If the control over a financial asset is not retained, such an asset is derecognized; otherwise, if the control over the financial asset is retained, it is recognized to an extent of the continuing involvement therein.

The difference between the carrying amount of a financial asset measured at derecognition date and the amount of consideration received (including the value of the new asset received less the liability amount) is recognized as income or expense from derecognition.

The financial liability or part thereof is derecognized if such liability is settled, canceled or expired. The difference between the carrying amount of repaid or transferred to another party financial liability (or part thereof) and the amount of the consideration paid is income/expense from derecognition.

Offsetting financial assets and liabilities

Financial assets and financial liabilities are offset and a related net amount is recognized in the Statement of financial position when, and only when, the Company has a legally enforceable right to set off and intends to settle on a net basis, or to sell the asset and settle the liability simultaneously. The Company has a legal right to set off, if this right does not depend on a future event and can be exercised in the ordinary course of business and in the event of default, insolvency or bankruptcy of an entity and all counterparties.

Write-off

The gross carrying amount of a financial instrument is written off against the provision charged after it is recognized as bad, the existence of the allowance for expected credit losses, and simultaneous fulfillment of other prerequisites defined by the requirements of the current legislation of Ukraine and the internal regulations of the Company.

Cash and cash equivalents

Cash and cash equivalents include bank accounts, cash on hand, cash in transit, short-term deposits with a contractual maturity of up to three months.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, less unpaid bank overdrafts.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories includes the cost of purchasing the goods, amounts of import duties, amounts of excise tax in connection with the purchase of goods, other expenses incurred in bringing the inventories to their present location and condition.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

The transportation costs for each type of goods to the first place of storage and bringing to current state are included in the cost.

The Company uses the FIFO method (first in - first out) to estimate the disposal of all stocks.

Net realizable value is based on the estimated selling price in the ordinary course of business, less all expected costs to sell.

Equity

Equity reflects the amount of excess of the Company's assets over its liabilities. It represents the total amount of assets that could potentially be distributed among the founders.

The main components of the Company's capital are:

- Equity,
- Additional capital,
- Retained earnings.

The authorized capital gives the right to a residual share in the Company's assets after deducting all its liabilities. Equity instruments issued by the Company are stated at the amount of receipts received, except for direct costs of issue.

Additional capital includes the amount of the discount on debt on loans from related parties.

Retained earnings are the profits received by the Company from the beginning of business activities less losses, dividends.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where all or part of the costs necessary to repay the obligation can be expected to be reimbursed by the other party, the reimbursement is not recognized until they are received.

Where the effect of the value of money over time is significant, the amount of collateral is determined by including projected cash flows using a discount rate that reflects the pre-tax rate and the current market value of money over time, as well as the risks associated with a particular liability. When discounting, an increase in the amount of collateral that reflects the effect of time is recognized as an interest expense.

Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements, but information about them is provided in the Notes, except when the probability of outflow of resources that contain economic benefits is insignificant.

Contingent assets are not recognized in the financial statements, but information about them is provided when economic benefits are probable.

Lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identifiable asset for a period in exchange for consideration.

For a contract that is, or contains, a lease, each lease component within the contract is accounted for as a lease separately from non-lease components of the contract, unless the practical expedient described below is used. As a practical expedient, the Company decided, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Company as a lessee

The Company does not apply the requirements for the recognition and measurement of lease to:

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

a) short-term lease (for up to 12 months); and

b) leases for which the underlying asset is of little value (the value of the new asset is less than the equivalent of EUR 5 thousand).

The Company recognizes lease payments associated with the lease as straight-line costs over the lease term.

Initial measurement of the right-of-use asset

At the commencement date, the Company measures the right-of-use asset at cost.

The cost of the right-of-use asset shall comprise:

a) the amount of the initial measurement of the lease liability;

b) any lease payments made at or before the commencement date, less any lease incentives received;

c) any initial direct costs incurred by the lessee; and

d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lease conditions.

Initial measurement of the lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are unpaid at that date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee uses the Company's incremental borrowing rate.

The incremental borrowing rate is the interest rate that the Company would have paid to borrow for a similar term and with similar provisioning of funds necessary to obtain an asset at a cost similar to the right-of-use asset in similar economic conditions.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

a) fixed payments (including in-substance fixed payments), less any lease incentives receivable.

b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

c) amounts expected to be payable by the lessee under residual value guarantees;

d) the price of the purchase option, if the lessee has reasonable assurance to use it; and

e) payments at the expense of fines for the lease termination, if the lease term reflects the lessor's feasibility to terminate the lease.

Variable lease payments that depend on an index or a rate include, for example, payments linked to a consumer price index, payments linked to a benchmark interest rate (such as LIBOR) or payments that vary to reflect changes in market rental rates.

Subsequent measurement of the right-of-use asset

After the commencement date, the Company measures the right-of-use asset applying a cost model:

a) less any accumulated depreciation and any accumulated impairment losses; and

b) adjusted for any remeasurement of the lease liability.

Depreciation is charged on a straight-line basis applying the requirements of IAS 16, *Property, Plant and Equipment*. The lessee shall depreciate the right-of-use asset from the lease commencement date

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

to the earlier of the following two dates: the end of the useful life of the asset and the end of the lease.

Subsequent measurement of the right-of-use asset

After the commencement date, the Company measures the right-of-use asset applying a cost model:

a) less any accumulated depreciation and any accumulated impairment losses; and

b) adjusted for any remeasurement of the lease liability.

Depreciation is charged on a straight-line basis applying the requirements of IAS 16 "*Property, Plant and Equipment*". The lessee shall depreciate the right-of-use asset from the lease commencement date to the earlier of the following two dates: the end of the useful life of the asset and the end of the lease.

Subsequent measurement of the lease liability

After the date of commencement of the lease, the Company shall revalue the carrying amount of the liability to reflect any revaluation or modification of the lease, or to reflect revised fixed lease payments.

After the date of commencement of the lease, the Company recognizes in profit or loss, unless these costs are included in the carrying amount of another asset, applying other relevant standards:

a) interest on the lease liability; and

b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

Reassessment of the lease liability

After the commencement date, the Company recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, then the Company shall recognize any remaining amount of the remeasurement in profit or loss.

A lessee remeasures the lease liability by discounting the revised lease payments using a revised discount rate, if either:

a) there is a change in the lease term. The Company determines the revised lease payments on the basis of the revised lease term; or

b) there is a change in the assessment of an option to purchase the underlying asset. The Company determines the revised lease payments to reflect the change in amounts payable under the purchase option.

Company as a lessor

The Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership of the underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards of ownership of the underlying asset.

The Company adds the initial direct costs incurred in concluding the operating lease to the carrying amount of the underlying asset and recognizes them as costs over the lease term on the same basis as the lease income.

The Company recognizes lease payments under operating leases as income on a straight-line basis or on any other systematic basis. The Company applies a different systematic basis if such a basis better reflects a model that reduces the benefits of using the underlying asset.

The Company recognizes the costs, including depreciation, incurred in obtaining rental income as an expense.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

Revenues

Revenue from contracts with customers

The Company recognizes revenue when (or as) it satisfies performance obligations by transferring the promised product or service (i.e., an asset) to the customer. The asset is transferred when (or as) the customer obtains control of such an asset.

Control over the asset means the ability to control its use and receive virtually all other associated benefits. Control includes the ability to prohibit other business entities from managing the use of the asset and receiving associated benefits. Benefits from the asset are potential cash flows (cash inflows or outflow of cash savings) that can be obtained directly or indirectly.

Sale of goods and services

Revenue from sale of goods and services is recognized when the Company sells the goods or services to the customer.

The Company considers whether there are other promises during the sale that are separate performance obligations for which part of the transaction price must be allocated (such as warranties, loyalty award credits of customers). In determining the price of a sales transaction, the Company considers the effects of a variable cost, the existence of significant financing components, non-cash compensations and consideration payable to the customer (if any).

Variable consideration

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which the entity is entitled in exchange for transferring the promised goods or services to a customer.

An amount of consideration can vary because of discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties or other similar items. The promised consideration can also vary if the Company’s entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. For example, an amount of consideration would be variable if either a product was sold with a right of return or a fixed amount is promised as a performance bonus on achievement of a specified milestone.

The Company includes in the transaction price some or all variable consideration only if it is highly probable that when the uncertainty associated with the variable consideration is basically resolved, there will be no significant reversal of the amount of recognized cumulative income.

Significant financing component

As a practical expedient, the Company needs not adjust the promised amount of consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Adjusting the promised amount of consideration to account for a significant financing component, the Company uses the discount rate that would be applied in a separate financing operation between an entity and its customer at contract inception. This rate will reflect the credit characteristics of a party receiving financing under the contract, as well as any collateral or security provided by the customer or the Company, including contractual assets transferred.

Loyalty program

A loyalty program is an opportunity for a customer to purchase additional goods or services for free or at reduced prices as a result of concluding a certain contract, buying a certain product or buying for a certain amount. In doing so, the buyer pays in advance for goods or services that will be received in the future. Accordingly, the seller recognizes revenue only after the transfer of these additional goods or services or after the expiration of the marketing promotion/offer. According to the Loyalty Program, bonus units (points) are accrued to the buyer for a certain volume of purchases. Bonus units provided under customer loyalty programs should be accounted for as a separate component of the sales

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

transaction that results in them and should be separately identified and reflected in the financial statements.

Presentation

A contractual asset is the entity's right to compensation in exchange for goods or services that the entity has transferred to the customer. If the Company transfers goods and services to a customer before the customer pays the consideration or before the due date, the amount of the contractual asset is recognized in the amount of the consideration received, which is contingent.

Accounts receivable are the Company's right to consideration, which is unconditional (for example, if only time is required for such compensation to be due).

A contractual obligation is an obligation to transfer goods or services to a customer for which the entity has received compensation (or is due) from the customer. If the customer pays compensation before the Company transfers the goods or services to the customer, the contractual obligation is recognized on due date or the date on which payment is due (whichever is earlier). A contractual obligation is recognized as income when the Company meets its contractual obligations.

Interest

Income is recognized when interest is accrued (considering the effective interest method).

Borrowing costs

The Company capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets as part of the value of the asset. Other borrowing costs are recognized as an expense as incurred.

Employee benefits

The Company makes current contributions to the State Pension Fund. Contributions are calculated as a certain percentage of the total amount of salary established by law. The Company has neither a legal nor a constructive obligation to make further contributions on wages. The liability for contributions arises together with the liability for wages. These contribution costs relate to the same period as the corresponding amount of wages.

The Company recognizes current provision for employee vacation payment in accordance with accruals that are required by law. The source of uncertainty regarding the amount of payments may be further changes in employee salaries at the time of the commencement of vacation, because they affect the amount of future payments. The Company assesses collateral based on the information available as of the date of the financial statements.

Income tax

Current income tax

Current tax assets and liabilities for the current and previous periods are measured at the value expected to be reimbursed by the tax authorities or paid to the tax authorities in accordance with Ukrainian tax law. The tax rates and tax laws, used to calculate this amount, are those that were enacted or substantively enacted at the reporting date. The income tax rate of 18% is used to calculate income tax.

Deferred income tax

Deferred income tax is determined using the balance sheet liability method applied to all temporary differences existing at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial statement purposes. Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where a deferred tax liability arises as a result of the initial recognition of goodwill or an asset or liability in a business transaction that is not a business combination and which at the time of the transaction affects neither accounting profit nor taxable profit or loss;
- taxable temporary differences related to investments in subsidiaries and associates if the

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

parent company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the near future.

Deferred tax assets are recognized for all non-taxable temporary differences and unused tax credits and tax losses carried forward if there is a possibility to obtain taxable profit for which a non-taxable temporary difference can be applied, as well as tax credit and unused tax losses, except when:

- a deferred tax asset relating to non-taxable temporary differences arises from the initial recognition of an asset or liability in a business transaction that is not a business combination and which at the time of the transaction affects neither accounting profit nor taxable profit or loss;
- taxable temporary differences related to investments in subsidiaries and associates of the Company, deferred tax assets are recognized only if it is probable that the temporary differences will be reversed in the near future and a taxable profit will be recognized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized previously deferred tax assets are revalued at the reporting date and are recognized when it is probable that future taxable profits will be available against which the deferred tax asset can be utilized.

Deferred tax assets and liabilities are determined at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on the tax rates (and tax laws) in effect at the reporting date. Deferred income tax relating to items of other comprehensive income or those recognized directly in equity is recognized in other comprehensive income or directly in equity, rather than in profit or loss.

Deferred tax assets and deferred tax liabilities are offset when there is a full legal right to credit current tax assets to current tax liabilities if they relate to income taxes charged by the same tax authority to the same entity.

Value added tax

Sales revenue, expenses and assets are recognized net of VAT. The net amount of VAT that can be reimbursed by the tax authorities or paid to the tax authorities is included in receivables or payables in the statement of financial position.

6. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

New and revised standards and interpretations to be applied by the Company

In general, the accounting policies correspond to those applied in the previous reporting year. Some new standards and interpretations became mandatory on or after January 01, 2023. The information on new and revised standards and interpretations is as follows.

IFRS 17 Insurance Contracts

IFRS 17 replaces IFRS 4 and introduces an internationally agreed approach to accounting of insurance contracts. Prior to the introduction of IFRS 17, there was a significant diversity around the world in the accounting and disclosure of insurance contracts, due to IFRS 4 allowing many of the previous approaches to accounting of insurance contracts.

As IFRS 17 applies to all insurance contracts issued by an entity (but for limited exceptions to its scope), its adoption may affect non-insurers. The Company assessed its contracts and operations and concluded that the transition to IFRS 17 did not affect the Company’s financial statements.

Amendments to IAS 1 and Practical recommendations No. 2 on the application of IFRS - Disclosure of information about accounting policies

The amendments are aimed at making disclosures of accounting policies more informative by replacing the requirement to disclose information about “material accounting policies” with “material information about accounting policies.” The amendments also provide guidance on the circumstances

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

under which the accounting policy information may be considered material and, therefore, require disclosure. These changes do not affect the assessment or recognition of any items in the financial statements of the Company but affect the disclosure of information about its accounting policies.

Amendments to IAS 8 - Definition of Accounting Estimates

The amendments to IAS 8 added the definition of accounting estimates and clarify that the effects of changes in the estimation of inputs and applied estimation techniques are considered changes in accounting estimates unless they are the result of correcting errors of the previous period. These changes clarify how entities distinguish changes in accounting estimates, changes in accounting policies, and errors of the previous period.

These changes did not affect the Company's financial statements.

Deferred tax related to assets and liabilities arising from a single transaction - amendments to IAS 12

The amendments clarify that the relief from initial recognition does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise during the initial recognition (e.g., leases, decommissioning obligations). These amendments did not have a material impact on the Company's financial statements.

Amendments to IAS 12, Income Tax - Temporary relief from accounting of deferred taxes in connection with the international tax reform of the OECD

In December 2021, the Organization for Economic Co-operation and Development (OECD) released a draft legislative framework for a global minimum tax that is expected to be used by individual jurisdictions. The goal of the project is to reduce the transfer of profits from one jurisdiction to another in order to reduce global tax liabilities in corporate structures.

In March 2022, the OECD released detailed technical guide on Pillar II of the tax reform regulations. Users of financial statements have raised concerns with the IFRS Board about the potential implications for income tax accounting, particularly for deferred tax accounting, arising from Pillar II of the regulations. In response to these requests, on May 23, 2023, the IFRS Council published amendments to IAS 12.

The amendments introduce a mandatory exception for entities from the recognition and disclosure of deferred tax assets and liabilities related to the standard regulations of the second component. The exception comes into effect immediately and retroactively. The amendments also provide additional disclosure requirements regarding an entity's susceptibility to income tax under the regulations of the second level tax reforms. These amendments are not applicable to the Company.

IFRS and Interpretations not yet effected

The Company did not apply the following IFRS and Interpretations to IFRS and IAS, changes and amendments to them, which were published but did not become effective. The Company plans to apply these changes from the date of their entry into force.

Amendments to IAS 1 Presentation of Financial Statements — Classifying Liabilities as Current and Non-current

The amendments specify that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must be substantive and must exist at the end of the reporting period. The classification of a liability is not affected by the likelihood that an entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period.

The amendments are effective for periods beginning on or after January 01, 2024. The amendments are to be applied retrospectively, with early adoption permitted. The amendments may have an impact on the classification of liabilities in the Company's statement of financial position.

Amendments to IAS 1 Presentation of Financial Statements — Non-current Liabilities with Covenants

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

After the publication of the amendments to IAS 1 on the classification of liabilities as current or non-current, the IASB made additional amendments to IAS 1 in October 2022. Under these amendments, only covenants that an entity must comply with at or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity is required to provide disclosures in notes that enable users of financial statements to understand the risk that non-current covenant liabilities may be settled within twelve months.

The amendments are effective for annual periods beginning on or after January 1, 2024. The amendments are to be applied retrospectively, with early adoption permitted. The amendments may have an impact on the classification of liabilities in the Company's statement of financial position.

Amendments to IFRS 16 Leases — Lease Liability in a Sale and Leaseback

In June 2020, the IFRS Interpretations Committee adopted an agenda decision on "Sales and leaseback with variable payments". This issue was referred to the IASB, which issued amendments to IFRS 16 in September 2022. The amendments require a seller-lessee to define "lease payments" or "revised lease payments" in such a way that the seller-lessee does not recognize any amount of gain or loss related to the right of use retained by the seller-lessee.

The amendments are effective for annual periods beginning on or after January 01, 2024. Early adoption is permitted. These amendments are not expected to have a material impact on the Company's financial statements.

Amendments to IAS 7, Statement of Cash Flows, and IFRS 7 Financial Instruments: Disclosure - disclosure of supplier financing mechanisms

In May 2023, the IFRS Council published amendments to IAS 7, Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier financing agreements and the need for additional disclosure of such agreements. The disclosure requirements are intended to help users of financial statements understand the impact of supplier financing arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

The amendments will be applied for annual reporting periods beginning on or after January 1, 2024, with early adoption permitted. It is expected that the changes will not have a significant impact on the Company’s financial statements.

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates - Accounting under conditions of impossibility of exchange.

On August 15, 2023, the IFRS Council published amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates – “Lack of Exchangeability”.

These amendments will require companies to use a consistent approach in assessing whether a currency can be exchanged with another currency and, when it is not possible, in determining the exchange rate to be used and the disclosure requirements.

The amendments are applied for annual reporting periods beginning on or after January 1, 2025, with early adoption permitted.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28, Investments in Associates and Joint Ventures - Sale or contribution of assets between an investor and an associate or joint venture.

The amendments address the conflict between IFRS 10 and IAS 28, in terms of accounting of the loss of control over a subsidiary that is sold to or contributed to an associate or joint venture. The amendments clarify that gains or losses arising from the sale or contribution of assets that constitute a business, as defined in IFRS 3, in an arrangement between an investor and its associate or joint venture, are recognized in full. However, gains or losses, arising from the sale or contribution of non-business assets, are recognized only to the extent of the interests held by others than the investor’s company in the associate or joint venture. The IFRS Board has postponed the adoption date of this amendment indefinitely, but early adoption is permitted prospectively.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

4. INTANGIBLE ASSETS

Intangible assets of the Company consist of software. The carrying amount of intangible assets for the year ended December 31, 2023 has changed as follows:

Initial cost:	
As at December 31, 2021	**13 656**
Additions	**127**
Disposals	**(1 208)**
As at December 31, 2022	**12 575**
Additions	**2 681**
Disposals	**(829)**
As at December 31, 2023	**14 427**
Accumulated depreciation and impairment	
As at January 01, 2021	**(9 126)**
Depreciation charges	**(1 690)**
Impairment	**(19)**
Disposals	**1 208**
As at December 31, 2022	**(9 627)**
Depreciation charges	**(1 889)**
Disposals	**829**
As at December 31, 2023	**(10 687)**
Residual value:	
As at December 31, 2021	**4 530**
As at December 31, 2022	**2 948**
As at December 31, 2023	**3 740**

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

	December 31, 2023	December 31, 2022
Residual value of property, plant and equipment	1 360 955	1 399 652
Construction in progress	8 746	12 031
	1 369 701	**1 411 683**

Changes in property, plant and equipment for the year ended December 31, 2023 and December 31, 2022 were as follows:

	Land	Buildings, facilities	Machines and equipment	Vehicles	Other	Construction in progress	Total
Cost:							
As at December 31, 2021	**352 521**	**1 415 932**	**421 567**	**9 431**	**59 656**	**13 924**	**2 273 031**
Additions	-	34 893	16 011	5 056	2 031	-	**57 991**
Acquisition of a subsidiary		643					**643**
Disposals	-	(36 140)	(10 473)	(560)	(771)	**(1 893)**	**(49 837)**
As at December 31, 2022	**352 521**	**1 415 328**	**427 105**	**13 927**	**60 916**	**12 031**	**2 281 828**
Additions	-	**69 123**	**60 093**	**174**	**3 503**		**132 893**
Disposals	-	**(16)**	**(2 762)**	**0**	**(135)**	**(3 285)**	**(6 198)**
As at December 31, 2023	**352 521**	**1 484 435**	**484 436**	**14 101**	**64 284**	**8 746**	**2 408 523**
Accumulated depreciation and impairment							
As at December 31, 2021	**-**	**(399 896)**	**(192 462)**	**(3 388)**	**(22 015)**	**-**	**(617 761)**
Accruals	-	(112 585)	(46 036)	(1 391)	(10 095)	-	**(170 107)**
Impairment	**(3 912)**	(73 306)	(18 834)	(274)	(3 169)	-	**(99 495)**
Addition of depreciation of a subsidiary		(546)					**(546)**
Disposals		10 065	6 753	488	458	-	**17 764**
As at December 31, 2022	**(3 912)**	**(576 268)**	**(250 579)**	**(4 565)**	**(34 821)**	**-**	**(870 145)**
Accruals	-	(112 846)	(48 036)	(1 240)	(9 460)	-	**(171 582)**
Disposals		16	2 756		133	-	**2 905**
As at December 31, 2023	**(3 912)**	**(689 098)**	**(295 859)**	**(5 805)**	**(44 148)**	**0**	**(1 038 822)**
Residual value:							
As at December 31, 2021	**352 521**	**1 016 036**	**229 105**	**6 043**	**37 641**	**13 924**	**1 655 270**
As at December 31, 2022	**348 609**	**839 060**	**176 526**	**9 362**	**26 095**	**12 031**	**1 411 683**
As at December 31, 2023	**348 609**	**795 337**	**188 577**	**8 296**	**20 136**	**8 746**	**1 369 701**

The item "Property, plant and equipment" includes fully depreciated property, plant and equipment that remain in operation. The initial cost of such property, plant and equipment as of December 31,

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

2023 is amounted to UAH 195 255 thousand, as of December 31, 2022 — UAH 110 610 thousand.

6. Investment property

The Company subleases part of the office space, which it leases and accounts for in accordance with IFRS 16 Leases. According to the office space plan, the Company independently operates 50% of the area, and subleases 50% of the area to several subtenants. The right-of-use assets of this part of the office space are reflected as investment property.

The carrying amount of the investment property for the year ended December 31, 2023 and December 31, 2022 has changed as follows:

	Rights to use the leased object	Total
Cost:		
As at December 31, 2021	**22 386**	**22 386**
Additions		
Disposals	-	-
As at December 31, 2022	**22 386**	**22 386**
Additions	8 594	8 594
Disposals	-	-
As at December 31, 2023	**30 980**	**30 980**
Accumulated depreciation and impairment		
As at December 31, 2021	**(14 924)**	**(14 924)**
Depreciation charges	(3 731)	(3 731)
Disposals	-	-
As at December 31, 2022	**(18 655)**	**(18 655)**
Depreciation charges	(2 776)	(2 776)
Disposals	398	398
As at December 31, 2023	**(21 033)**	**(21 033)**
Residual value:		
As at December 31, 2021	**7 462**	**7 462**
As at December 31, 2022	**3 731**	**3 731**
As at December 31, 2023	**9 947**	**9 947**

Investment property rental income is included in other operating income. Information on income and expenses related to investment property is presented as follows:

	2023	**2022**
Rental income	10 001	10 638
Direct expenses recognized due to maintenance of investment property that generates rental income during the reporting year	2 776	3 731

7. Long-term financial investments

As of the beginning of 2022, the Company had investments in the share capital of companies-residents in Ukraine.

The Company owned 99.9% of the registered capital of Amic Avia Oil LLC and the Company also owned 99.9% of the registered capital of Amic Aviation Ukraine LLC.

On September 14, 2021, the general meeting of participants of Amic Avia Oil LLC decided to terminate this Company by reorganization and merger with and into CFI AMIC UKRAINE. Participants of the meeting also appointed the chairman and members of the reorganization commission of Amic Avia Oil LLC, the place of work of the reorganization commission and the procedure and deadline for lenders to submit their claims.

On December 15, 2021, the general meeting of participants of Amic Aviation Ukraine LLC decided to terminate this company by reorganization and accession to CFI AMIC UKRAINE. Participants of the meeting also appointed the chairman and members of the reorganization commission of Amic Aviation Ukraine LLC, the place of work of the reorganization commission and the procedure and deadline for lenders to submit their claims.

During 2022, subsidiaries were merged into CFI AMIC Ukraine.

On February 16, 2022, the Transfer Act of balance sheet accounts, valuables and assets from AMIC AVIA OIL LLC to the successor of CFI AMIC Ukraine was drawn up. The total amount of assets merged is UAH

(in thousands of UAH)

7,295 thousand. The major asset items are “Accounts receivable” in the amount of UAH 4,171 thousand and “Receivables from settlements with the budget” in the amount of UAH 3,045 thousand.

On July 21, 2022, the Transfer Act of balance sheet accounts, valuables and assets from AMIC AVIATION UKRAINE LLC to the successor of CFI AMIC UKRAINE was drawn up. The total amount of the merged assets is UAH 8,419 thousand. On 15.11.2022, after the tax audit, amendments were made to the Transfer Act of balance sheet accounts, valuables and assets from AMIC AVIATION UKRAINE LLC to the successor of CFI AMIC UKRAINE. The total amount of assets merged is UAH 6,668 thousand. The major item is “Receivables from settlements with the budget” in the amount of UAH 6,523 thousand.

During 2022:

- in respect of the investment in Amic Avia Oil LLC neither income from equity participation nor impairment losses on financial investments were recognized, the investment in the amount of UAH 4,342 was written off to retained profit/loss on the acquisition.
- in respect of the investment in Amic Aviation Ukraine LLC neither income from equity participation nor impairment losses on financial investments were recognized, as the carrying amount of the investment as at 01.01.2022 is zero.

8. RIGHT-OF-USE ASSETS

As of December 31, 2023 and December 31, 2022:

- Right-of-use assets were recognized and presented separately in the statement of financial position;
- Additional lease liabilities were recognized, which were included in “Other long-term liabilities” and “Current accounts payable for long-term liabilities”.

In its economic activity, the Company acts as a lessee of 1 filling station, office premise, filling station area, including long-term lease agreements. In accordance with IFRS 16 Leases, the Company calculates and recognizes right-of-use assets, and lease liabilities (Note 20).

Information on changes in right-of-use assets for the year ended December 31, 2023 is as follows:

	Land	Buildings, structures	Total
Initial cost:			
As at December 31, 2021	**1 140**	**22 693**	**23 833**
Additions	-	17 187	17 187
Disposals	-	(307)	(307)
As at December 31, 2022	**1 140**	**39 573**	**40 713**
Additions	727	-	727
Disposals	-	(8 593)	(8 593)
As at December 31, 2023	**1 867**	**30 980**	**32 847**
Accumulated depreciation			
As at December 31, 2021	**(697)**	**(15 043)**	**(15 740)**
Depreciation charges	(212)	(3 731)	**(3 943)**
Disposals	-	119	**119**
As at December 31, 2022	**(909)**	**(18 655)**	**(19 564)**
Depreciation charges	(225)	(2 776)	**(3 001)**
Disposals		398	**398**
As at December 31, 2023	**(1 134)**	**(21 033)**	**(22 167)**
Residual value:			
As at December 31, 2021	**443**	**7 650**	**8 093**
As at December 31, 2022	**231**	**20 918**	**21 149**
As at December 31, 2023	**733**	**9 947**	**10 680**

Expenses under lease agreements for 2023 are as follows:

	2023	**2022**
Interest expense, included in financial expenses	3 581	2 981
Accrued depreciation for the year	3 001	3 943
Short-term lease costs	3 654	4 366
Cost of low-cost lease	7 902	6 750
Variable lease payments recognized as expense	39 839	25 123

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

Information on lease liabilities is disclosed in Note 20.

The Company has applied the approach, described below, for leases of state and communal land.

The Company scrutinized the agreements and concluded on the following. The rent is set as a percentage of the normative monetary valuation of the land plot (NMVL). The amount of rent for state-owned land plots is calculated considering their purpose, indexation coefficients and inflation indices defined by law. The range of applicable rates is determined by the Tax Code of Ukraine. Local authorities can choose any rate from the permitted range at their own discretion. The rate chosen for the calculation of rents is fixed in the relevant agreement with local authorities and can be changed not only due to market factors. NMVL may not always be the market value of land.

NMVL is subject to periodic revaluations by the state institutions. However, their data do not always correspond to market indicators, as, according to the law, the minimum renewal period for NMVL is 7-10 years for non-agricultural lands. In practice, the state institutions may not update NMVL for several years, even in conditions of significant fluctuations in the land market.

NMVL is calculated using the norms of rental income, capitalization and profitability ratios set by the state institutions in the relevant methodologies. The frequency and significance of changes in these methodologies remain at the discretion of the government bodies and may not always reflect real fluctuations in the land market.

Factoring in the aforesaid, land lease payments may rather be a mechanism by which state bodies achieve their goals in the budget, socio-economic status and regional development. Usually, it is the state bodies that have the power to change the amount of rent payments. Moreover, cadastral data may not be updated often enough, data from state bodies may not be in line with market indicators, and even if NMVL approaches the real market value of the land, the percentage of rent applied to NMVL may not always correspond with market ones. Accordingly, it is seen that such lease payments should be considered as variable payments that do not depend on an index or a rate, i.e., do not reflect changes in market rental rates.

As such, land lease payments are not variable depending on an index/a rate within the requirements of IFRS 16 Leases, under the legislation of Ukraine; therefore, such payment is subject to exclusion from the calculation of lease liabilities. A lease liability and/or a right-of-use asset are not recognized, but the Company recognizes related contractual payments as part of operating expenses for the period to which they relate, according to the classification provided for in the Company's accounting policies.

9. INVENTORIES

Information on the carrying amount of inventories is provided below:

	December 31, 2023	December 31, 2022
Goods in stock	662 966	777 939
Including		
Petroleum products at oil depots and storage warehouses	*196 014*	*333 284*
Petroleum products at the filling station	*364 035*	*359 682*
Non-fuel products in filling station stores	*102 917*	*84 973*
Production inventories	*7 313*	*7 768*
	670 279	**785 707**

In 2023, shortages of oil products in the amount of UAH 20 887 thousand and related goods in the amount of UAH 9 514 thousand (2022: shortages of petroleum products in the amount of UAH 107 910 thousand and related goods in the amount of UAH 12 752 thousand, including the results of losses due to the russian aggression were written off).

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

10. ACCOUNTS RECEIVABLE FOR GOODS, WORKS, SERVICES AND OTHER RECEIVABLES

Information on the carrying amount of receivables for goods, works, services and other receivables is as follows:

	December 31, 2023	December 31, 2022
Receivables for goods, works and services, including	59 925	36 011
Receivables for goods, works and services	*60 987*	*37 122*
Expected credit losses on receivables for goods, works and services	*(1 062)*	*(1 111)*
Other current receivables, including	3 197	3 410
Other current receivables	*9 757*	*8 403*
Expected credit losses on other receivables	*(6 560)*	*(4 993)*
Total receivables for goods, works, services and other receivables	**63 122**	**39 421**

Receivables for goods, works and services by maturity dates as of December 31, 2023, December 31, 2022 are as follows:

	December 31, 2023			
	Total cost	Expected credit losses	Total	Expected credit loss ratio
Not overdue	34 510	-	34 510	-
Deferred payment up to 30 days	23 854	-	23 854	-
Deferred payment up to 31-180 days	1 067	-	1 067	-
Delayed payment up to 181-360 days	340		340	
Delayed payment for more than 1 year	1 216	(1 062)	154	0.87
TOTAL	**60 987**	**(1 062)**	**59 925**	**0.02**

	December 31, 2022			
	Total cost	Expected credit losses	Total	Expected credit loss ratio
Not overdue	29 939	-	29 939	-
Deferred payment up to 30 days	143	-	143	-
Deferred payment up to 31-180 days	1 027	-	1 027	-
Delayed payment up to 181-360 days	5 781	(954)	4 827	0.165
Delayed payment for more than 1 year	232	(157)	75	0.678
TOTAL	**37 122**	**(1 111)**	**36 011**	**0.03**

Changes in the allowance for expected credit losses on accounts receivable and advances issued were as follows:

	Accounts receivable for goods, works, services	Other accounts receivable	Total
As at December 31, 2021	**198**	4 750	**4 948**
Loss from impairment of receivables	944	243	1 187
Receivables written off against the allowance	(31)	-	(31)
As at December 31, 2022	**1 111**	4 993	**6 104**
Loss from impairment of receivables	113	1 567	1 680
Receivables written off against the allowance	(162)	-	(162)
As at December 31, 2023	**1 062**	6 560	**7 622**

11. ACCOUNTS RECEIVABLE ON ADVANCES MADE

	December 31, 2023	December 31, 2022
Receivables on advances made for:		
Petroleum products	300 194	155 883
Services for purchase of petroleum products	57 679	13 685
Other	9 059	77 402
Expected credit losses on petroleum products	(104 378)	(104 378)
	262 554	**142 592**

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

12. Receivables from budget

	December 31, 2023	December 31, 2022
Receivables from budget:		
VAT	1 023	36 886
Income tax	307	307
Other taxes	4	5 087
	1 334	**42 280**

13. Cash and cash equivalents

As at December 31, 2022 and December 31, 2021 cash and cash equivalents included:

	December 31, 2023	December 31, 2022
Cash on hand	14 918	14 475
Cash in bank	217 386	181 169
Cash in transit	25 147	26 001
	257 451	**221 645**

Cash in transit is the collected revenue of the filling station, which is not credited to the current account of the Company on the same day.

Currencies of cash and cash equivalents are stated below:

	December 31, 2023	December 31, 2022
UAH	257 426	221 637
USD	-	-
EUR	25	8
	257 451	**221 645**

14. Other current assets

Information on the carrying value of other current assets is given below:

	December 31, 2023	December 31, 2022
VAT paid at customs – tax credit for the next period	13 130	1 221

15. Capital

Authorized capital

As at December 31, 2023 and December 31, 2022, the registered authorized capital of the Company amounted to UAH 51 931 thousand. The authorized capital is paid in full.

Information on the distribution of shares in the authorized capital is given below:

Participant	December 31, 2023		December 31, 2022	
	%	Amount	%	Amount
AMIC ENERGY MANAGEMENT Gmbh	100,00%	51 931	100,00%	51 931

The Company neither accrued nor paid dividends in 2023 and 2022.

Additional capital

The Company has additional capital formed by recognizing loans from the company of AMIC ENERGY MANAGEMENT GmbH at fair value at the recognition date, subject to subsequent modifications to the terms of the agreement. The amount of additional capital so recognized as at December 31, 2023 is UAH 3 834 176 thousand (as at December 31, 2022: UAH 2 350 693 thousand).

On 28.04.2023 an additional loan agreement was signed 12/1 dated 19.01.2012 in which the debt repayment in the amount of USD 239 361 thousand was postponed to 20.12.2026. In this regard, a discount in the amount of UAH 1 046 138 thousand was accrued.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

On 29.05.2023 an additional loan agreement was signed 11/18 dated 21.11.2011 in which the debt repayment in the amount of USD 101 300 thousand was postponed to 20.12.2026. In this regard, a discount in the amount of UAH 437 345 thousand was accrued.

On 01.06.2023 an additional loan agreement was signed 15/1 dated 08.12.2015, according to which the contract was extended until 30.11.2024.

Accumulated loss

The amount of uncovered loss as at December 31, 2023 is UAH 12 820 179 thousand (as at December 31, 2022: UAH 11 801 759 thousand).

According to the Charter, decisions on the directions and procedure for the use of the Company's profit are made by the owner based on the results of the reporting year. Accumulated loss presented herein includes the results of adjustments in accordance with IFRS at the date of first-time adoption.

16. Interest-bearing loans and borrowings

As at December 31, 2023 interest-bearing loans and borrowings included:

	Currency	Rate 2022/2023	Maturity date	December 31, 2023	December 31, 2022
Long-term					
Fixed interest rate					
AMIC Energy Management GmbH	USD	0%	20.12.2026	9 091 501	8 753 092
AMIC Energy Management GmbH	USD	0%	20.12.2026	3 847 617	3 704 399
AMIC Energy Management GmbH	USD	1,50%	20.12.2024	-	73 137
Less: current part of long-term interest loans and borrowings	USD		20.12.2024	-	(2 925 488)
Accrued discount	USD			(1 899 886)	(593 691)
				11 039 232	**9 011 449**
Current					
Current part of loans of AMIC Energy Management GmbH	USD	0%	20.12.2023	-	2 925 488
Current loan of AMIC Energy Management GmbH	USD	1,50%	20.12.2024	75 965	
Liabilities on accrued interest on loans and borrowings	USD			23 861	21 861
Accrued discount	USD			(2 016)	(364 979)
				97 810	**2 582 370**
Total liabilities on interest-being loans and borrowings				**11 137 042**	**11 593 819**

An additional agreement to the agreement 12/1 dated 19.01.2012 was signed on 28.04.2023 with AMIC Energy Management GmbH, which provides for maturity of the loan on 20.12.2026.

An additional agreement to the agreement 11/18 dated 21.11.2011 was signed on 29.05.2023 with AMIC Energy Management GmbH, which provides for maturity of the loan on 20.12.2026.

17. Lease liabilities

Lease liabilities are discounted cash flows under long-term leases. As at 31.12.2023 the Company has lease liabilities to legal entities in respect of leases for office premise and filling station area.

	December 31, 2023	December 31, 2022
Lease liabilities	27 083	32 076
Less short-term lease liabilities	(6 327)	(5 720)
Long-term lease liabilities	**20 756**	**26 356**

In 2023 interest accrued on liabilities under lease agreements in the amount of UAH 3 581 thousand (2022: UAH 2 981 thousand) was recognized as a financial expense in the statement of comprehensive

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

income (Note 32). Information on the maturities of contractual lease liabilities is disclosed in Note 36.

18. Trade payables

Current payables for goods, works, services as at December 31, consist of debt:

	December 31, 2023	December 31, 2022
Settlements with domestic suppliers	119 671	179 350
Settlements with foreign suppliers	19 184	9 851
	138 855	**189 201**

Terms of purchase of goods and services and payment for purchases did not change significantly 2023 and 2022. Trade payables are interest-free and are usually repaid within 30 days.

19. Current accounts payable

Other current accounts payable for goods, works and services as at December 31, 2022 consist of debt:

	December 31, 2023	December 31, 2022
Accounts payable on settlements with budget, including	5 675	1 752
Excise tax	254	319
Individual income tax	2 548	1 221
VAT	2 873	212
Accounts payable from insurance	3 325	2 443
Accounts payable from remuneration of labor	13 908	11 731
Accounts payable on advances received	83 511	74 902
	106 419	**90 828**

The item “Accounts payable on advances received” reflects liabilities on contracts with customers; the amount of such liabilities as of December 31, 2023 is UAH 83 511 thousand (as of December 31, 2022 – UAH 74 902 thousand). The Company's liabilities under contracts with customers are short-term; as such, all advances received on January 01, 2023 and January 01, 2022 were reflected in 2023 and 2022 revenue.

20. Current provisions

Current provisions as at December 31, 2023 consist of the following:

	December 31, 2023	December 31, 2022
Current provisions for vacation pay	38 629	30 435
Current provisions for annual premium	24 165	21 970
Current provisions for retirement benefits	3 944	3 468
Current provisions for litigation	892	4 228
Provisions for promotional activity “Nezlamna Kava”	9 076	-
Provisions for promotional activity “MAVIC from AMIC”	11 409	-
Provisions for fines and sanctions	1 539	
Current provisions for asset impairment	23 775	20 632
	113 429	**80 733**

21. Other current liabilities

Other current liabilities as at December 31, consist of:

	December 31, 2023	December 31, 2022
Short-term loans	73 949	-
Interest payable	23 861	21 861
Other	3 495	17 139
	101 305	**39 000**

Additional information about the loans received is in the Note 19.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

22. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following is information on monetary and non-monetary changes in liabilities arising from financial activities.

	Liabilities for short-term interest loans and borrowings	Liabilities for long-term interest loans and borrowings	Long-term part of obligations under lease agreements	Current part of long-term lease obligations	Total financial liabilities
December 31, 2021	**-**	**8 497 508**	**10 592**	**9 159**	**8 517 259**
Cash flows:					
additions	-	-	-	-	**-**
repayment	-	-	-	(7 541)	**(7 541)**
Payment of interest	-	-	-	-	**-**
Non-cash transactions:					
additions		66 795	17 188		**83 983**
Reclassification	2 560 509	(2 560 509)	(1 225)	1 225	**-**
Change in exchange rates	-	2 880 746	-	-	**2 880 746**
Accrued interest	-	500	-	2 981	**3 481**
Debt forgiveness	-	-	-	-	**-**
Accrual of discount	-	(354 132)	-	-	**(354 132)**
Write off of discount	-	-	-	-	**-**
Discount amortization	-	502 402	-	-	**502 402**
Return	-	-	(188)	-	**(188)**
Revenue	-	-	(11)	(104)	**(115)**
December 31, 2022	2 560 509	**9 033 310**	**26 356**	**5 720**	**11 625 895**
Cash flows:					
additions	-	-	-	-	**-**
repayment	-	-	-	(9 228)	**(9 228)**
Payment of interest	-	-	-	-	**-**
Non-cash transactions:					
additions		-	727		**727**
Reclassification	(2 462 699)	2 462 699	(6 327)	6 327	**-**
Change in exchange rates	-	412 973	-	-	**412 973**
Accrued interest	-	1 115	-	3 581	**4 696**
Debt forgiveness	-	-	-	-	**-**
Accrual of discount	-	(1 483 483)	-	-	**(1 483 483)**
Write off of discount	-	-	-	-	**-**
Discount amortization	-	612 618	-	-	**612 618**
Return	-	-	-	-	**-**
Revenue	-	-	-	(73)	**(73)**
December 31, 2023	97 810	**11 039 232**	**20 756**	**6 327**	**11 164 125**

23. SALES REVENUE

Sales revenue for the year ended December 31 included the following:

	2023	**2022**
Sale of goods	9 561 504	8 481 852
Services provided	34 913	20 433
	9 596 417	**8 502 285**

Revenues from sales of goods can be represented as follows:

	2023	**2022**
Retail sale of petroleum products	8 405 630	6 954 464
Wholesale of aviation fuel and petroleum products	41 404	794 022
Retail sale of non-combustible goods	1 114 470	733 366
	9 561 504	**8 481 852**

The Company sells petroleum products as follows:

- retail for cash and non-cash account (bank cards, permit forms, Amic cards, cards of other issuers);
- big batch (railway tanks);
- small batch (tank trucks) from their own oil depots and warehouses.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

On February 24, 2022, by the Decree of the President of Ukraine No. 64/2022/2022-02-24 “On the Introduction of Martial Law in Ukraine”, martial law was introduced in Ukraine. In its turn, starting from 2.45 a.m. Kyiv time, the JCMS of Ukraine (UkSATSE), in accordance with the requirements of the Air Code of Ukraine and the Regulations on the Use of Airspace of Ukraine, took urgent measures to close the airspace of Ukraine to civilian air traffic users. The provision of air traffic services to civilian users of Ukrainian airspace was suspended.

Business entities engaged in airport activities, such as airports, commercial airport service providers, and aviation fuel supply companies, ceased operations at civilian airports and airfields across the country.

The Company has certificates of conformity of the State Aviation Service of Ukraine, according to which, before the full-scale invasion, it provided services for ensuring the refueling of airline aircraft on the territory of the International Airport “Odesa”, the territory of the International Airport “Kharkiv”, the territory of the International Airport “Boryspil” and sold aviation fuel to Ukrainian and international airlines. Besides the Company sells aviation fuel in the airports IA Kiev, IA Lvov, and other airports, where it buys refueling services from other companies of aviation fuel supplying subjects. Aviation fuel is sold both on prepayment and deferred payment terms.

Retail sales of non-fuel goods (food, non-food and café groups) are carried out in filling station shops.

24. Cost of sales

Cost of sales for the year ended December 31 included:

	2023	2022
Retail sale of petroleum products	7 452 109	5 917 405
Wholesale of petroleum products and aviation fuel	33 151	731 796
Retail sale of non-fuel goods	824 693	535 849
	8 309 953	**7 185 050**

The item includes the cost related to the purchase of goods, import duty, excise duty due to the purchase of stocks, costs of transportation to the first place of storage.

25. Administrative expenses

Administrative expenses for the year ended 31 December, included:

	2023	2022
Wages and payroll	80 114	81 423
Audit and other professional services	45 590	25 092
Provision	25 014	20 006
Depreciation charges	7 277	8 929
IT services	4 733	8 824
Other expenses	4 625	2 550
Utilities	3 960	4 033
Management costs	2 604	2 343
Expenses under short-term and low-value lease agreements	2 176	2 896
Travel expenses	1 112	950
Banking services	440	511
Representation costs	246	146
	177 891	157 703

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

26. Distribution costs

B Distribution costs for the year ended December 31, included:

	2023	2022
Wages and payroll	370 461	330 936
Amortization	171 971	170 542
Transportation costs	132 967	114 806
Utilities	71 895	55 651
Expenses under short-term and low-value lease agreements	9 380	8 220
Technical servicing	50 650	27 166
Banking services	45 456	35 216
Provision	38 256	43 946
Fuel and materials	29 174	24 017
Other expenses	19 403	24 435
Advertising	12 016	6 468
IT services	11 378	10 360
Brand, licenses	11 096	9 088
Security	10 409	10 815
Taxes and duties	52 561	37 943
Consulting and other services	3 279	978
Travel expenses	1 756	981
Storage costs	868	1 546
Aircraft refueling	4	2 371
Airport infrastructure services	-	564
	1 042 980	**916 049**

27. Other operating income and expenses

Other operating income and expenses for the year ended December 31, included:

	2023	2022
Other operating income		
Rental income	16 298	15 587
Other operating income	9 597	2 608
Result from debts written off	141	-
Result from sale of property, plant and equipment	44	186
Result from change of exchange rates	-	549
	26 080	**18 930**
Other operating expenses		
Other operating expenses	38 994	30 156
Inventories written off	30 401	125 169
Result from sale of currency	30 100	22 487
Fines and penalties	3 856	87
Asset impairment	3 144	20 631
Result from change of exchange rates	2 178	-
Allowance for doubtful debts	1 680	105 574
	110 353	**304 104**

28. Other Financial income and expenses

Financial income and expenses for the year ended December 31 included:

	2023	2022
Other financial income		
Interest income on cash balances on accounts	12 442	8 025
	12 442	**8 025**
Financial expenses		
Amortization of discount of long-term debt	612 618	502 401
Loan related financial expenses	1 115	500
Financial expenses for using leased property	3 581	2 981
	617 314	**505 882**

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

29. OTHER INCOME AND EXPENSES

Other income and expenses for the year ended December 31 included:

	2023	2022
Other income		
Other income	19 007	18 287
Insurance indemnity	277	469
	19 284	**18 756**
Other expenses		
The result of changes in exchange rates	412 974	2 880 746
Residual value of non-current assets disposed of	3	30 165
Impairment of non-current assets	-	99 514
	412 977	**3 010 425**

30. INCOME TAX GAIN/(EXPENSES)

The current corporate income tax rate in 2022-2023 was approved by the Tax Code of Ukraine at 18%. Deferred tax assets and liabilities as at December 31, 2023 were measured at the tax rates that are expected to apply to the period when the temporary differences are expected to be realized.

The components of deferred tax assets and liabilities are presented as follows:

	December 31, 2023	Reported in net profit	December 31, 2022	Reported in net profit	December 31, 2021
Deferred tax assets					
Intangible assets	307	11	296	(15)	311
Deferred tax liabilities					
Property, plant and equipment	69 994	1 982	68 012	(21 410)	89 422
Net deferred tax liabilities	**69 687**	**(1 971)**	**67 716**	**21 395**	**89 111**

Income tax gains are stated as follows:

	2023	2022
Current income tax expenses	-	-
Deferred income tax	(1 971)	21 395
Income tax gain	**(1 971)**	**21 395**

The effective income tax rate differs from the statutory income tax rates. Reconciliation of income tax expenses based on the statutory rates with the actual one:

	2023	2022
Profit/(loss) before tax	(1 017 245)	(3 531 217)
Income tax/(loss) at the rate of 18%	(183 104)	(635 619)
Decrease (increase) of non-recognized tax losses	(351 246)	180 381
Expenses not included in gross ones	532 379	476 633
Income tax gain	**(1 971)**	**21 395**

Deferred tax assets not recognized in the financial statements:

	2023	Changes for the year	2022	Changes for the year	2021
Tax losses	461 963	(351 246)	813 209	180 381	632 828

31. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercises joint control or has significant influence on the other party.

The following are amounts of related party debts and transactions with the related parties:

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

Revenues and expenses from transactions with related parties for 2023:

	Parent company	Other companies	Total
Purchases	-		-
Sales expenses	11 096		11 096
Financial expenses	1 115	-	1 115
	12 211	**-**	**12 211**

Revenues and expenses from transactions with related parties for 2022:

	Parent company	Subsidiaries	Other companies	Total
Purchases	-	-		-
Sales expenses	9 088	-		9 088
Financial expenses	500	-	-	500
	9 588	**-**	**-**	**9 588**

Debt as at December 31, 2023:

	Parent company	Other companies	Total
Accounts receivable for products, goods, works, services	-	-	-
Accounts receivable for advances made	-		-
Other long-term liabilities on loan without discount	12 939 118	-	12 939 118
Other current receivables	-	-	-
Short-term loan	75 965	-	75 965
Current accounts payable on goods, works, services	18 999	-	18 999
Current payables on advances received	-	-	-
Other current liabilities	23 861	-	23 861
	13 057 943		**13 057 943**

Debt as at December 31, 2022:

	Parent company	Other companies	Total
Accounts receivable for products, goods, works, services	-	-	-
Accounts receivable for advances made	-		-
Other long-term liabilities on loan without discount	9 605 140	-	9 605 140
Other current receivables	-	-	-
Current accounts payable on:			
Long-term liabilities	2 925 488	-	2 925 488
Goods, works, services	6 772	-	6 772
Current payables on advances received	-	-	-
Other current liabilities	21 861	-	21 861
	12 559 261		**12 559 261**

Loans received from related parties

As at December 31, 2023 and December 31, 2022 loans received by the Company from a parent company AMIC ENERGY MANAGEMENT GmbH (Austria), are presented as follows:

Type of loan	Interest rate 2023/2022	Currency	Maturity term	December 31, 2023	December 31, 2022
Long-term loan	0%	USD	20.12.2026	9 091 501	5 827 604
Long-term loan	0%	USD	20.12.2026	3 847 617	3 704 399
Long-term loan	1,50%	USD	20.12.2024	-	73 137
Short-term loan	1,50%	USD	20.12.2024	75 965	-
Short-term debt on long-term loan	0%	USD	20.12.2024	-	2 925 488
Interest payable				23 861	21 861
Total loans from related parties				**13 038 944**	**12 552 489**

Included in equity (Note 18) are additional capital receipts from the Group's companies related to the loans.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

Transactions with key management personnel

The key management personnel include those, who have the authority and responsibility for planning, management and control of the Company's activities.

For the year ended December 31, 2023 key management personnel comprised of 8 persons (2022: 9 persons) received the following remunerations:

	2023	2022
Short-term employee benefits		
Salary and bonuses	**29 968**	**27 800**

32. CONTINGENT AND OTHER OBLIGATIONS

Tax and legal issues

Ukrainian tax laws and transactions evolve with the transition to a market economy. Laws and regulations adopted are not always clear and their interpretation depends on the views of local, regional and central authorities and other state bodies. Often the views of different bodies on a particular issue do not coincide. Management believes that the Company complied with all regulations, and all statutory taxes were accrued and paid. In cases where the procedure for accrual of tax liabilities was not clear enough, the Company accrued tax liabilities based on Management estimates.

Litigation

As at December 31, 2023, the Company is a party to several litigation and disputes. Management believes that the final liabilities that may arise from these litigation or disputes will not have a material impact on the Company's financial position or performance.

Investment obligations

As at December 31, 2023 and December 31, 2022, the Company had no investment obligations to buy new equipment.

Insurance

The Company's insurance program is intended to cover most of the risks inherent in the Company's transactions, without any significant gaps in such coverage. The main operational risks of the Company are covered by policies for indemnity and civil liability. From September 30, 2022, only compulsory civil liability insurance for up to 3 persons was extended. Voluntary property insurance does not cover losses caused by military operations or as a result of military operations.

Environmental issues

Environmental legislation continues to evolve in Ukraine. The Company periodically assesses its obligations under environmental legislation. Contingencies that may arise because of changes in statutes in place, civil litigations or legislative changes cannot be estimated, but their impact may be significant. In the current situation with the enforcement of existing legislation, Management believes that the Company has met all state environmental requirements. Accordingly, the Company has no significant environmental obligations.

33. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The main categories of financial instruments

The main financial instruments of the Company are trade and other current receivables, cash and cash equivalents, trade payables, accrued liabilities and other accounts payable, bank loans. The main purpose of these financial instruments is to obtain financing for the operating activities of the Company.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

Financial instruments by valuation categories as at December 31, 2023 and December 31, 2022 are presented as follows:

	December 31, 2023	December 31, 2022
Financial assets		
At amortized cost:		
Long-term receivables	-	-
Cash and cash equivalents	257 451	221 645
Accounts receivable for products, goods, works, services	59 925	36 011
Other current receivables	3 197	3 410
	320 573	**261 066**
Financial liabilities		
Financial liabilities at amortized cost		
Long-term liabilities under loans	11 039 232	9 011 449
Long-term liabilities under lease agreements	20 756	26 356
Current debt on long-term liabilities	73 949	2 566 229
Current debt on loan interest	23 861	21 861
Current accounts payable for goods, works, services	138 855	189 201
Other current liabilities	3 495	17 139
	11 300 148	**11 832 235**

The main risks that arise when using the Company's financial instruments are credit risk, interest rate risk, currency risk and liquidity risk.

Credit risk

The main financial assets of the Company are cash and receivables. Cash is valued with minimal credit risk since it is placed in banks with high rating.

The maximum credit risk as at December 31, 2022 and December 31, 2021 is presented as follows:

	December 31, 2023	December 31, 2022
Cash and cash equivalents, net cash on hand	242 533	207 170
Accounts receivable for products, goods, works, services	59 925	36 011
Other receivables	3 197	3 410
Total financial assets	**305 655**	**246 591**

The Company structures the levels of credit risk that it assumes, setting limits on the amount of risk taken against one or a group of customers. Limits at the level of credit risk by type of client are regularly approved by the Company's management.

Interest rate risk

Changes in interest rates mainly affect loans and borrowings, varying either their fair value (loans at fixed interest rates) or future cash flows (loans at floating interest rates).

The Company's policy on interest rate risk management is to obtain loans at both fixed and variable interest rates. When receiving new loans or borrowings, Management decides based on what interest rate — fixed or variable — in its opinion, will be more favorable to the Company during the expected period before debt maturity.

The Company is exposed to interest rate risk on loans with variable interest rates. In the event of an increase in the interest rate on such loans by 100 basis points as of December 31, 2023 and 2022, interest expenses would increase by UAH 127 349 thousand and 114 014 thousand, respectively. Reducing the interest rate by 100 basis points would reduce interest expenses by the same amount.

Currency risk

The Company is exposed to the currency risk on purchases, balances on bank accounts and loans denominated in foreign currencies. The currency causing this risk is, basically, the US dollar. According to Ukrainian legislation, the Company's ability to hedge currency risk is limited; as such, the Company does not hedge its currency risk.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

The carrying amount of the Company's monetary assets and liabilities, denominated in foreign currencies, as at December 31, 2023, December 31, 2022 is presented in national currency as follows:

	December 31, 2023		December 31, 2022	
	USD	EUR	USD	EUR
Assets				
Cash and cash equivalents	-	25	-	8
Trade receivables	-	-	-	2
Accounts receivable from advances made	191 119	7 833	-	19 840
Total assets	**191 119**	**7 858**	**-**	**19 850**
Liabilities				
Long-term liabilities under loan agreement	(11 039 232)	-	(9 011 449)	-
Short-term loans	(97 810)	-	(2 582 370)	-
Accounts payable for goods, works, services	-	(19 184)	-	(9 851)
Total liabilities	**(11 137 042)**	**(19 184)**	**(11 593 819)**	**(9 851)**
Net position	**(10 945 923)**	**(11 326)**	**(11 593 819)**	**9 999**

The level of sensitivity is an assessment by Management of possible changes in exchange rates.

This sensitivity analysis includes only outstanding balances of monetary assets denominated in foreign currencies and calculates the effect of their translation into the presentation currency at the end of the period, including +10% growth in exchange rates. The table below presents the Company's sensitivity to the weakening of the Ukrainian hryvnia against the US dollar and the Euro.

	USD	EUR
Profit/(loss) as at December 31, 2023, UAH	(1 094 592)	(1 133)
Profit/(loss) as at December 31, 2022, UAH	(1 159 382)	9 999

In the case of strengthening of the hryvnia to foreign currencies, the impact on profit/ loss will be the same, but with a different sign.

Liquidity risk

This is the risk that the Company will not be able to pay off its obligations as they arise. The liquidity position of the Company is carefully monitored and managed. The Company uses the detailed budgeting and cash flow forecasts to ensure that adequate means are available to meet its payment obligations. Most of the Company's expenses are variable and depend on the volume of finished products sold.

The following are the financial liabilities of the Company as at December 31, 2023 by maturity on the basis of contractual amounts of payments:

	Contractual cash flows				
	Up to 3 months	Up to 6 months	Up to 12 months	More than a year	TOTAL
Interest loans and borrowings	-	-	99 826	12 939 118	13 038 944
Current accounts payable for goods, works, services	138 855	-	-	-	138 855
Other current liabilities	3 495				3 495
Liabilities under lease agreements	2 315	2 315	4 631	24 187	33 448
	144 665	**2 315**	**104 457**	**12 963 305**	**13 214 742**

The following are the financial liabilities of the Company as at December 31, 2022 by maturity on the basis of contractual amounts of payments:

	Contractual cash flows				
	Up to 3 months	Up to 6 months	Up to 12 months	More than a year	TOTAL
Interest loans and borrowings	753 233	731 372	1 462 744	9 605 140	12 552 489

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

	Contractual cash flows				
	Up to 3 months	Up to 6 months	Up to 12 months	More than a year	TOTAL
Current accounts payable for goods, works, services	189 201	-	-	-	189 201
Other current liabilities	17 139				17 139
Liabilities under lease agreements	1 348	1 348	2 696	26 684	32 076
	960 921	**732 720**	**1 465 440**	**9 631 824**	**12 790 905**

Capital management

The Company manages its capital to ensure the Company's business as a going concern in the future and same time maximize owners' profits by optimizing the debt-to-equity ratio. The Company's management regularly reviews its capital structure. Based on the results of such a review, the Company takes measures to balance the overall capital structure by obtaining new loans or repaying existing debt.

The Company's management manages its capital to ensure that the Company will be able to continue as a going concern, and the Company monitors its capital structure by controlling the ratio of equity and debt as follows:

	December 31, 2023	December 31, 2022
Total liabilities	13 038 944	12 552 489
Less cash and cash equivalents	(257 451)	(221 645)
Net debt	12 781 493	12 330 844
Total equity	**(8 934 072)**	**(9 399 135)**

34. Fair value of financial instruments

The table below presents a hierarchy of the fair value measurement of the Company's assets and liabilities:

December 31, 2023	In the statement of financial position	Level 1	Level 2	Level 3	TOTAL
Financial assets whose fair value is disclosed					
Long-term receivables	-	-	-	-	-
Cash and cash equivalents	257 451	-	257 451	-	257 451
Accounts receivable for products, goods, works, services	59 925	-	-	59 925	59 925
Other current receivables	3 197	-	-	3 197	3 197
	320 573	**-**	**257 451**	**63 122**	**320 573**
Financial liabilities whose fair value is disclosed					
Long-term liabilities under loan agreements	11 039 232	-	11 039 232	-	11 039 232
Current debt on long-term liabilities	-	-	-	-	-
Current debt on loans	97 810	-	97 810	-	97 810
Current accounts payable for goods, works, services	138 855	-	-	138 855	138 855
Other current liabilities	3 495	-	-	3 495	3 495
	11 279 392	**-**	**11 137 042**	**142 350**	**11 279 392**

December 31, 2022	In the statement of financial position	Level 1	Level 2	Level 3	TOTAL
Financial assets whose fair value is disclosed					
Long-term receivables	-	-	-	-	-
Cash and cash equivalents	221 645	-	221 645	-	221 645

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

(in thousands of UAH)

December 31, 2022	In the statement of financial position	Level 1	Level 2	Level 3	TOTAL
Accounts receivable for products, goods, works, services	36 011	-	-	36 011	36 011
Other current receivables	3 410	-	-	3 410	3 410
	261 066	**-**	**221 645**	**39 421**	**261 066**
Financial liabilities whose fair value is disclosed					
Long-term liabilities under loan agreements	9 011 449	-	9 011 449	-	9 011 449
Current debt on long-term liabilities	-	-	-	-	-
Current debt on loans	2 582 370	-	2 582 370	-	2 582 370
Current accounts payable for goods, works, services	189 201	-	-	189 201	189 201
Other current liabilities	17 139	-	-	17 139	17 139
	11 800 159	**-**	**11 593 819**	**206 340**	**11 800 159**

In 2023 and 2022, there were no reclassifications between Levels 1, 2 and 3 of the fair value hierarchy.

Financial assets whose fair value is disclosed

Cash and cash equivalents are carried at amortized cost, which is approximately equal to their current fair value.

The estimated fair value of fixed interest rate instruments is based on the method of discounting expected future cash flows, applying effective interest rates in the loan market for new instruments that provide the same credit risk and the same maturity. Discount rates depend on the credit risk of the buyer. The carrying amount of trade receivables is equal to their fair value.

Financial liabilities whose fair value is disclosed

Fair value is estimated on the basis of market quotations, if any. The estimated fair value of fixed interest rate instruments with a fixed maturity that do not have a market quotation is based on discounting the estimated cash flows using interest rates for new instruments with the same level of credit risk and a specific maturity date. The carrying amount of financial liabilities is equal to their fair value.

35. Events after the reporting period

Full-scale Russian war in Ukraine is still ongoing

As described in Note 3 “Going concern assumptions of the Company”, the full-scale war between russia and Ukraine is ongoing, and the legal regime of martial law is effective.

In the future, the key risk is the prolongation of the war, even if the hostilities are localized. This will require the economy to operate for a long time in extreme conditions, threatening to deepen its decline and increasing the need for assistance from partners. The impact of the war on the global economy will also increase.

International support for Ukraine is growing thanks to the resistance of the Armed Forces, effective diplomacy and extensive coverage of events in the global media. The main mechanisms of support are arms supplies, financial and humanitarian aid, and sanctions against russia.

The situation continues to evolve and its consequences are currently uncertain. Management is unable to predict all of the changes that could affect the economy as a whole and what effect they could have on the financial position and the results of future operations of the Company. Management keeps monitoring the possible impact of these developments on the Company and will take all possible measures to mitigate any consequences.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua

After the reporting period in March 2024, some of the Company's assets were damaged due to missile attacks by the russian federation. This event does not have a material impact on the operational activities of the Company and its ability to carry out activities as a going concern. The total book value of assets destroyed and damaged by russian missile strikes is not disclosed, as this information is sensitive and may be classified as restricted access information, including critical infrastructure facilities.

AMIC UKRAINE CFI
Verhniy Val St., 68, Kyiv 04071, Ukraine
Phone: + 38 044 593 93 00, 0 800 501 10
info@amicenergy.com.ua