

STATEMENT OF EXECUTIVE OFFICERS OF THE COMPANY

Hereby we confirm that based on the information available to us, the interim financial statements of the Company and the Group provided for the six months of the year 2024 prepared in accordance with the International Financial Reporting Standards are true and show the assets, liabilities, financial position, profit or loss and cash flows of *Panevezio statybos trestas* AB and *Panevezio statybos trestas* AB Group in a correct manner, and that the review of business development and performance is indicated correctly in the interim report.

Tomas Stukas
Managing Director
Panevezio statybos trestas AB

Mindaugas Ambrasas
Finance Director
Panevezio statybos trestas AB



PANEVEZIO STATYBOS TRESTAS AB
Consolidated Interim Financial Statements and Consolidated Interim Report
for First Half of 2024
(UNAUDITED)

30 August 2024

Panevezys

1. Accounting period covered by the Half-Year Report

This Consolidated Report for the half-year of 2024 covers the period from 1 January 2024 till 30 June 2024.

2. The main data about the Company (the issuer)

Name of issuer	<i>Panevezio statybos trestas AB</i>
Authorised capital	4,741,500 Euros
Address of registered office	P. Puzino Str. 1, LT-35173 Panevezys, Lithuania
Telephone	(+370 45) 505 503
Fax	(+370 45) 505 520
Legal-organisational form	Public Limited Liability Company
Date and place of registration	30 October 1993, Panevezys City Board
Registration No.	AB 9376
Register code	147732969
VAT code	LT477329610
LEI code	52990000VPCGEWIDCX35
Administrator of Legal Entity Register	State Enterprise <i>Centre of Registers</i>
E-mail	pst@pst.lt
Website	www.pst.lt

3. Nature of the main operation of the issuer

The main operation area of the Company and its subsidiaries (the Group) is designing and construction of various buildings, structures, equipment and communications and other objects in Lithuania and abroad, sale of construction materials and real estate development. Furthermore, the Company is engaged in rent of premises and machinery.

Vision – To become a reputed construction company in Europe, the first choice for clients in terms of construction companies, which uses advanced technologies, ensures quality and agreed work completions terms.

Mission – While honestly fulfilling our obligations, promoting long-term cooperation and proposing mature solutions in construction, we ensure profitable and sustainable business development, thus creating the value to our clients, shareholders and employees.

Objective – To retain the leading position in the construction market by activity volumes, improve by applying innovative company management methods, look for new business areas, investment partners, participate in business development processes, strengthen the position of a builder in the industrial, infrastructural and public construction sectors, promote training and development of employees at all levels.

4. The companies included in the Group of *Panevezio statybos trestas AB*

As of 30 June 2024, the Group of *Panevezio statybos trestas AB* included the following companies:

<i>Subsidiary company</i>	<i>Registration date, register administrator</i>	<i>Company code</i>	<i>Registered address</i>	<i>Telephone, e-mail, website</i>	<i>Portion of shares held (per cents)</i>
<i>Skydmedis UAB</i>	17 June 1999 State Enterprise <i>Centre of Registers</i>	148284718	Pramones Str. 5, Panevezys	Tel. +370 614 50345 info@skydmedis.lt www.skydmedis.lt	100
<i>Vekada UAB</i>	16 May 1994 State Enterprise <i>Centre of Registers</i>	147815824	Marijonu Str. 36, Panevezys	Tel. +370 687 74404 info@vekada.lt www.vekada.lt	100
<i>Alinita UAB</i>	8 December 1997 State Enterprise <i>Centre of Registers</i>	141619046	Tinklu Str. 7, Panevezys	Tel. +370 687 52079 info@alinita.lt www.alinita.lt	100
<i>Kingsbud Sp.z o.o.</i>	11 August 2010 District Court in Bialystok, XII Economic Department of National Court	200380717	A. Patli Str. 12, 16-400 Suwalki, Poland	Tel. +48 875 655021 +370 655 08404 biuro@kingsbud.pl www.kingsbud.lt	100
<i>PS Trests SIA</i>	22 May 2000 Centre of Registers, Republic of Latvia	40003495365	Skultes Str. 28, Skulte, Marupes Parish, Riga Region, Latvia	Tel. +371 263 05500 vmohova@trests.lv	100
<i>Seskinės projektai UAB</i>	9 November 2010 State Enterprise <i>Centre of Registers</i>	302561768	Ukmerges Str. 219, Vilnius	Tel+370 615 92571 agudinauskas@pst.lt	100
<i>Ateities projektai UAB</i>	25 April 2006 State Enterprise <i>Centre of Registers</i>	300560621	Ukmerges Str. 219, Vilnius	Tel. +370 615 92571 agudinauskas@pst.lt	100
<i>PST investicijos UAB</i>	23 December 1998 State Enterprise <i>Centre of Registers</i>	124665689	Ukmerges Str. 219, Vilnius	Tel. +370 615 92571 agudinauskas@pst.lt	68
<i>Tauro apartamentai UAB</i>	23 October 2018 State Enterprise <i>Centre of Registers</i>	304937621	Ukmerges Str. 219, Vilnius	Tel. +370 615 92571 agudinauskas@pst.lt	100
<i>Hustal UAB</i>	11 December 2018 State Enterprise <i>Centre of Registers</i>	304968047	Tinklu Str. 7, Panevezys	Tel. (+370 45) 585087 info@hustal.eu www.hustal.eu	100
<i>Aliuminio fasadai UAB</i>	2 January 2020 State Enterprise <i>Centre of Registers</i>	305412441	Pramones Str. 5, Panevezys	Tel. +370 614 20920 info@alfasadai.lt www.alfasadai.lt	100

5. Contracts with the intermediary of public trading in securities

The Company has the contract for securities accounting signed with *Siauliu bankas AB*.

6. Data on trading in securities of the issuer in regulated markets

The ordinary registered shares of *Panevezio statybos trestas AB* have been on the Official Trading List of *Nasdaq Vilnius AB* (company symbol PTR1L) since 13 July 2006.

Share type	Number of shares, pcs.	Par value, Euros	Total par value, Euros	Emission code ISIN
Ordinary registered shares (ORS)	16,350,000	0.29	4,741,500	LT0000101446

Comparison of PTR1L Panevezio statybos trestas and OMX Vilnius Benchmark GI indexes for the First Half of 2024



Company share price variation at the Stock Exchange Market Nasdaq Vilnius for the period covering 2020 through the First Half of 2024 (Euros)



Company share price variation at the Stock Exchange Market Nasdaq Vilnius for the First Half of 2024 (Euros)



Table 1. Information on the Company share price at the Stock Exchange Market Nasdaq Vilnius

<i>Indicator</i>	<i>6 months 2024</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>
Highest price, Eur	0.548	0.582	0.694	0.838	0.85
Lowest price, Eur	0.456	0.45	0.50	0.53	0.52
Average price, Eur	0.502	0.514	0.564	0.677	0.629
Share price as of the end of reporting period, Eur	0.508	0.475	0.518	0.66	0.57
Traded volume, pcs.	441,907	772,677	991,215	2,935,832	1,980,134
Turnover, mln. Eur	0.22	0.4	0.56	1.99	1.25
Capitalisation, mln. Eur	8.31	7.78	8.47	10.79	9.32

7. Authorised capital of the issuer and its structure

As of 30 June 2024, the authorised capital of the company amounted to 4,741,500 Euros divided into 16,350,000 ordinary registered shares (ORS), the nominal value of each share being 0.29 Euros. All shares are non-certificated and fully paid. The proof of ownership is the record in the securities accounts. On 30 June 2024, the total number of shareholders was 1743, whereas on 30 June 2023 there were 1772 shareholders.

Table 2. The shareholders holding or controlling more than 5 per cents of the authorised capital of the Company:

<i>Full name of a shareholder (company name, type, headquarter address, company code)</i>	<i>Number of ordinary registered shares held by a shareholder under ownership right (pcs.)</i>	<i>Percentage of authorized capital held</i>	<i>Percentage of votes granted by shares held under ownership right</i>
<i>HISK AB</i> S. Kerbedzio Str. 7, Panevezys Company code: 147710353	8,138,932	49.78	49.78
Other shareholders	8,211,068	50.22	50.22

None of the shareholders of the issuer has any special control rights. All shareholders have equal rights prescribed by Section 4 of the Law on Companies of the Republic of Lithuania.

The number of shares carrying votes at the General Meeting of Shareholders of *Panevezio statybos trestas AB* is 16,350,000.

8. Fair review of position, performance and development of the Company and the Group, description of the principal risks and uncertainties the Company faces

Key events of the reporting period

The key events that occurred during 2024 and were published through the *GlobeNewswire* information system are listed below.

23 January 2024. *Panevezio statybos trestas AB*, the former CEO of the Company, D. Gesevicius, and the insurers R&Q Syndicate Management Limited and Marco International Insurance Company Limited signed the settlement agreements, on the basis of which all legal and arbitration disputes regarding the civil liability of the former CEO of the Company, D. Gesevicius, (for the fine imposed by the decision No. 2S-11(2017) of the Competition Council dated 20 December 2017) and payment of the insurance benefit related to it will be amicably ended. Referring to the concluded settlement agreements, the insurers will pay the sum amounting to 1 200 000 Euros in favour of *Panevezio statybos trestas AB*, and *Panevezio statybos trestas AB* will waive all its claims against the insurers and the former CEO, D. Gesevicius.

28 March 2024. The Company informed that that the Board Member Gvidas Drobužas had resigned as a Board Member of the Company.

30 April 2024. The Ordinary General Meeting of Shareholders of *Panevezio statybos trestas AB* took place. The Ordinary General Meeting of Shareholders did not come to the decision to pay dividends.

6 June 2024. The Company informed that *Alinita UAB*, a company belonging to *Panevezio statybos trestas AB* Group, engaged in installation and designing of indoor engineering systems, had been facing financial difficulties and planned to start the restructuring process. With reference to the forecast of activity plans, duration of the restructuring process should not exceed the period of 4 years from the date of the court order approving the restructuring plan.

9 July 2024. *Panevezio statybos trestas AB* informed the shareholders that seeking to make better use of available resources and make operations more efficient, the activities of the branches *Klaipstata*, *Genranga* and *Konstrukcija* will be transferred to the parent Company.

Risk factors related to operation of the Company

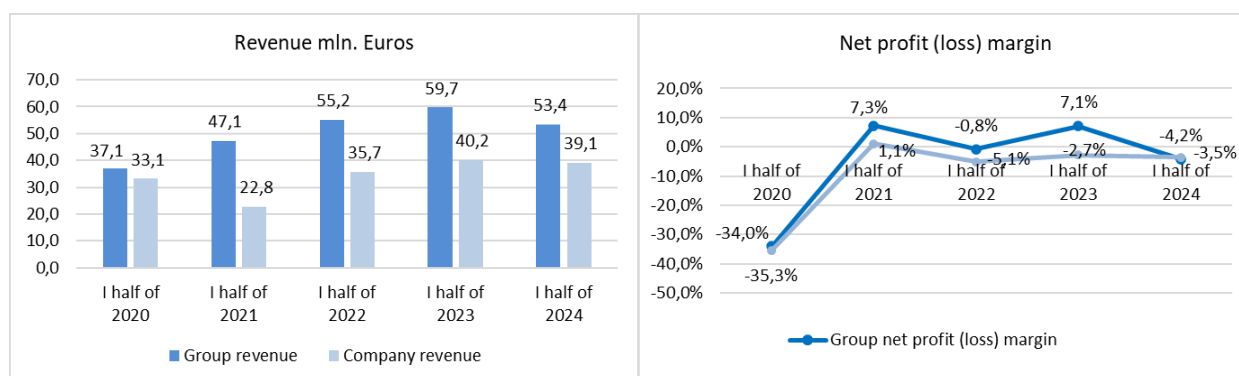
In their operation, both the Company and the Group face various types of risks, such as legal regulation, severe competition, shortage of qualified labour, cyclical nature of economy, inconsistency of orders, fluctuating material prices in the global market, increase of material prices, macroeconomic factors, damping, environmental requirements and climate change. However, only a few of them may have significant impact on the performance results of the Group and the Company. The main factors that create business risk for the Company and the Group are competition in the construction market and changes in the demand for construction services. The demand for construction services also depends heavily on the volume of investments and financing received from the EU structural funds. Increase and fluctuation of material and service prices together with the risk of disturbances in the supply chain make the process of the project budgeting and possibility to complete the already started projects based on the planned costs more difficult. This results in extra risk for performance of fixed price construction contracts and reduces profitability of projects. Tightening environmental and energy efficiency requirements that can increase the cost and complexity of projects. The processes related to building permit are sometimes slow and bureaucratic, thus causing delays in the project start dates. Furthermore, activity of the Company and the Group is influenced by the economic situation (economic cycles), geopolitical changes in Lithuania and the countries where the Group companies operate, Russia's military invasion of Ukraine. There is still some uncertainty about the trends in global economic development. The climate change can affect the conditions of construction works. Unusual weather conditions can cause project delays, increasing costs and financial risks.

Information on the types of financial risks and risk management is provided in the Notes to the Separate Financial Statements (Note 4) and Consolidated Financial Statements (Note 4). Legal uncertainties are provided in the Notes to the Separate Financial Statements (Note 28) and Consolidated Financial Statements (Note 27).

9. Analysis of financial and non-financial performance, information related to environment and employee matters

The consolidated revenue of *Panevezio statybos trestas AB* Group amounted to 53.36 mln. Euros, which decreased by 10 per cents compared to that for the first half of 2023 when the revenue of the Group had been 59.690 mln. Euros. Over the accounting period of the first half of 2024, the Group incurred the net loss in the amount of 2.25 mln. Euros. In the first half of 2023, the Group had the net profit in the amount of 4.228 mln. Euros.

Referring to the unaudited data, over the first six months of 2024, the turnover of *Panevezio statybos trestas AB* amounted to 39.118 mln. Euros, that is by 2.7 per cents lower than over the first six months of 2023. The turnover of *Panevezio statybos trestas AB* over the first six months of 2023 was 40.191 mln. Euros. In the first half of 2024, *Panevezio statybos trestas AB* incurred the net loss in the amount of 1.38 mln. Euros. Over the first half of 2023, the net loss of *Panevezio statybos trestas AB* amounted to 0.919 mln. Euros.



EBITDA of *Panevezio statybos trestas AB* Group for the six months of 2024 was negative and amounted to -1.05 mln. Euros whereas for the first half of the year 2023 EBITDA amounted to 1.972 mln. Euros. EBITDA of *Panevezio statybos trestas AB* for the six months of 2024 was negative and amounted to -1.542 mln. Euros compared to -0.845 mln. Euros for the first half of 2023.

Table 3. The results of the Company and the Group of Panevezio statybos trestas AB for the First Half of 2020 through the First Half of 2024 (thousand Euros):

Group			Items	Company		
First half of 2022	First half of 2023	First half of 2024		First half of 2022	First half of 2023	First half of 2024
55,150	59,690	53,360	Revenue	35,736	40,191	39,118
50,527	52,746	50,772	Cost	34,588	37,717	38,653
4,623	6,944	2,588	Gross profit	1,148	2,474	465
8.38	11.63	4.85	Gross profit margin (per cents)	3.21	6.16	1.19
-301	1,399	-1,591	Operating result	-2,186	-1,205	-1,798
-0.55	2.34	-2.98	Operating result from turnover (per cents)	-6.12	-3.00	-4.60
309	1,972	-1,050	EBITDA ¹	-1,715	-845	-1,524
0.56	3.30	-1.97	EBITDA margin (per cents)	-4.80	-2.10	-3.90

Group			Items	Company		
First half of 2022	First half of 2023	First half of 2024		First half of 2022	First half of 2023	First half of 2024
-466	4,228	-2,250	Net profit	-1,837	-919	-1,380
-0.84	7.08	-4.22	Nets profit (loss) margin (per cents)	-5.14	-2.29	-3.53
-0.029	0.259	-0.138	Earnings per share (Euros) (EPS) ²	-0.112	-0.056	-0.084
-1.61	13.64	-7.71	Return on equity (per cents) (ROE) ³	-8.66	-4.38	-7.47
-0.54	4.71	-2.66	Return on assets or asset profitability (per cents) (ROA) ⁴	-3.80	-1.75	-2.95
-0.92	8.15	-4.44	Return on investments (per cents) (ROI) ⁵	-8.44	-4.30	-6.71
1.27	1.17	1.15	Current liquidity ratio ⁶	1.04	1.08	1.02
0.91	0.89	0.85	Critical liquidity ratio ⁷	0.81	0.88	0.83
0.33	0.34	0.34	Equity ratio ⁸	0.42	0.39	0.39
1.76	1.91	1.72	Book value per share ⁹	1.24	1.26	1.09
0.31	0.26	0.29	Ratio of share price and book value (P/BV) ¹⁰	0.44	0.40	0.47

¹ EBITDA (over relevant period) = operating profit + depreciation (amortization). The essence of EBITDA indicator is to determine the most objective profit (loss) of the company, which is least dependable on circumstances (least variable).

² Earnings per share (Euros) = net profit (loss) / number of issued shares

³ Return on equity (per cents) (ROE) = net profit / equity capital (a portion equity capital belonging to the shareholders)

⁴ Return on assets (ROA) or asset profitability = net profit / assets

⁵ Return on investments (ROI) = net profit / (equity capital + non-current debts)

⁶ Current liquidity ratio = current assets / current liabilities

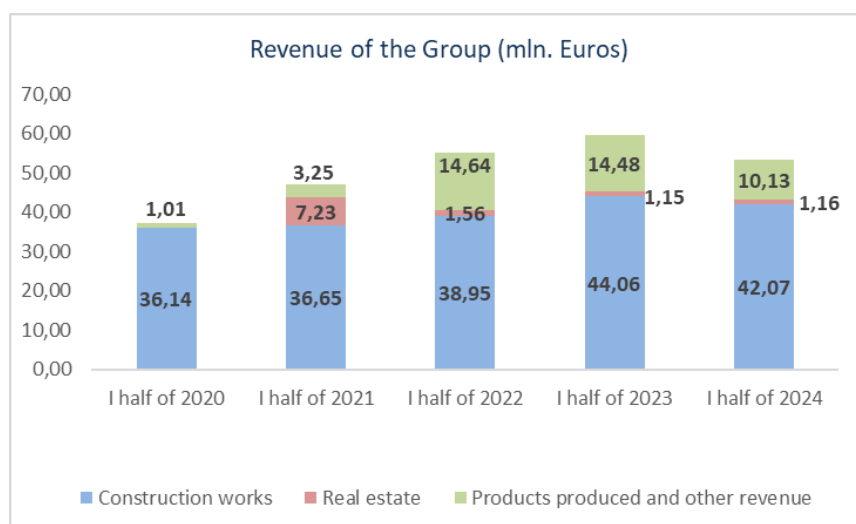
⁷ Critical liquidity ratio = (current assets – inventories) / current liabilities

⁸ Equity ratio = equity capital / assets

⁹ Book value per share = equity capital / number of shares

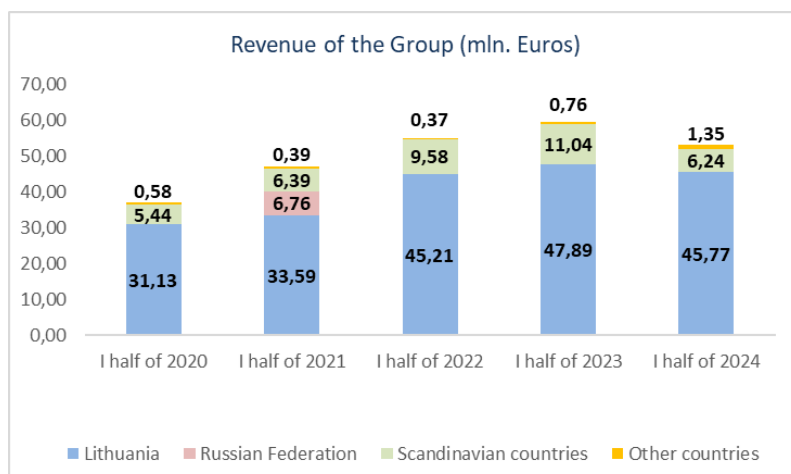
¹⁰ Price-to-book ratio (P/B ratio) = share price as of the end of reporting period / share book value

Revenue (mln. Euros) by activity types:



The main revenue of the Company by activity types is from construction and erection activities. The revenue of the Group from construction and erection totalled 78.8 per cents, the revenue from real estate was 2.2 per cents, the revenue from made products and other revenue amounted to 19 per cents of the total revenue. In the first half of 2023, the revenue of the Group from construction and erection totalled 73.8 per cents, the revenue from real estate was 1.9 per cents, the revenue from made products and other revenue amounted to 24.3 per cents.

Revenue (mln. Euros) by countries:



In the first half of 2024, the main activities of *Panevezio statybos trestas AB* were carried out in Lithuania. The revenue of the Company from these activities over the first half of 2023 made 98.3 per cents. The revenue of the Group from the works carried out inside the country made 85.8 per cents of the revenue, the revenue in the Scandinavian countries was 11.7 per cents. In the first half of 2023, the revenue inside the country made 80,2 per cents of the revenue, 18,5 per cents in the Scandinavian countries.

Information on any transactions with related parties as prescribed by Paragraph 2, Article 37 of the Law on Companies.

There were no such transactions concluded.

Environmental protection

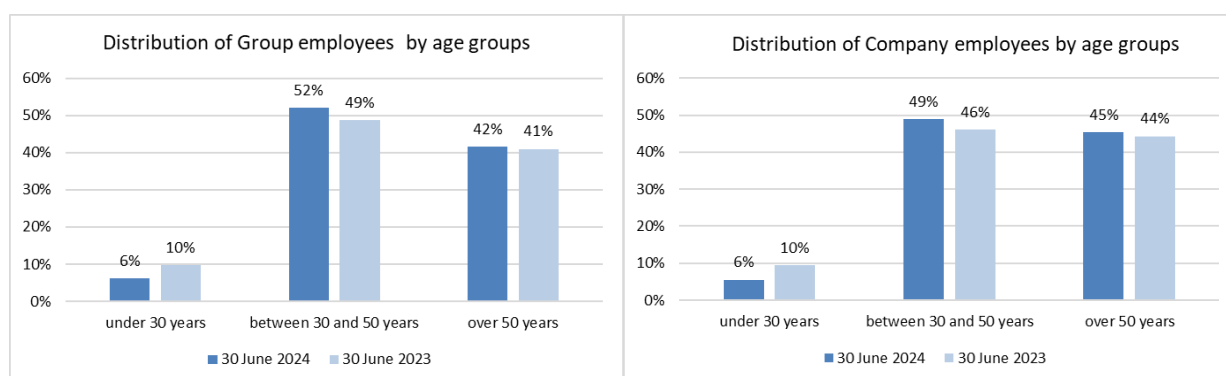
Work quality, sustainability, environment protection, occupational health and safety play a very important role in activities of *Panevezio statybos trestas AB*. Quality Management (ISO 9001), Environmental Management (ISO 14001) and Occupational Health and Safety Management (OHSAS 18001) Systems introduced and available at the Company allow taking proper care of these significant factors. Assessment of occupational risk is carried out, analyses are performed and measures for risk reduction or elimination are taken on each site. For the purposes of environment and resource protection and sustainability, ensuring pollution prevention, in the beginning of each project the environmental plan including specific measures for control of significant aspects of environment protection and activities performed is prepared.

The companies of the Group also have Quality, Environmental and Occupational Health and Safety Management Systems in accordance with the requirements of LST EN ISO 9001:2015, LST EN ISO 14001:2015 and LST ISO 45001:2018 introduced and successfully functioning.

In 2023, the Lithuanian National Accreditation Bureau accredited the Construction Laboratory of the Company according to LST EN ISO/IEC 17025:20185 thus granting it the right to perform tests of building materials for the period of 5 years.

Employees

As of 30 June 2024, the number of employees in *Panevezio statybos trestas AB* was 449, in the Group – 685. As of 30 June 2023, the number of employees in the Company was 546, in the Group – 822.



The majority of employees in both the Group and the Company are male. Male employees make up 86 per cents of all employees in the Group and 85 per cents in the Company. This is greatly influenced by the specifics of the activity performed, i.e. female employees are less likely to choose technological work performed in construction, as well as specialties of the construction-technical engineering profile directly related to these works and work in outdoor conditions.

Table 4. Average number of employees

Average number of employees	First half of 2023		First half of 2024	
	Group	Company	Group	Company
Managers	22	11	20	10
Specialists	306	222	271	193
Workers	490	304	434	272
Total	818	537	725	475

Table 5. Education level of the Group employees as of the end of the period

PST Group employees	Payroll number	Higher university education	Higher non-university education	Junior college education	Secondary education	Incomplete secondary education
Managers	18	17	0	1	0	0
Specialists	266	201	32	19	14	0
Workers	401	17	8	58	287	31
Total	685	235	40	78	301	31

Table 6. Average monthly gross pay per employee (Euros)

	First half of 2023		First half of 2024	
	Group	Company	Group	Company
Managers	4,636	5,617	4,708	5,927
Specialists	2,637	2,647	2,849	2,912
Workers	2,067	2,031	2,226	2,222
Total	2,379	2,383	2,582	2,636

Over the first half of 2024, the natural turnover of employees took place. Employment contracts do not include any special rights and obligations of employees or some part of them.

10. Information on research and development activities performed by the Company and the Group

The Company and companies of the Group continually pay much attention to increase of operational management efficiency, improvement of construction work quality and introduction of modern technologies. We are looking for the ways to make activities more efficient, apply innovative and resource-saving process management methods, improve working conditions of employees, improve quality of services.

Realizing that construction activities leave a fairly significant footprint for nature and people, we make emphasis on the sustainability issue in our operation. We strive to analyse the impact of our operation on the environment and implement the solutions to consistently reduce the emissions of CO₂, negative influence on the health of our employees, surrounding communities and nature.

By optimizing production processes, we aim to reduce the amount of energy used in our activities. We invest in more effective work equipment, technologies allowing to generate and use green energy.

To maintain the highest competence in the construction sector, the Company in cooperation with our partners strives for a wider application of the digital model (BIM) principles in development project management.

11. Procedure for amendment of the Articles of Association of the issuer

Any amendments of the Articles of Association of *Panevezio statybos trestas AB* are made following the procedure prescribed in the regulations of the Republic of Lithuania.

12. Bodies of the issuer

Referring to the Articles of Association of *Panevezio statybos trestas AB*, the management bodies of the Company are the General Meeting of Shareholders, the Board and the Managing Director. The Supervisory Council is not formed in the Company.

The General Meeting of Shareholders is the highest governing body of the Company, resolving the issues assigned to its competence by the Law on Companies and the Articles of Association of the Company. The competence of the General Meeting of Shareholders does not differ from that of the competence prescribed by the Law on Companies.

According to the Law on Companies of the Republic of Lithuania, one collegial management body may be formed in the Company. The Board consists of 5 (five) members, who are elected by the General Meeting of Shareholders for the period of 4 (four) years. They represent the shareholders and perform supervisory and control functions. The activities of the Board are managed by the Chairman. The Board elects the Chairman from the members of the Board.

The Chief Executive Officer of the Company is the Managing Director. The Managing Director is the sole governing body of the Company. The Managing Director is the main person managing and representing the Company. The Board elects and dismisses the Chief Executive Officer of the Company – the Managing Director, fixes his salary, sets other terms and conditions in the employment contract with him, approves his job description, gives incentives and imposes penalties. The Managing Director shall organize the activities of the Company.

The Board:

The Board Members of *Panevezio statybos trestas AB* were elected for the new term of 4 (four) years at the General Meeting of Shareholders hold on 9 April 2021. The term of office for all the Board Members will expire on 9 April 2025.

JUSTAS JASIUNAS, Chairman

Educational background: Mykolas Romeris University, Master in Law.

Place and position of employment: Consultant at *Panevezio statybos trestas AB* (company code 147732969, P. Puzino Str. 1, Panevezys).

Participation in activities of other companies: Board Member at *HISK AB* (company code 147710353, S. Kerbedzio Str. 7, Panevezys),

Chairman at *Aliuminio fasadai* UAB (company code 305412441, Pramones Str. 7, Panevezys),
Chairman at *Vekada* UAB (company code 147815824, Marijonu Str. 36, Panevezys),
Board Member at *Skydmedis* UAB (company code 148284718, Pramones Str. 5, Panevezys),
Board Member at *PST investicijos* UAB (company code 124665689, Ukmerges Str. 219, Vilnius),
Board Member at *Lauktuves Jums* UAB (company code 147797155, Laisves Sq. 26, Panevezys),
Board Member at *Gustoniu zemes ukio technika* UAB (company code 168581940, S. Kerbedzio Str. 7F, Panevezys).

As of 30 June 2024, held no shares of the Company.

KRISTINA MACIULIENE, Board Member

Educational background: Kaunas University of Technology, Bachelor in Business Administration, Lithuanian University of Law, Master in Law.

Place and position of employment: Expert-Consultant at *HISK* AB (company code 147710353, S. Kerbedzio Str. 7, Panevezys).

Participation in activities of other companies: Board Member at *HISK* AB (company code 147710353, S. Kerbedzio Str. 7, Panevezys),

Chairman at *Skydmedis* UAB (company code 148284718, Pramones Str. 5, Panevezys),

Chairman at *Hustal* UAB (company code 148284860, Tinklu Str. 7, Panevezys),

Board Member at *Vekada* UAB (company code 147815824, Marijonu Str. 36, Panevezys),

Board Member at *Aliuminio fasadai* UAB (company code 305412441, Pramones Str. 5, Panevezys),

Chairman at *Lauktuves Jums* UAB (company code 147797155, Laisves Sq. 26, Panevezys),

Chairman at *Gustoniu zemes ukio technika* UAB (company code 168581940, S. Kerbedzio Str. 7F, Panevezys).

As of 30 June 2024, held 10 (ten) shares of the Company.

LINA SIMASKIENE, independent Board Member

Educational background: Kaunas University of Technology, Engineer-Economist.

Place and position of employment: Chief Financial Officer at *IOCO Packaging* UAB (company code 110564826, Pusaloto Str. 212, Panevezys).

Participation in activities of other companies: Chief Accountant at *IOCO* UAB (company code 302547850, Verkiu Str. 25C-1, Vilnius),

Chief Accountant at *Pokstas* UAB (company code 168424572, Gustonys Vlg., Naujamiestis Eldership, Panevezys District Municipality),

Chief Accountant at *Stenrosus* UAB (company code 300007108, B. Sruogos Str. 6-14, Vilnius).

As of 30 June 2024, held no shares of the Company.

DARIJUS VILCINSKAS, independent Board Member (elected on 31 October 2023)

Educational background: Vilnius Gediminas Technical University (VILNIUS TECH), Master Degree.

Place and position of employment: Director at *VIP Centras* UAB,

Director at *Balance Investments* UAB,

Director at *Restoda* UAB.

Participation in activities of other companies: Board Member at Hunting Club *Truskava*.

As of 30 June 2024, held no shares of the Company.

GINTAUTAS MAZEIKA

Educational background: Finance and Business Administration (EMBA).

Place and position of employment: Executive Partner at *Mazeika and Partners* UAB.

Participation in activities of other companies: Board Member at *PRO BRO Group* UAB,

Independent Board Member at *Svaros broliai* UAB,

Chairman at *Sypsenos akademija* UAB.

As of 30 June 2024, held no shares of the Company.

As the data of the Board Member elected by the resolution of the shareholders adopted at the General Meeting of Shareholders of *Panevezio statybos trestas AB* on 30 April 2024 have not been registered with the Register of Legal Entities within the period of 30 days as provided for in Paragraph 3, Article 2.66 of the Civil Code of the Republic of Lithuania, the Board Member is subject to re-election. For this reason, on the initiative and following the resolution of the Board of *Panevezio statybos trestas AB*, the Extraordinary General Meeting of Shareholders of *Panevezio statybos trestas AB* (address of registered office P. Puzino Str. 1, Panevezys, company code 147732969) for re-election of the Board Member to be settled is convened on 25 September 2024.

Administration:

TOMAS STUKAS – Head of Administration, Managing Director of the Company.

Educational background: Vilnius Gediminas Technical University, Bachelor in Industrial Engineering, Vilnius Gediminas Technical University, Master in Industrial Engineering.

As of 30 June 2024, held no shares of the Company.

MINDAUGAS AMBRASAS – Finance Director of the Company (from 29 July 2024).

Educational background: Vilnius University, Master in Economics.

As of 30 June 2024, held no shares of the Company.

DANGUOLE SIRVINSKIENE – Chief Accountant of the Company.

Educational background: Lithuanian Academy of Agriculture, Accounting - Economics.

As of 30 June 2024, held no shares of the Company.

In the first half of 2024 neither the Board Members nor the top managers of *Panevezio statybos trestas AB* were granted loans, given guarantees and sureties, had any property transfers to them.

Audit Committee

Following Article 52 of the Law on Audit of the Republic of Lithuania, the General Meeting of Shareholders of *Panevezio statybos trestas AB* elects the Audit Committee. The Audit Committee consists of three members, one of them being independent. The term of office of the Audit Committee is one year. The continuous term of office of a committee member cannot exceed 12 years.

The duties of the Audit Committee are as follows:

- 1) to monitor the financial reporting process;
- 2) to monitor effectiveness of the company's internal control, risk management and internal audit, if applicable, systems;
- 3) to monitor carrying out of the audit;
- 4) to monitor independence and objectivity of the auditor or audit company.

The following members were elected to the Audit Committee at the Annual General Meeting of Shareholders of *Panevezio statybos trestas AB* on 30 April 2024:

Drasutis Liatukas – Independent Auditor, Head of and Auditor at *Finansu auditorius UAB*. Holds no shares of the Company.

Irena Kriauciuniene – Independent Auditor. Holds no shares of the Company.

Lina Rageliene – Accountant at *Panevezio statybos trestas AB*. Holds no shares of the Company.

13. Information about public information

Following the requirements of the Law of the Republic of Lithuania, all main events concerning the Company and information about the time and venue of the General Meeting of Shareholders are published on the website of the Company <https://www.pst.lt/en/investuotojams> and in AB NASDAQ Vilnius (www.nasdaqomxbaltic.com) Stock Exchange.

14. Information on compliance with the Governance Code

The Company complies with the procedure of company management set forth by the Law on Companies of the Republic of Lithuania.

The Company partially complies with the Governance Code applicable to the companies that are on the list of the Vilnius Stock Exchange. During the six months of 2024, there were no essential changes related to the company's notification on compliance with the Governance Code for the year 2023 applicable to the companies that are on the list of *NASDAQ OMX VILNIUS* Stock Exchange.

The annual report of the Company will include the more detailed explanation of how the Company complies with the recommendations of the Governance Code.

15. Unaudited financial statements

Statement of Comprehensive Income

thousand Euros

GROUP		STRAIPSNIAI	COMPANY	
<i>6 months of 2024</i>	<i>6 months of 2023</i>		<i>6 months of 2024</i>	<i>6 months of 2023</i>
53,360	59,690	REVENUE FROM SALES	39,118	40,191
-50,772	-52,746	COST OF SALES	-38,653	-37,717
2,588	6,944	GROSS PROFIT (LOSS)	465	2,474
836	803	Other income	534	670
-301	-294	Selling expenses	-221	-185
-3,916	-5,176	Administrative expenses	-2,362	-3,682
-798	-878	Other expenses	-214	-482
-1,591	1,399	OPERATING PROFIT (LOSS)	-1,798	-1,205
-942	3,019	FINANCE AND INVESTMENT ACTIVITIES	53	106
0	3,745	Income from company winding-up	-	-
9	76	Other finance income	248	256
-951	-802	Expenses	-195	-150
-2,533	4,418	PROFIT (LOSS) BEFORE TAX	-1,745	-1,099
283	-190	Income tax	365	180
-2,250	4,228	NET PROFIT (LOSS)	-1,380	-919
-2,229	4,249	Attributable to shareholders	-	-
-21	-21	Attributable to minority interest	-	-

Statement of Financial Position

thousand Euros

GROUP		ASSETS	COMPANY	
30 June 2024	31 Dec. 2023		30 June 2024	31 Dec. 2023
46,015	45,651	Non-current assets	19,952	19,167
238	210	Intangible assets	139	150
43,395	43,472	Tangible assets	8,025	7,892
896	890	Investment and amounts receivable in one year	10,532	10,234
1,486	1,079	Deferred tax assets	1,256	891
36,676	40,720	Current assets	26,015	28,560
9,605	8,969	Inventories	5,017	4,634
657	1,110	Prepayments	485	1,050
20,634	19,462	Trade receivables	18,577	16,288
682	1,132	Other current assets	1,508	1,463
5,098	10,047	Cash and cash equivalents	428	5,125
82,691	86,371	Total assets:	45,967	47,727

30 June 2024	31 Dec. 2023	EQUITY AND LIABILITIES	30 June 2024	31 Dec. 2023
28,052	30,294	Equity	17,789	19,169
4,742	4,742	Share capital	4,742	4,742
3,696	3,805	Reserves	2,190	2,296
19,633	21,764	Retained earnings	10,857	12,131
-19	-17	Translation reserve	-	-
80	-47	Minority interest	-	-
0	5	Grants and liabilities	-	-
54,559	56,119	Amounts payable and liabilities	28,178	28,558
22,675	23,718	Amounts payable after one year and non-current liabilities	2,792	3,593
20,150	21,182	Loans and other financial liabilities	2,320	3,017
462	583	Provisions	247	351
1,318	1,236	Deferred tax liabilities	-	-
745	717	Other amounts payable and non-current liabilities	225	225
31,884	32,401	Amounts payable in one year and current liabilities	25,386	24,965
3,214	6,208	Loans and financial liabilities	2,529	5,511
20,382	17,859	Trade payables	17,516	14,595
21	147	Income tax payable	-	-
8,267	8,187	Other amounts payable and current liabilities	5,341	4,859
82,691	86,371	TOTAL EQUITY AND LIABILITIES:	45,967	47,727

Separate statement of changes in equity

<i>thousand Euros</i>	Share capital	Non-current tangible asset revaluation reserve	Legal reserve	Retained profit	Total
Balance as of 1 January 2024	4,742	1,822	475	12,131	19,170
Net profit (loss) for 2024	0	0	0	-1,380	-1,380
Depreciation of revalued assets	0	-107	0	106	-1
Balance as of 30 June 2024	4,742	1,715	475	10,857	17,789
Balance as of 1 January 2023	4,742	2,034	475	14,197	21,448
Net profit (loss) for 2023	0	0	0	-919	-919
Depreciation of revalued assets	0	-106	0	107	1
Balance as of 30 June 2023	4,742	1,928	475	13,385	20,530

Consolidated statement of Changes in Equity

	Share capital	Revaluation reserve	Legal reserve	Currency translation reserve	Retained earnings	Attributable to equity holders of parent company	Non-controlling interest	Total
<i>thousand Euros</i>								
Balance as of 1 January 2024	4,742	3,071	734	-17	21,764	30,294	-47	30,247
Net profit (loss) for 2024	0	0	0	0	-2,247	-2,247	-35	-2,282
Currency translation effect	0	0	0	-2	0	-2	0	-2
Elimination of non-controlling interest	0	8	0	0	0	8	162	170
Depreciation transfer for buildings	0	-117	0	0	116	-1	0	-1
Balance as of 30 June 2024	4,742	2,962	734	-19	19,633	28,052	80	28,132
Balance as of 1 January 2023	4,742	3,355	734	3,682	18,200	30,713	1,373	32,086
Net profit (loss) for 2023	0	0	0	0	4,249	0	-21	4,228
Currency translation effect	0	0	0	-3,697	0	-3,697	38	-3,659
Dividends	0	0	0	0	0	0	-24	-24
Repayment of share capital	0	0	0	0	0	0	-1,449	-1,449
Decrease in revaluation reserve	0	-126	0	0	126	0	0	0
Balance as of 30 June 2023	4,742	3,229	734	-15	22,575	31,265	-83	31,182

Statement of Cash Flows

thousand Euros

GROUP			COMPANY	
6 months of 2024	6 months of 2023		6 months of 2024	6 months of 2023
		Cash flows from operating activities		
-2,250	4,228	Depreciation and amortization	-1,381	-919
541	573	Profit (loss) from transfer of non-current assets	274	360
12	-2	Other non-cash items	-27	0
-243	-189	Depreciation and amortization	-374	-180
-1,940	4,610		-1,508	-739
-355	-439	Change in inventories	-375	-590
-274	-890	Change in contracts in progress	-2	-247
-1,102	-2,527	Change in trade receivables	-2,285	-2,514
453	48	Change in prepayments	565	-187
-80	-61	Change in amounts receivable after one year	-36	3
450	889	Change in other assets	-42	175
2,523	1,834	Change in trade payables	2,921	1,615
188	-67	Change in prepayments received	330	-339
-1,028	-2,368	Change in provisions and other liabilities	-629	-5 520
-1,165	1,029		-1,061	-8,343
783	-4,401	Elimination of results from finance and investing activities	-94	-180
-382	-3,372	Net cash flows from operating activities	-1,155	-8,523
		Cash flows from investing activities		
-454	-510	Acquisition of non-current assets (excl. investments)	-414	-417
15	4	Disposal of non-current assets (excl. investments)	44	3
0	0	Acquisition of long-term investments	-30	0
0	0	Return on long-term investments	0	3,127
0	0	Loans granted	0	0
0	1	Loans recovered	48	1
2	0	Dividends and interest received	2	55
-437	-505	Net cash flows from investing activities	-350	2,769
		Cash flows from financing activities		
0	-24	Dividends paid	0	0
9,458	4,923	Increase in loans and financial liabilities	9,458	4,923
-12,776	-336	Decrease in loans and financial liabilities	-12,440	0
-12	-12	Payment of finance lease liabilities	0	0
-800	-580	Interest paid	-210	-106
-4,130	3,971	Net cash flows from financing activities	-3,192	4,817
-4,949	94	Increase (decrease) in net cash flows	-4,697	-937
10 047	8 955	Cash and cash equivalents in the beginning of the period	5 125	5 013
5 098	9 049	Cash and cash equivalents at the end of the period	428	4 076

EXPLANATORY NOTE

General information

Panevezio statybos trestas AB (hereinafter ‘the Company’) was established in 1957 and at that time was known as the North Lithuania Construction Trust. In 1991, the Company was registered as a State Company. On 30 October 1993, the State Company was reorganized to a Public Limited Liability Company. Company code 147732969, VAT code LT477329610. Registration certificate No. 013732 issued on 27 September 2004 by the State Register Centre Panevezys Branch.

In the first half of 2024 the Company comprised the following branches: *Gerbusta*, *Pastatu apdaila*, *Genranga*, *Konstrukcija* and *Klaipstata*. Seeking to make better use of available resources and make operations more efficient, *Panevezio statybos trestas AB* transferred the activities of the branches *Klaipstata*, *Genranga* and *Konstrukcija* to the parent Company. This decision will allow to focus even more on providing top quality services to our clients. The branch *Klaipstata* was deregistered from the Centre of Registers on 16 July 2024 and the branch *Genranga* was deregistered on 30 July 2024. The Company has its permanent establishments in Latvia and the Kingdom of Sweden. The financial year of the Company is the calendar year. The period of commercial-economic operation of the Company is unlimited.

The main operations of the Company and its subsidiaries (the Group) is designing and construction of various buildings, structures, facilities, communications and other similar objects in Lithuania and abroad, real estate development.

Basis of interim financial statement preparation

Separate and consolidated financial statements were prepared according to the international standards of financial accounting applicable in the European Union.

The same accounting principles are applicable to both – interim and annual financial statements.

The following currency rates (amount of currency for 1 Euro) were used when preparing the interim financial statement:

Currency	30 June 2024	30 June 2023
1 PLN	4.3090	4.4485

Principles of consolidation

Subsidiary companies are the companies controlled by the parent company. Such control is defined as a capability to a company to have determinant effect on other company, manage and influence financial and economic activities to get benefit from that company. For the purposes of control assessment, the total available number of shareholder votes at the General Meeting of Shareholders is considered. The financial statements of subsidiary companies are included into the Consolidated Financial Statement from the day of control gain and are excluded from the day of control loss. During consolidation of financial statement, the income and expenses, amounts receivable and payable and unrealized results of the Group are eliminated.

Investments

Over the first half of 2024 the investments of the Group in acquisition of non-current assets amounted to 454 thousand Euros.

Panevezio statybos trestas UAB acquired non-current assets for 414 thousand Euros. During the first half of 2024 the costs related to depreciation and amortization of the assets of the Group amounted to 541 thousand Euros, including 274 thousand Euros accounted for in the Financial Statements of *Panevezio statybos trestas AB*.

Assets and liabilities

There were no significant events.

Segments

as of 30 June 2024
(thousand Euros)

	Construction	Metal structures	Panel houses	Other activities	Total segments	Elimination of internal transactions	Total Group
Revenue							
Third parties	41,877	3,304	3,545	4,634	53,360	0	53,360
Internal transactions	934	0	0	1,085	2,019	2,019	0
Total revenue	42,811	3,304	3,545	5,719	55,379	2,019	53,360
Other revenue	342	4	10	480	836	0	836
Expenses							
Depreciation and amortization	-364	-45	-71	-61	-541	0	-541
Other, general administrative and selling expenses	-43,565	-3,222	-3,306	-4,355	-54,448	0	-54,448
Interest costs	-191	-1	0	-608	-800	0	-800
Interest income	0	0	0	0	0	0	0
Net financial activities (except interest)	-143	0	-4	5	-142	0	-142
Other expenses	-271	-4	-10	-513	-798	0	-798
Income tax expenses	410	0	-27	-100	283	0	283
Segment result	-971	36	137	567	-231	2,019	-2,250
Segment assets	55,273	4,201	4,286	41,025	104,785	-22,094	82,691
Segment liabilities	32,426	1,190	2,264	31,083	66,963	-12,404	54,559

Loans and other financial liabilities of the Group

(thousand Euros)	30 June 2024	31 Dec. 2023
Loans	19,624	22,943
Leasing (financial lease) liabilities	27	38
Debt to the Competition Council	3,713	4,409
Total loans and other financial liabilities	23,364	27,390
Non-current liabilities	20,150	21,182
Current liabilities	3,214	6,208
Total loans and other financial liabilities	23,364	27,390

The loan breakdown is provided below:

(thousand Euros)	Valid till	30 June 2024	31 Dec. 2023
OP Corporate Bank plc. Lithuanian Branch	July 2026	9,237	9,407
AS Citadele banka Lithuanian Branch	July 2026	9,250	9,416
OP Corporate Bank plc. Lithuanian Branch (overdraft)	Sept. 2024	1,137	4,120
Total loans		19,624	22,943

Guarantees, sureties

As of 30 June 2024, the guarantees provided by credit institutions for performance of the contracts and liabilities of *Panevezio statybos trestas AB* amounted to 14,725 thousand Euros. The guarantees provided by insurance companies for performance of contracts and obligations of the companies of *Panevezio statybos trestas AB* Group amounted to 10,391 thousand Euros, of which 9,805 thousand Euros are for performance of contracts and obligations of *Panevezio statybos trestas AB*. Furthermore, the Company has the sureties issued to insurance companies for the amount of 502 thousand Euros related to fulfilment of liabilities by the subsidiaries.

Dividends

The Ordinary General Meeting of Shareholders of *Panevezio statybos trestas AB* held on 30 April 2024 failed in taking the resolution to pay the dividends to the shareholders.

Transactions with associated parties

There were no significant transactions made with any associated parties.

Key events and contingent liabilities

As a defendant, the Company is participating in the judicial proceedings where the claimant, *DG Paupio verslo namai UAB* (former *Naujasis Užupis*) filed a claim on 7 April 2023 against the defendants, Ergo Insurance and *Panevezio statybos trestas AB*, for compensation of the costs related to the work defect elimination and award of penalties for the total amount of 1.15 million Euros. As the defendants fundamentally disagree with the claims, the dispute was brought before the court. On 3 April 2024, Vilnius District Court reduced the amount to be recovered to 219 thousand Euros. The plaintiff lodged an appeal with the Court of Appeal of Lithuania.

Taking into account all the facts and circumstances known to the management of the Company, the management believes that it is more likely than not that the Company will obtain a favourable judgement in this matter, therefore, in preparation of these financial statements no provision related to the described judicial proceedings has been accounted for.