

AB Snaige

Company code: 249664610

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SNAIGE AB RESTRUCTURING PLAN

The logo for FINDEP, consisting of the word "FINDEP" in a bold, dark red, sans-serif font.

According to the data provided by the customer, prepared by:

UAB FINDEP

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Kaunas, 2022

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1. COMPANY CHARACTERISTICS

1.1. GENERAL INFORMATION ABOUT THE COMPANY

Company name	Snaige AB
Legal Form	Public limited company
Date of registration	1992-12-01
Company Code	249664610
VAT Code	LT496646113
Company registration address	Pramonės st. 6, LT-62175 Alytus
Company address	Pramonės st. 6, LT-62175 Alytus
General Manager of the Company	Mindaugas Sologubas
Chief of accounting and finance department	Vytautas Adomaitis

source: Company data.

1.2. STAFF AND MANAGEMENT OF THE COMPANY

The share capital of Snaige AB at the beginning of the restructuring process amounts to EUR 6,735,807. The ordinary registered shares of AB Snaige have been included in the Baltic Secondary List of the Nasdaq Vilnius Stock Exchange since 2009 June 1st. The authorized capital of the Company consists of 39,622,395 ordinary registered shares. The nominal value of one share is EUR 0.17. One share of Snaige AB gives one vote at the general meeting of shareholders. Total number of voting shares: 39,622,395.

The largest shareholder of the Company is Sekenora Holdings Limited, which owns 91.10 percent. of shares. It is the only shareholder with more than 5 percent. of the Company's shares and votes. Other shareholders have 8.9 percent. of shares.

At the last General Meeting of the Shareholders held on June 22nd of 2022 the total number of shareholders of Snaige AB was: 1107.

Table 1

INFORMATION ABOUT THE MANAGERS

Name surname	Position in the company
Mindaugas Sologubas	General Manager

source: Company data.

Table 2

INFORMATION ON THE SHAREHOLDERS

No.	Name	Address	Number of shares	Exact percentage of shares held
1.	SEKENORA HOLDINGS LIMITED	32 Kritis street, Papachristoforou Building, 4th floor, 3087 Limassol, Kipras	36 096	91,1
2.	Minority shareholders		3 526	8,9

source: Company data.

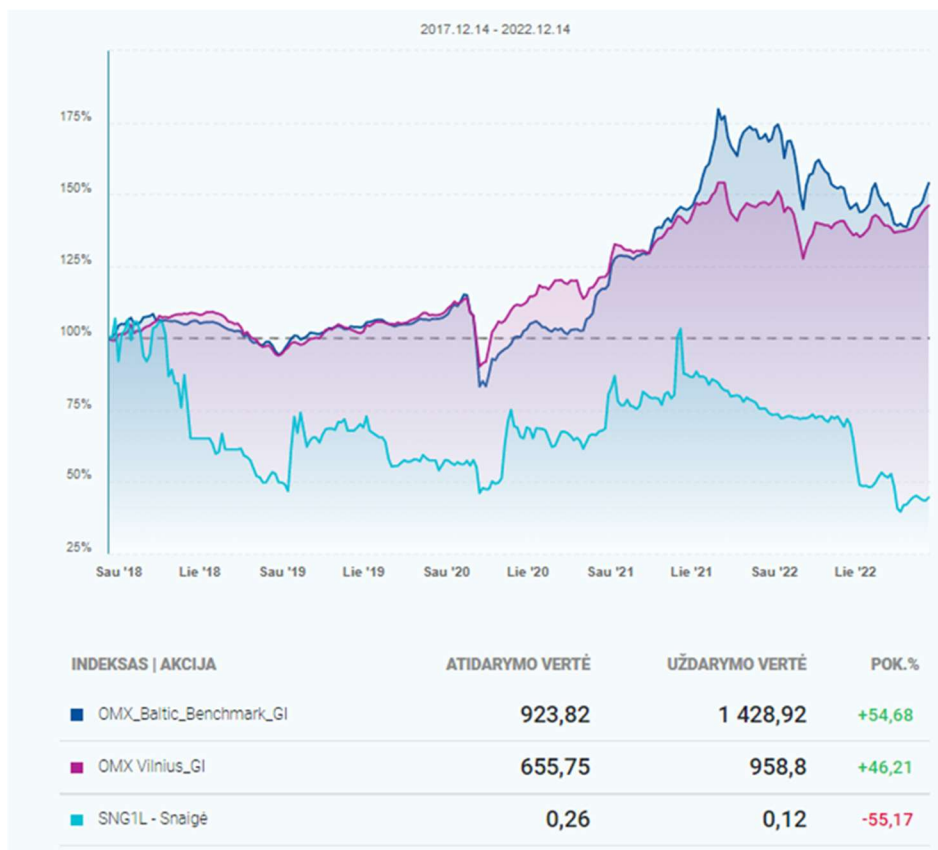
Below we present the Company's share price and turnover graphs over the last 5 years from the website of AB NASDAQ Vilnius.

Graph 1



The graphs of OMX Baltic Benchmark, OMX Vilnius indices and Snaige AB shares in the period from December 14th 2017 to December 14th 2022. The information is taken from the website of AB NASDAQ Vilnius.

Graph 2



In Table No. 3, information on the number of employees of the Snaige AB is provided.

Table 3**NUMBER OF EMPLOYEES OF THE SNAIGE AB**

Employee category	2018	2019	2020	2021	2022 III Q
Managers	22	23	23	22	20
Specialists	94	103	95	94	90
Workers	494	485	418	427	267
Total:	610	547	528	543	377

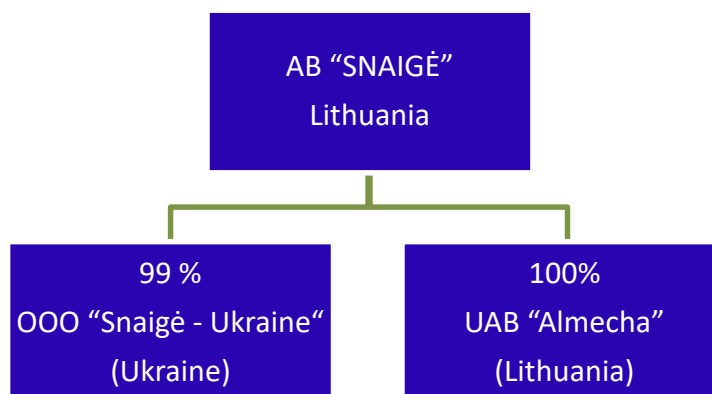
source: Company data.

1.3. PRESENTATION OF COMPANIES ACTIVITIES

The Company was established on April 1st, 1963. The joint-stock company was registered in the Register of Legal Entities of the Republic of Lithuania on December 1st 1992. The Company's shares are traded on the Baltic Secondary List of the NASDAQ OMX Vilnius Stock Exchange.

The Company owns two subsidiaries: the trading company in Ukraine TOB Snaige Ukraina and the manufacturing company in Lithuania UAB Almecha.

The structure of the Company's group of companies on December 31st 2021:

**Table 4****COMPANY'S SUBSIDIARIES**

	Company name	Country	Share of shares held by the Group	Profit (loss) for the reporting year (thousand euros)	Equity (thousand euros)	Investment cost (thousand euros)
1.	TOB Snaige Ukraina	Ukraine	99 proc.	1	4	26
2.	UAB Almecha	Lithuania	100 proc.	55	174	398

source: Company data.

The Company develops, manufactures and sells high-quality household and professional refrigeration appliances. Also - spare parts, various metal products, tools and equipment. It is a well-known Central and Western European manufacturer, recognized by partners, customers and consumers. The Company is the only company in the Baltic States engaged in the production of household refrigeration appliances. All products manufactured by the Company

are developed by SNAIGÉ's R&D team.

Table 5

The Company's range by product groups

	2022 1-9		2021		2020		2019	
	Thous. EUR	Income share	Thous. EUR	Income share	Thous. EUR	Income share	Thous. EUR	Income share
Household refrigeration appliances	7.263	46%	20.196	61%	22.191	77%	24.028	77%
Professional refrigeration appliances	7.610	48%	10.444	32%	5.103	18%	5.029	16%
Other	860	5%	2.212	7%	1.411	5%	2.147	7%
Total	15.733	100%	32.852	100%	28.705	100%	31.204	100%

source: Company data.

The Company's sales are dominated by household refrigeration appliances. However, the Company is consistently reducing their share by introducing more profitable and competitive categories of professional refrigeration equipment. In 2021, professional refrigeration appliances accounted for 32 percent of the Company's entire product portfolio. This is a significant increase in the share of professional equipment - in 2020 it accounted for only 18 percent. In 2021 revenues from sales of professional equipment doubled vs 2020. In 2022, the Company has added more categories, such as refrigerators and freezers for professional kitchen, medical and laboratory refrigerators, so it continues to grow.

The impeccable quality of the Company's products is ensured by high-quality parts and raw materials, mostly supplied by well-known European manufacturers, experienced highly qualified staff, modern production lines and strict and versatile quality control. The company's production failure rate is significantly lower than the industry average.

The Company's products have most of the features and functions that modern refrigeration appliances have. These include the NO FROST frost-free refrigeration system, the zero-temperature compartment, the fast freeze compartment, the electronic control, the automatic defrost, the audible door alarm and many more.

All of the Company's products are certified in international laboratories. The medical refrigerator is DIN-certified, proving that the product meets the highest requirements for this category. One of the most important advantages of the Company's products is the efficient use of electricity.

The Company exports the majority (~90%) of its products to more than 30 countries in Europe, Asia and Africa. According to the consolidated audited data, in 2021 the Company sold 155 thousand units and reached almost 32 million. Eur turnover, that is 15 percent more than last year. The company's largest markets were Germany (25%), Ukraine (11%), Lithuania (10%), Norway (6%), Austria (6%) and the Czech Republic (6%).

Table 6

Company's sales in 2021

Country	Units sold	Sales, thous. Eur	Share of revenue
Germany	39.363	7.747	24%
Ukraine	18.137	3.507	11%
Lithuania	14.289	2.946	9%
Norway	10.984	2.002	6%
Austria	10.690	1.996	6%
Czech Republic	9.544	1.891	6%
Morocco	9.460	1.654	5%
Poland	7.408	1.328	4%
Switzerland	6.623	1.327	4%
Bulgaria	5.001	916	3%
France	3.515	651	2%
Portugal	2.433	636	2%
Romania	2.425	565	2%
Italy	2.219	502	2%
Belarus	1.979	368	1%
Russia	1.628	355	1%
Finland	1.593	310	1%
Moldova	1.258	260	1%
Other	6.510	3.892	12%
Total amount	155.059	32.852	100%

source: Company data.

The Company's sales portfolio consists of products with its own brand SNAIGÉ and products with its customers' brands.

With its own brand, the Company sells to markets such as Ukraine, Lithuania, the Czech Republic, Morocco, Bulgaria and others. In most of these markets the Company has built long-term, flexible relationships with its customers the Company sells its products through home appliance wholesalers, large home appliance retail chains, and also has its own e-shop. In 2021, the share of products sold under its own brand accounted for 36.1%. This share is usually higher, the geopolitical situation in Ukraine had a relative decline, with sales falling in the last quarter of the year due to the threat of war with Russia.

The Company also manufactures products for other home appliance producers or retail chains under their brands such as: "Whirlpool", "Bomann", "Severin", "Point", "Nabo", "Regal", "KBS", "Orima", "exQUISIT", "Essentiel", "Unit" and others. The choice of these well-known companies to produce in AB SNAIGÉ is an undoubted assessment of the quality of the Company's products, cooperation and partnership culture.

The Company has additional benefits from such cooperation: by producing to others, the Company can more efficiently fulfil production capacity and get more favourable terms by purchasing raw materials.

The Company is one of the most advanced Lithuanian manufacturing companies in the field of environmental protection. The Company has a certified environmental management system that meets the requirements of the international standard ISO 14001. The Company is constantly improving the efficiency of environmental protection, taking care of reducing

pollution, environmental friendliness, economical use of natural resources and safe environment, and timely and fully complies with all legal requirements.

When developing a new product, the Company always prioritizes production that saves raw materials and resources, safe transport, minimal waste and product quality.

The materials used in the production are those that can be recycled later. The Company adheres to the 2009 October 21 Directive 2009/125 / EC of the European Parliament and of the Council on the design of products. SNAIGÉ refrigerators are made of ecological materials that do not contain elements that are hazardous to the environment or human health.

The Company consistently complies with the requirements of the Kyoto Protocol on global warming and climate change. The Company saves electricity, water and heat: the use of these resources has decreased three times in a decade.

1.4 FINANCIAL PERFORMANCE OF THE COMPANY

Below we present the summary of the Company's financial results for the period of 2016-2022 September 30th.

In **2016** sales revenue amounted to 38.44 million EUR, the Company's activities were profitable, 1.09 million Eur of profit was received. The cost of sales in the specified period was equal to 31.72 million. EUR (82.52% of sales revenue), operating costs amounted to 5.23 million. Eur (13.61 percent of sales revenue). In 2016 130 thousand EUR were also experienced of financial and investment activity costs and received 55 thousand EUR of profit from other activities. Also in 2016 324 thousand EUR was paid profit tax.

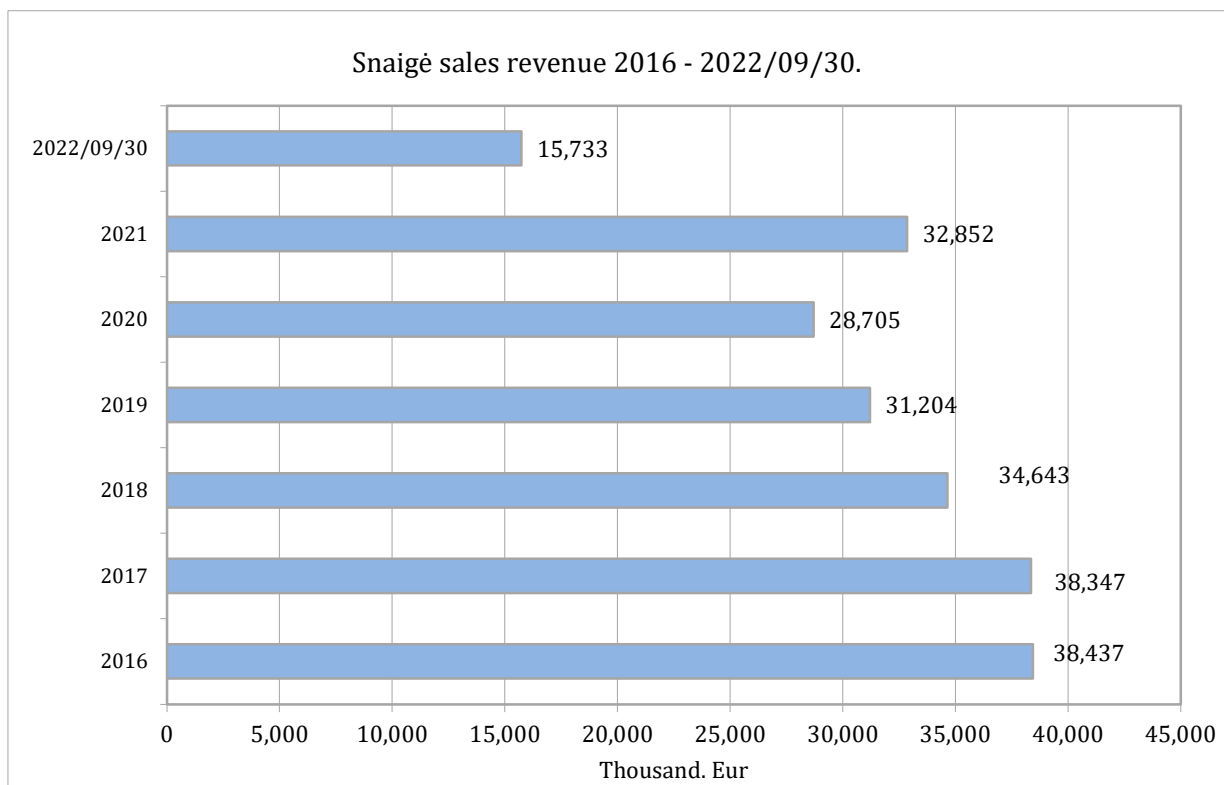
In **2017** sales revenue amounted to 38.3 million EUR, the Company's operations were unprofitable and incurred 13.2 million. EUR loss. The cost of sales in the specified period was equal to 34.2 million. EUR (89.21% of sales revenue), operating costs amounted to 17.4 million. Eur (45.29 percent of sales revenue). In 2017 169 thousand EUR were also experienced of financial and investment activity costs and received 74 thousand EUR of profit from other activities. Also in 2017 190 thousand EUR was paid profit tax.

In **2018** sales revenue amounted to 34.6 million. EUR, the Company's operations were unprofitable and incurred 965 thousand EUR loss. The cost of sales in the specified period was equal to 31.9 million. EUR (92.03 percent of sales revenue), operating costs amounted to 3.8 million. EUR (10.95 percent of sales revenue). In 2018 80 thousand EUR was also received profit from other activities and incurred 95 thousand EUR loss from financial and investment activities. Profit tax in 2018 was equal to 81 thousand EUR.

In **2019** sales revenue amounted to 31.2 million. EUR, the Company's activity was unprofitable and incurred 966 thousand. Eur loss. The prime cost in 2019 was equal to 25.5 million. EUR (88.98% of sales revenue) and operating expenses amounted to EUR 2.5 million. Eur (8.8% of sales revenue). In 2019, 84 thousand EUR of other operating income received, and 136 thousand. Eur financial and investment costs were incurred. Income tax for 2019 amounted to 110 thousand. Eur.

In **2020**, sales revenue amounted to 28.7 million. Eur, the Company's activities were profitable, earned 256 thousand. Eur. The prime cost was 25.5 million. EUR (88.9% of sales revenue), operating expenses amounted to EUR 2.5 million. Eur (8.75% of sales revenue). 2020 expenses from financial and investment activities amounted to 520 thousand. Eur. Also in 2020, 84 thousand. EUR was earned from other operating activities and 43 thousand. Eur of income tax was paid.

In **2021** sales revenue amounted to 32.8 million. EUR, the Company's operations were unprofitable, incurred EUR 2.02 million. Eur loss. The prime cost was 29.8 million. EUR (90.65% of sales revenue), operating expenses amounted to EUR 4.65 million. Eur (14.14% of sales revenue). 2021 income from other activities amounted to 60 thousand. EUR and the loss from financial and investment activities amounted to 479 thousand. Eur.

Graph 3

source: Company data.

On 30 September 2022, sales revenue amounted to 15.73 million. EUR, the Company's activity was unprofitable and incurred 3.14 million. EUR loss. Cost of sale was 16.34 million. EUR, operating expenses amounted to 2.95 million. Eur (18.75 percent of sales revenue). In 2022, during the period under review, cost from other activities amounted to 451.27 thousand. EUR and the loss from financial and investment activities amounted to 5.0 thousand. EUR.

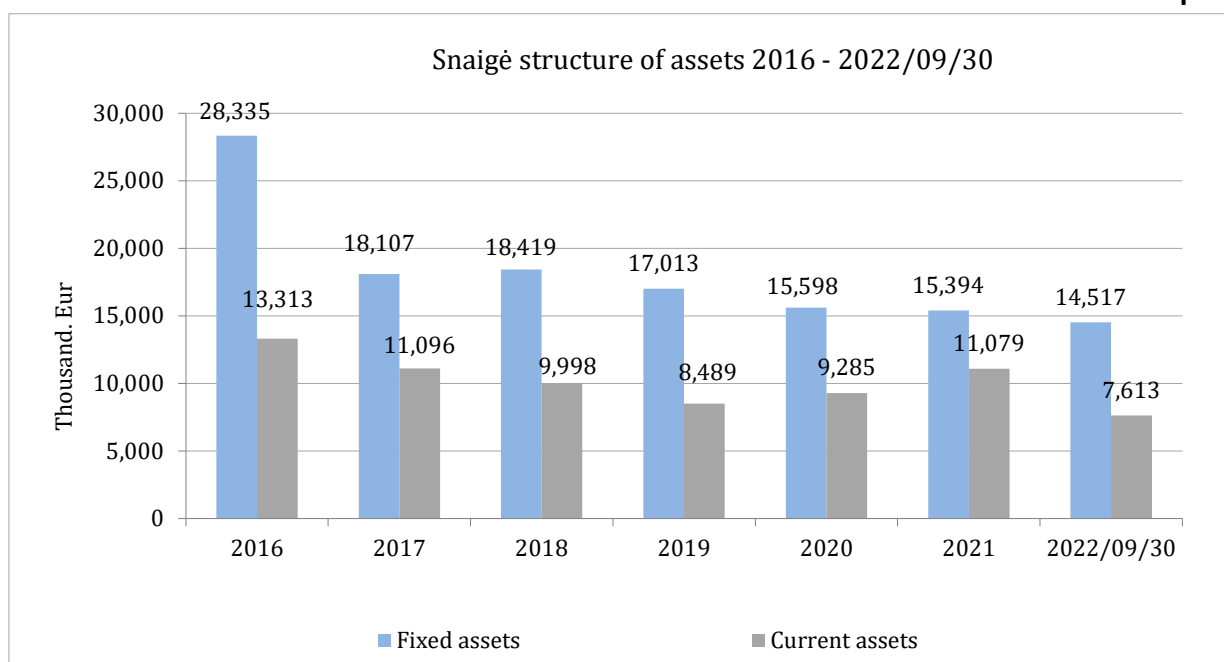
The Company's 2022 results have been negatively impacted by the war in Ukraine, which has led to a significant drop in sales in this key market for the Company. Following the restructuring initiated by the Company, some suppliers continued to supply raw materials, some changed their prices and terms to the detriment of the Company, which required several months to rebalance the production process by switching suppliers or adjusting terms. The termination of the factoring contracts with commercial banks (EUR 1,93 million) and the termination of any financing of the restructured company significantly reduced the Company's liquidity and its ability to purchase raw materials on new terms (mostly in advance). Although the Company managed to maintain its main sales contracts and to have approximately twice as many orders throughout the season as it does now than it could produce due to the lack of liquidity. All this had a negative impact on the result and on the negative margin, as the volume produced was too low to cover the indirect and fixed costs of the production site.

1.5. COMPANY ASSETS

The value of the total assets of Snaigé AB in 30 September 2022 according to data, there were 25,157 thousand. Eur, consisting of:

- Fixed assets 14,517 thousand. Eur (this is 65.52% of total assets). Tangible fixed assets account for 86.28% of fixed assets, consisting of:
 - o Land, buildings and structures - EUR 5.06 million;
 - o Machinery and equipment - EUR 6.58 million;
 - o Vehicles - EUR 19.5 thousand;
 - o Other tangible assets - EUR 741.4 thousand;
 - o Advances paid EUR 15.0 thousand;
 - o Other tangible assets - EUR 97.7 thousand.
- Financial fixed assets EUR 425 thousand.
- Intangible assets EUR 1.57 million.

Graph 4



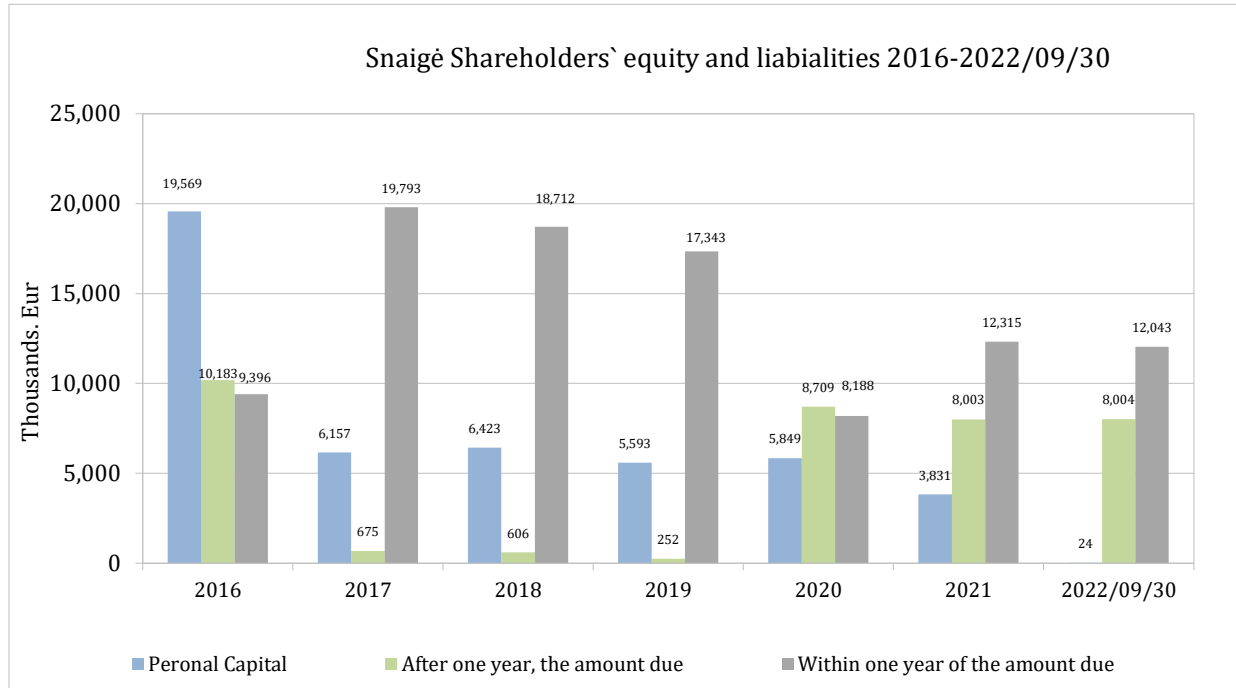
source: Company data.

- Current assets amount to EUR 7.61 million (34.36% of total assets). Current assets consist of:
 - o Inventories, prepayments and work in progress - EUR 4.5 million (59.56% of current assets and 20.46% of total assets), including raw materials and components – EUR 1.9 million, unfinished production and work in progress - EUR 492 thousand, work in progress - EUR 492 thousand, production - EUR 1,77 million, goods for resale of EUR 343 thousand;
 - o Receivables in one year - EUR 3.01 million (39.49% of current assets and 13.57% of total assets), including trade receivables of EUR 2.06 million, debts of associated companies (EUR 19.7 thousand) and other receivables of EUR 920.4 thousand;
 - o Cash and cash equivalents - EUR 73.2 thousand.
- Deferred charges and accrued income - EUR 26,2 thousand.

1.6. LIABILITIES OF THE COMPANY

How the Company's liabilities changed during the period of 2016-2022 is depicted graph below. The latest detailed information on the Company's liabilities is provided in Part 2 of the Draft restructuring plan.

Graph 5



source: Company data.

The authorized capital of the Company in 2019 was 10.302 million Eur, and has decreased to 6.74 million Eur in 2020 (by decreasing nominal share value, in order to comply with mandatory decision of the Bank of Lithuania), and remained the same until now. During the period under review, we see changes in the share of short-term liabilities payable within one year, but the major changes are due to accounting principles of credit recognition: long term debt with payment term within one year was recognized as current asset, and re-classified to long term liability after the credit was prolonged.

1.7. FINANCIAL RATIOS

Relative financial ratios help to assess the Company's financial condition. Their values are provided in Table No. 7.

Table 7

RELATIVE FINANCIAL INDICATORS

No.	Indicator	Formula	2019	2020	2021	30-09-2022
	ASSET MANAGEMENT EFFICIENCY INDICATORS					
1	Inventory turnover	Sales / Inventories	17,13	11,70	10,49	8,16
2	Stock turnover time (days)	365 / Stock Turnover (1)	21,31	31,20	34,80	44,75
3	Turnover of receivables	Sales / Receivables	6,23	5,79	6,70	5,23
4	Net working capital	365 / Turnover of receivables	58,56	63,01	54,45	69,74
5	Working capital (net) turnover	IP assets -TL liabilities	-8 854	1 097	-1 215	-4 404
6	Net turnover.	Sales / Net working capital	-3,52	26,17	-27,04	-3,57
7	Capital turnover, days	365 / Working capital (net) turnover	-103,57	13,95	-13,50	-102,17
8	Turnover of fixed assets	Sales / Fixed assets	1,83	1,84	2,13	1,08
9	Turnover time of fixed assets (days)	365/fixed assets	199,00	198,34	171,03	336,80
10	Turnover of total assets	Sales / Assets	1,22	1,15	1,24	0,71
11	Turnover of total assets, in days	365 / Turnover of assets	298,30	316,40	294,36	514,02
12	Turnover of current assets	Sales / Current assets	3,68	3,09	2,97	2,07
13	Turnover from current assets (days)	365 / Turnover of current assets	99,30	118,06	123,09	176,62
14	Inventory to current assets ratio	Inventories / Current assets	0,21	0,26	0,28	0,25

No.	Indicator	Formula	2019	2020	2021	
	SOLVENCY RATIOS					
1	Coverage (current) coefficient	Curr. assets / Curr. liabilities	0,49	1,13	0,90	0,63
2	Urgent coverage factor	(Curr. Assets - Inventories) / Curr Liabilities	0,38	0,83	0,65	0,47
3	Working capital ratio	(Own property + non - current liabilities). Property	0,34	0,93	0,77	0,55
4	Critical liquidity ratio	Accounts receivable + money) / Curr liabilities	0,29	0,64	0,40	0,26
5	Gross solvency ratio	Equity / Value of gross liabilities	0,32	0,35	0,19	0,00

No.	Indicator	Formula	2019	2020	2021	
	CAPITAL STRUCTURE INDICATORS					
1	Debt ratio	Total liabilities / Total assets	0,78	0,76	0,86	1,00
2	Debt to equity ratio	Liabilities / Ownership	3,56	3,25	5,92	922,17
3	Long - term debt ratio	Long term Liabilities / equity	0,05	1,49	2,09	333,50
4	Curr. debt - shares ownership ratio	Current Liabilities / equity	3,10	1,40	3,21	501,79

No.	Indicator	Formula	2019	2020	2021	
	PROFITABILITY (FINANCIAL RESULT) INDICATORS					
1	Net profit margin	Net profit / Sales * 100%	-3,10%	0,89%	-6,14%	-19,96%
2	Gross profit margin	Gross profit / Sales * 100%	9,68%	11,02%	9,35%	-3,85%
3	Operating profit margin	(Gross profit - Operating expenses) / Sales * 100%	-3,19%	2,26%	-4,79%	-22,60%
4	Return on assets	Net profit / Total assets	-3,79%	1,03%	-7,62%	-14,17%
5	Profitability on shareholder equity	Net profit / Share capital	-17,27%	4,38%	-52,68%	-13081,23%

1.8. REASONS FOR TEMPORARY FINANCIAL DIFFICULTIES

Throughout almost 60 years, the Company consistently demonstrated a unique ability to cope with all the challenges and problems that not every company has overcome. Flexibility, objective assessment of the situation, the constant search for new opportunities, and competence of employees - are the qualities that have helped the Company to overcome many obstacles, and they will undoubtedly help to cope with the current temporary difficulties.

These temporary difficulties caused by two main global issues. The first one is the worldwide rise in prices and shortages of raw materials, components and transport services due to the pandemic, which started in 2021 and continues to this day. It increased the cost of the Company's products, but the Company could not raise the prices of its products to the same extent and remain competitive. Price scissors between increased resources and the selling prices of final products cut the Company's profits.

Due to the lack of raw materials and their delivery delays, the Company could not fulfil some orders of its customers on time. The Company often produced what it could instead of what it needed to.

At the end of 2021, skyrocketing energy costs also worsened the Company's results, and delayed payments of some customers had negative impact on cash flows and lowered working capital.

The second reason that negatively affected the Company's results – the war in Ukraine. The Company has lost one of its most important markets. The war also affected other markets, such as central and western Europe, where sellouts decreased significantly or even stopped. Many of the Company's customers have postponed their orders and suspended their development plans.

In the context of the war, the country of origin of the Company's major shareholder negatively impacted the Company's operations. The main shareholder and the beneficiary of the Company - Russian citizens acting through the Cypriot Company Sekenora Holdings. They are not on the list of sanctioned individuals; they do not belong to political or power structures. Nevertheless, the country of origin has become a key obstacle to accessing financial funding. Some companies, including state-owned (VIVA, IGNITIS), impose additional conditions that complicate the Company's operations.

These circumstances delayed the Company's plans to become not only a manufacturer of household refrigeration appliances, but also a full-fledged manufacturer of professional refrigeration equipment. The Company launched the new production lines of professional refrigerators later than planned, consequently serial production and introduction of these product to the market was also delayed.

2. THE PRESENTATION OF FINACIAL REQUIREMENTS

2.1 LIST OF CREDITORS, THEIR GROUPS AND THE AMOUNTS OF THEIR CLAIMS

List of the Company's restructuring debts according to court orders as of December 9, 2022 is presented below. Due to the large volume of creditors and confidentiality, in order not to disclose the Company's suppliers and other commercial secrets, the Company's liabilities are detailed by groups.

Table 8

DETAILS OF LIABILITIES FOR DECEMBER 9th 2022

CREDITORS	LEGAL ENTITY CODE	APPROVED REQUIREMENT, EUR	PHASE I	PHASE II
MORTGAGE CREDITORS				
Loan 1	1027739082106	8,690,073.14	8,375,533.35	314,539.79
Loan 2	302551336	1,504,184.48	1,258,750.04	245,434.44
TOTAL		10,194,257.62	9,634,283.39	559,974.23
I GROUP CREDITORS				
VSDFV Kauno skyrius	188677437	63,149.05	62,988.48	160.57
TOTAL		63,149.05	62,988.48	160.57
II GROUP CREDITORS				
TOTAL		7,442,379.02	7,411,889.69	30,489.33
IN TOTAL		17,699,785.69	17,109,161.56	590,624.13

Table 9

DISPUTED FINANCIAL CLAIMS FOR DECEMBER 9th 2022

NO.	CREDITORS	LEGAL ENTITY CODE/ PP CODE	DISPUTED CLAIM, EUR	PHASE I	PHASE II
1	Alytaus miesto savivaldybės administracija	188706935	10,080.00	10,080.00	0.00
2	Depsol Technologies SIA	LV40103317879	271,535.00	271,535.00	0.00
3	DXL Sp.zoo	PL6511715720	23,790.00	23,790.00	0.00
4	Generalfinance S.p.a.	IT01363520022	10,000.00	10,000.00	0.00
5	UAB "Esemda"	125816838	5,482.75	5,482.75	0.00
6	Atradius Credit Insurance N.V. Branch Sweden		175,997.00	175,997.00	0.00
7	Janeckienė Vidutė		1,035.18	1,035.18	0.00

Table 10

DETAILS OF AFFECTED CREDITORS FOR DECEMBER 9th 2022

CREDITORS	LEGAL ENTITY CODE	APPROVED REQUIREMENT, EUR	PHASE I	PHASE II
MORTGAGE CREDITORS				
Loan 1	1027739082106	8,690,073.14	8,375,533.35	314,539.79
Loan 2	302551336	1,504,184.48	1,258,750.04	245,434.44
TOTAL		10,194,257.62	9,634,283.39	559,974.23
I GROUP CREDITORS				
VSDFV Kauno skyrius	188677437	63,149.05	62,988.48	160.57
TOTAL		63,149.05	62,988.48	160.57
II GROUP CREDITORS				
TOTAL		7,417,992.61	7,387,503.28	30,489.33
IN TOTAL		17,675,399.28	17,084,775.15	590,624.13

2.2 GUARANTEES AND OTHER WARRANTIES

The Company, according to available data, has not provided any sureties or guarantees to secure its own or third parties' obligations. The Company has pledged real estate and equipment to secure the liabilities of Creditors Loan 1 and Loan 2.

2.3 INFORMATION ABOUT COURT CASES WHERE PROPERTY CLAIMS HAVE BEEN SUBMITTED TO THE COMPANY

There are no such cases.

2.4 CREDITORS' DISCOUNTS AND ASSISTANCE TO OVERCOMING FINANCIAL DIFFICULTIES

- During the restructuring procedure, the Company will aim to review the settlement schedules, settlement dates and payments for the Company's creditors during the restructuring period, to forecast cash flows and opportunities to settle with creditors.
- The company's largest creditor and mortgage lender, Loan 1, agrees to grant the company a concession and to allow the use of the mortgaged assets (buildings and equipment) for income generation during the period of implementation of the restructuring plan, by selling only a part of the mortgaged assets. The creditor agrees to a schedule of instalment payments of the outstanding debt.
- The mortgage creditor Loan 2 agrees to grant the company a concession and to allow the use of the mortgaged assets (equipment) for income generation during the period of the restructuring plan. The creditor agrees to arrange a schedule of instalment payments of the outstanding debt.
- All creditors agree to make concessions at the current stage of the plan and to waive their Phase II claims once the Phase I financial claims have been fully settled, so that only the Phase I claims are included in the forecast calculations.

2.5 COMPLIANCE WITH CREDITORS' CLAIMS IN CASE OF RESTRUCTURING AND BANKRUPTCY

In the event of restructuring, the Company would be able to continue its operations. Once the restructuring plan has been approved by the creditors, the core business will continue and measures will be taken to resolve the Company's temporary financial difficulties. The Company under Restructuring would generate much greater benefits than in the event of bankruptcy.

If the creditors will not agree on the proposed restructuring process, the Company's shareholders will have to declare bankruptcy due to the inability to meet their obligations on time and the deterioration of the Company's financial situation. In that case, bankruptcy administrator would be appointed to conduct the bankruptcy proceedings:

1. Bankruptcy proceedings may take from 1 to 3 years, depending on the size, assets and number of creditors of the Company.

2. Funds will be required to settle with the employees, as under bankruptcy proceedings they will be laid off, including severance pay and compensation for unused leave, which will increase the Company's liabilities accordingly.

3. The State will not receive additional taxes from the Company, which will not continue its operations and will not pay taxes. It should be noted that the Company is a large employer in the Alytus region, therefore unemployment rates in this region may increase in the short term. In addition, the state would lose significant revenue, which the company pays into the state budget in form of various taxes. In 2021, a total of EUR 961,814 of personal income tax (PIT) was paid, EUR 1,475,845 social insurance taxes, EUR 828,033 in import VAT, EUR 26,842 real estate tax, EUR 20,555 profit tax. In summary, the state would lose about 3.31 million. EUR of taxes per year.

4. Debts to creditors will increase, as bankruptcy proceedings will result in penalties for non-performance of contracts, and so on.

5. The costs of bankruptcy administration, sale of assets, liquidation proceedings will further reduce the possibilities for creditors to recover debts.

In order to settle with creditors, the bankruptcy administration will sell the assets of the company. It should be noted that income from forced sale in auction may be possibly lower than if the assets are sold under the market conditions of an operating company. Also, a significant part of the Company's assets consists of equipment that maintains the highest price when operating and maintained.

According to preliminary estimates, taking into account the current asset structure of the Company, in the event of bankruptcy, approximately EUR 12.3 million can be recovered from the sale of assets. It should be noted that the Company's assets are pledged, therefore, first of all, mortgage creditors would be settled, in which case the chances for II-tier creditors to recover debts are low. In addition, the Company's liabilities related to redundancies and severance pay, penalties for non-performance of contracts, maintenance and sale costs, etc. will increase during the bankruptcy proceedings. The ability of creditors to recover debts as the Company continues to operate is significantly improved, as well as Company's operations and assets would be preserved.

Table 11

FUNDS POSSIBLE TO RECEIVE FROM THE SALE OF ASSETS IN THE EVENT OF BANKRUPTCY

Balance sheet line	Book value	Funds in the case of bankruptcy
Fixed assets		
Intangible assets	1,567,201	
Tangible assets	12,949,802	8,804,560
Land		0
Buildings and Structures	5,067,438	4,053,950
Machinery and equipment	6,583,993	3,950,396
Vehicles	19,501	15,601
Other fixtures, fittings, tools and equipment	741,397	444,838
Other assets	112,755	0
Financial Fixed Assets		
Receivables after one year		0
Other financial Fixed Assets	424,718	339,774
Current assets	7,613,661	3,537,832
Inventories (reserves), prepayments and contracts in progress		
Reserves	4,534,244	1,360,273
Prepayments		0
Contracts in progress		0
Within one year of receivables		
Trade receivables	2,066,117	1,446,282
Other receivables	940,076	658,053
Other current assets		0
Money and money equivalents	73,224	73,224
Accrued income and deferred charges	26,244	
TOTAL ASSETS	22,156,908	12,342,392

2.6 SCOPE AND DURATION OF CREDITORS 'CLAIMS SETTLEMENT

During the implementation of the restructuring plan, all affected creditors will be settled on the basis of the business plans and forecasts, covering all creditors' Phase I claims.

The schedule of settlement with creditors is forecasted taking into account the order of settlement with creditors provided for in the structure of the Company's liabilities.

Payments to mortgage creditors will be made quarterly. Part of the repayments to the mortgage creditors are foreseen to be made from the sale of the mortgaged assets. The proceeds from the sale of the assets will be paid to the mortgage creditors immediately upon receipt of funds from the buyers. The current schedule provides for payments on the basis of the projected timing of the sale of the assets.

The first tier creditors will be settled within six months after the approval of the restructuring plan.

It is planned to settle with the second tier creditors in installments, making the payment every calendar quarter. The funds are distributed to the creditors in proportion to the share of the financial claim.

Table 12

SCHEDULE OF SETTLEMENT OF LIABILITIES DURING THE RESTRUCTURING PERIOD

	2023	2024	2025	2026	VISO
Loan 1 (mortgage)	240,000	360,000	360,000	7,415,533	8,375,533
Loan 2 (mortgage)	100,000	240,000	360,000	558,750	1,258,750
Total mortgage lenders	340,000	600,000	720,000	7,974,283	9,634,283
Line I creditors	62,988	0	0	0	62,988
Line II creditors	0	1,560,000	2,200,000	3,627,503	7,387,503
TOTAL TO CREDITORS	402,988	2,160,000	2,920,000	11,601,787	17,084,775

3. PROPERTY INFORMATION

3.1 FIXED ASSETS OF THE COMPANY

Below is a detail of the Company's fixed assets according to the accounting data of the beginning of the restructuring process, as of 30 September 2022.

Table 13

FIXED ASSETS

No.	Title	Amount (Eur)
Intangible assets		
1.	Development works	1,181,047
2.	Software	3,933
3.	Payment in advance (fixed assets)	382,221
	TOTAL:	1,567,201
Material assets		
1.	Buildings and Structures	5,067,438
2.	Machinery and equipment	6,583,993
3.	Vehicles	19,501
4.	Other fixtures, fittings, tools and equipment	741,397
5.	Payment in advance (fixed assets)	15,020
6.	Rights to leased property	97,735
	TOTAL:	12,525,084
Financial assets		
1.	Shares of group companies	424,718
	TOTAL:	424,718
TOTAL FIXED ASSETS:		14,517,003

Table 14

CURRENT ASSETS

No.	Title	Amount (Eur)
Inventories (reserves), prepayments and contracts in progress		
1.	Inventories	1,928,800
2.	Contracts in progress	491,683
3.	Products	1,770,067
4.	Purchased goods for resale	343,694
	TOTAL:	4,534,244
Receivables in one year		
1.	Trade receivables	2,066,117
2.	Other current assets	19,661
3.	Trade receivables	920,415
	TOTAL:	3,006,193
Money and money equivalents		
1.	Money and money equivalents	73,224
	TOTAL:	73,224
TOTAL CURRENT ASSETS		7,587,417

Table 15

DEFERRED COSTS AND ACCRUED INCOME

No.	Name	Residual value (Eur)
1.	Deferred charges and accrued income	26,244
Total:		26,244

3.2 INFORMATION ON RECEIVABLES

Table 16

RECEIVABLES AS OF SEPTEMBER 30TH 2022

Debitor	Amount EUR
Debitor 1	243 393,00
Debitor 2	242 496,23
Debitor 3	219 222,31
Debitor 4	214 171,42
Debitor 5	210 460,00
Debitor 6	204 145,94
Debitor 7	132 715,00
Debitor 8	130 126,00
Debitor 9	120 042,90
Debitor 10	114 386,04
Debitor 11	85 761,12
Debitor 12	80 013,65
Debitor 13	77 078,73
Debitor 14	76 546,00
Debitor 15	62 280,26
Debitor 16	61 541,51
Debitor 17	57 892,00
Debitor 18	39 997,44
Debitor 19	37 883,00
Debitor 20	35 104,77
Debitor 21	32 494,19
Debitor 22	32 022,00
Debitor 23	30 692,00
Debitor 24	26 863,94
Debitor 25	26 634,44
Debitor 26	26 339,92
Debitor 27	24 638,62
Debitor 28	23 494,66
Debitor 29	23 278,15
Debitor 30	23 018,00
Debitor 31	20 401,00
Debitor 32	20 243,10
Debitor 33	20 000,00
Debitor 34	19 072,80
Debitor 35	18 381,00
Debitor 36	15 825,63
Debitor 37	15 663,55
Debitor 38	11 751,01
Debitor 39	11 540,00

Debitor 40	10 179,30
Debitor 41	9 217,00
Debitor 42	8 732,49
Debitor 43	7 766,17
Debitor 44	6 486,13
Debitor 45	6 342,00
Debitor 46	6 245,01
Debitor 47	3 722,76
Debitor 48	3 268,17
Debitor 49	2 822,00
Debitor 50	2 498,75
Debitor 51	2 472,00
Debitor 52	2 429,00
Debitor 53	2 361,64
Debitor 54	2 218,97
Debitor 55	2 143,74
Debitor 56	2 033,50
Debitor 57	2 000,00
Debitor 58	1 516,21
Debitor 59	1 492,30
Debitor 60	1 224,18
Debitor 61	1 159,24
Debitor 62	1 001,57
Debitor 63 (small debitoris up to 1 000,00 Eur)	7 514,81
Debitor 64 deferrals	-691,00
Debitor 65 deferrals	-722,00
Debitor 66 deferrals	-851,86
Debitor 67 deferrals	-2 429,00
Debitor 68 deferrals	-2 472,00
Debitor 69 deferrals	-2 498,75
Debitor 70 deferrals	-3 268,17
Debitor 71 deferrals	-6 486,13
Debitor 72 deferrals	-9 217,00
Debitor 73 deferrals	-10 179,30
Debitor 74 deferrals	-11 540,00
Debitor 75 deferrals	-18 381,00
Debitor 76 deferrals	-20 401,00
Debitor 77 deferrals	-23 278,15
Debitor 78 deferrals	-30 692,00
Debitor 79 deferrals	-37 883,00
Debitor 80 deferrals	-50 512,58
Debitor 81 deferrals	-61 541,51
Debitor 82 deferrals	-76 546,00
Debitor 83 deferrals	-77 078,73
Debitor 84 deferrals	-120 042,90
Debitor 85 deferrals	-132 715,00
Debitor 86 deferrals	-198 914,58
TOTAL:	2 066 116,61

3.3 ASSETS WHICH WILL BE REVALUED OR WRITTEN OFF ASSETS IN ACCORDANCE WITH THE LEGISLATION OF THE REPUBLIC OF LITHUANIA

The Company's fixed assets are used in operations and are not currently expected to be written off and / or revalued.

If during the implementation of the restructuring plan there is a need to write off worn or damaged assets, this information will be submitted to the creditors for approval, and the write-offs will be performed in accordance with the legislation of the Republic of Lithuania.

4. BUSINESS RESTRUCTURING PLAN

4.1 LONG TERM STRATEGIC OBJECTIVES, DURATION OF THE PROCESS

The main strategic goal of the Company during the restructuring period is to optimize and restructure the Company's operations so that the Company can meet its obligations to creditors as soon as possible and to continue its operations. During the restructuring, the Company will implement the measures to increase the production volumes and sales of higher value-added industrial and medical refrigeration appliances and the production and sales of more profitable exclusive household refrigeration appliances. By continuing its activities, the Company would be able to secure jobs for its employees, pay taxes for the state and the Social Security and fulfil its obligations to its creditors, customers, suppliers and partners.

The Company's strategic objectives during the restructuring period:

- The Company's creditors will recover their debts and will not suffer economic losses due to unrecovered debts, as a significant part of the debts would remain unpaid if the company were to cease operations.
- The continued operation of the restructured company would have a positive economic effect on the national budget through the payment of taxes, which in turn would have a positive socio-economic effect through payments from the national budget.
- Jobs would be safeguarded, contracts would continue to be performed, and the company's customers and partners would not suffer any losses as a result of the interruption of its activities.
- Restructuring the company would allow the company to survive on the market and contribute to the development of competition, which would have a positive impact on consumers.

The restructuring plan is expected to last for a period of four years. Taking into account the deadlines for the initiation of the restructuring process, the preparation and approval of the plan provided for in the Law on Insolvency of Legal Entities of the Republic of Lithuania, and subject to the approval of the majority of creditors, it is expected that the restructuring plan will be approved and launched in the beginning of 2023, and that the restructuring plan will be completed in a 4-year period. The Company's restructuring process will be under the responsibility of the Managing Director of the Company and will be overseen by the Restructuring Administrator.

4.2 MEASURES TO OVERCOME FINANCIAL DIFFICULTIES

Increasing the share of more profitable professional and medical refrigeration equipment of the Company's sales. Over the last few years, the Company has consistently extended the professional and medical equipment segment: it has invested in production lines (EUR 1.2 million), developed several new products, received international quality certificates, and got support from its major customers such as Whirlpool, KBS, NARA and others. Next year, the Company expect to appear its products in the sales catalogues of these customers. Last year, the Company made its successful debut with its products at the international professional equipment exhibition HOST in Milan.

The professional and medical refrigeration equipment segment is less competitive and more profitable than the segment of household refrigeration appliances. Therefore, the

increase in sales would significantly improve the Company's financial results.

The Company has all the prerequisites for implementing this measure: many years of experience in the refrigeration business, experienced specialists and engineers, suitably qualified or easily retrained employees and the necessary technical base for the development and production of such products. The pandemic and the war in Ukraine have slowed down the implementation of this project, but it remains a priority for the Company.

Manufacture of exclusive, more profitable household refrigerating appliances. The Company plans to produce only profitable and exclusive household refrigerators and freezers. In its product portfolio, the Company has unique products that glorify the SNAIGĖ brand, which other mass-produced manufacturers cannot do or avoid. These are the SNAIGĖS Retro refrigerator line, the color refrigerator line, the refrigerators with the selected sticker or coating, etc. These products of the Company are in demand in almost all sales markets of the Company.

Retraining of employees and optimization of their work. Under the division of the Company's activities into two groups (professional and household), employees at various levels of the Company will be expected to be versatile, i.e. the ability to work with both product groups. Therefore, the Company will pay significant attention to the retraining of employees, and some employees will have to acquire the necessary competencies for this purpose. In this way, the qualification of the Company's employees will rise, and wages will increase in the future. In order to optimise performance and to adapt to the company's current financial situation, where a lack of working capital prevents the company from being able to fulfil orders in full, business processes are being reviewed. As a result, the number of employees has been reduced from 453 to 375 in the last period since May this year.

Sale of property. The Company intends to sell part of its real estate that is not necessary for the direct operation. The Company also has operating equipment that is no longer used in future production processes, but may be used in other, lower-quality production facilities or countries. The sale of these assets would significantly reduce the Company's liabilities to creditors. The company is looking for interested parties to operate on the company's premises, or to acquire part of them. In view of the business plans to optimise its operations and to sell some of its equipment, the Company does not require all of its existing premises and buildings for its operations.

Sale of shares of the subsidiary UAB "Almecha". The Company owns 100% shares of UAB "Almecha". It is a successfully operating company operating on the Company's premises. The proceeds from the sale of the shares will be used to pay off creditors. Given that the restructured company is currently facing a shortage of working capital, the proceeds from the sale of these assets are intended to be used primarily for the purchase of raw materials and the replenishment of the working capital, and in the later stages of the plan to be used for the settlement of creditors in accordance with the timetable in the restructuring plan.

Reviewing customer payment terms. In order to resolve the shortage of working capital, the Company used factoring services under agreements signed with AB SEB bankas and AB Šiaulių bankas. These contracts were terminated when the restructuring process started, resulting in the loss of up to EUR 1,93 million of the credit limit (the ability to obtain funds from debtors earlier). Negotiations are currently underway with other financiers for the renewal of the factoring service, as well as negotiations with potential customers for the outsourcing of the manufacturing service, which would allow for a more optimal use of production capacity and other resources without investing working capital, or investing substantially less. It also

reviews and shortens payment terms, giving price discounts or priority to customers who pay faster. Negotiations are also being sought and conducted with customers who are able to pay in advance or provide raw materials to ensure that their orders are met on time.

Cost optimization. The company has pursued a strict cost-saving policy both before the start of the restructuring and during the preparation of the plan. As mentioned above, the number of employees has been reviewed and reduced in line with production volumes. Solutions are being sought to reduce energy costs and heating areas.

Inventory management optimization. As the share of household refrigeration appliances in the Company's sales is decreasing and various inventory management measures have been implemented, the product mix is being reduced and, at the same time, the stock of finished goods is being reduced.

Change in the strategy for purchasing raw materials. In view of the volatile raw material prices and other external circumstances, the Company decided to buy specific materials and supplies by paying in advance. Although this method requires additional working capital, it allows to fix the price of the raw material purchased. In this way, the cost of the Company's production will remain more stable, and the Company's profit will not decrease.

4.3 ESTIMATED NUMBER OF EMPLOYEES

Below is information about the Company's employees as of September 7, 2022.

Table 17

INFORMATION ON THE COMPANY 'S EMPLOYEES AS OF SEPTEMBER 7TH 2022

No.	Details	Number of employees
1.	Accounting and Finance Division	6
2.	Directorate	3
3.	Power Department	3
4.	Power Department, workers	10
5.	Production Coordination department	2
6.	Warehouses	10
7.	Warehouses	1
8.	IT Department	1
9.	Quality Management Division	3
10.	Equipment and warehousing of raw materials	7
11.	Assembly and raw material warehouse management, administration	1
12.	QMS, testing and quality control gr.	9
13.	QMS, control group	3
14.	QMS, quality control of semi-finished products gr.	3
15.	Logistics and service department	1
16.	Administration of Metal Processing and Coating Unit	1
17.	Painting Unit of Metal Processing and Coating Unit	15
18.	Door Profiling Brigade of Metal Processing and Coating Unit	2
19.	Timeworkers of the Metal Processing and Coating Unit	12
20.	Side Profiling Brigade of the Metal Processing and Coating Unit	5
21.	Stamping brigade of the Metal Processing and Coating Unit	10
22.	Retail trade	1
23.	Department of Mechanics	1

24.	Medical Point	1
25.	Department of Accounting and Rationing of Materials Department	3
26.	Department of Metrology	2
27.	Department of Metrology, workers	2
28.	R&D Department	11
29.	Human Resource and Law Department	4
30.	Personnel department, workers	1
31.	Procurement Office	1
32.	Plastics and Polyurethane Unit Administration	4
33.	Plastics and Polyurethane Unit Painters Brigade	2
34.	Plastics and Polyurethane Unit line brigade	14
35.	Plastics and Polyurethane Unit extruder operating brigade	3
36.	Plastics and Polyurethane Unit electrical systems assembly team	5
37.	Plastics and Polyurethane Unit production line service brigade	8
38.	Plastics and Polyurethane Unit molding	14
39.	Plastics and Polyurethane Unit, foundry department timeworkers	5
40.	Plastics and Polyurethane Unit a team of casters and extruders	2
41.	Plastics and Polyurethane Unit plastic waste shredder brigade	1
42.	Plastics and Polyurethane Unit brigade of surface painters of plastic parts	2
43.	Plastics and Polyurethane Unit cabinet filling line brigade No.2	49
44.	Plastics and Polyurethane Unit crew of vacuum forming machines	3
45.	Sales Department (Pramonės st.6, Alytus and Vilnius office, Kareivių st.6, Vilnius)	5
46.	Marketing department	2
47.	Repair Service Department Administration	3
48.	Repair Service Department Workers	16
49.	Security department	5
50.	Security department, Workers	7
51.	Snaige Service	1
52.	Snaige Service, Workers	1
53.	Assembly and Packaging Department	2
54.	Assembly and Packaging Department, packing team	18
55.	Assembly and Packaging Department, Timeworkers	11
56.	Assembly and Packaging Department mech. assembly work brigade	33
57.	Assembly and Packaging Department, unit production brigade	9
58.	Construction department, workers	1
59.	Department of Refrigerator Production	1
60.	Technical and Production Department	1
61.	Technical Support Department	1
62.	Technology Department	7
63.	Supply department	3
64.	Transport and Customs Department, workers	1
65.	Total	375

source: Company data.

It should be noted that the number of employees of the company is constantly changing. As a result of the implementation of the measures envisaged to optimise performance and the corresponding changes in the business strategy, as well as in response to the changes in business volumes due to the impact of global processes, the number of employees has

decreased from 453 to 375 during the period of the initiation of the restructuring. No major changes in terms of staff reductions are foreseen in the short term. In the later stages of the restructuring plan, an increase in the number of employees is foreseen, once the new models of industrial refrigerators have been adopted and as orders for these models and the corresponding production capacity load increase.

4.4 INFORMATION ON NEW FINANCING AND INVESTMENT

Given that the lack of working capital is currently the main problem preventing the company from realising its potential and achieving positive operating results, the company is looking in all directions for additional funding.

Given that most of the company's assets are already pledged as collateral for its existing creditors, other ways of raising funds are being explored. One of them is factoring. The company is in negotiations with factoring companies that could finance sales to customers whose payments are guaranteed by insurance companies.

It is also looking for customers who can pay in advance or outsource the production service, i.e. purchase the necessary raw materials and supplies. This would allow production capacity to be utilised and performance to be improved

If investors are found during the implementation of the restructuring plan, who decide to close the restructuring process earlier and lend funds to settle with creditors, as well as if the planned investments will be financed by external funds (equipment leasing, etc.), the corresponding investment funds will be available to settle with the creditors.

Taking into account the fact that AB SEB bank, possibly for political reasons, has informed about the closure of the company's current account at this bank, and the company is currently using the services of only one bank, AB Šiaulių Bankas, the Company is looking for credit institutions abroad - in Poland, Latvia.

The Company has established a production routine repair plan, which provides for routine repairs and the necessary investments to maintain production capacity and carry out production. According to forecast calculations, a total of about EUR 300,000 is allocated for current repairs per year. These costs are included in the forecast financial statements. Approximately EUR 100,000 is spent annually on R&D costs, which are capitalized.

It should be noted that in 2021 the Company invested 1.2 million. EUR into the new production line for the production of professional refrigeration equipment. Using the new production line and expanding the production range and introducing new models into production, about 200-300 thousand EUR per year are foreseen for these costs in 1-2 years of the restructuring plan, in subsequent periods these costs will decrease down to 150 thousand. EUR per year. These costs are included in the cost of production.

Investments are also planned in the testing laboratory of DC line refrigerators, the total required is about 100,000 EUR. This investment would only be made if an investor or customer emerged to secure orders for the newly developed products.

4.5 ASSETS PLANNED FOR SALE, USE OF REVENUE

During the implementation of the restructuring plan, a part of the Company's fixed assets, without which the Company can continue to operate and earn income, will be sold and its sale would significantly reduce liabilities.

Currently, the Company operates in buildings and structures located on a 14.5730 ha state land plot at Pramonēs str. 6 in Alytus and a 2.4310 ha land plot at Pramonēs str. 11 in Alytus.

Actions are currently being taken to vacate part of the buildings (territory), which would allow for an attractive offer to purchase part of the premises. The buildings in the industrial area, with all the necessary communications and convenient access, are projected to be an attractive proposition for buyers.

As the property is pledged, all proceeds from the sale of the proceeds would be used to settle with the mortgagee.

The Company also plans to sell the shares of its subsidiary UAB Almecha. The Company owns 100 percent. shares of this company. It is a successfully operating company operating on the Company's premises. The funds raised are to be used firstly for working capital, i.e. the purchase of raw materials, which would increase turnover and thus the company's performance, and then to pay creditors according to the schedule.

The sale of part of the complex at Pramonēs pr.11, Alytus is also envisaged. The company currently has a finished goods warehouse there, but would consider relocating the finished goods warehouse to other premises in case a buyer for the premises becomes available, which would allow it to reduce its liabilities to creditors.

The sale of the whole complex is also envisaged, in case an investor is interested in acquiring and developing the whole complex and investing in the production of fridges. This would allow the company to complete the restructuring process and to continue to use the available funds to finance its operations.

Table 18

LIST OF ASSETS FOR SALE

No.	Name of Asset	Sales price, EUR without VAT	Term
1.	The building complex, address; 11 Pramonēs str., Alytus, total area 8388.77 sq.m. located on 2.3410 ha on state land	1,677,800	Until the end of the restructuring
2.	A complex of buildings at 6 Pramonēs st., Alytus, situated on 14,5730 ha of public land, together with movable property - equipment for the production of refrigerators.	14,700,000	Until the end of the restructuring
2.	Financial assets, UAB Almecha 100 percent of shares	980,000	Until 31 12 2023
	VISO	17,357,800	

4.6 EXECUTABLE AGREEMENTS

Table 19

LIST OF EXECUTABLE AND PLANNED CONTRACTS

	Counterparty	Counterparty's office	Data	The essence of the contract
1	Confidential	Confidential	206-02-09 contract of sale of goods NO. 249664610 / 498-5104 as amended and supplemented	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
2	Confidential	Confidential	2006-02-28 sales contract no. 249664610 / 203-5099	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
3	Confidential	Confidential		Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
4	Confidential	Confidential	2006-02-28 purchase and sale agreement No. 249664610 / 203-5097	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
5	Confidential	Confidential	2021-03-18 Retention of title agreement no. 2021/13 / TEIS	Retention of title agreement until full settlement
6	Confidential	Confidential	11/14/2019 contract no. S45 / 2019/11/14	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
7	Confidential	Confidential	11/14/2019 contract no. S45 / 2019/11/14	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
8	Confidential	Confidential	11/14/2019 contract no. S45 / 2019/11/14	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
9	Confidential	Confidential	2005-02-15 purchase and sale agreement No. 249664610 / 620-5026	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
10	Confidential	Confidential	2017-01-12 NF4600-17-0045	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
11	Confidential	Confidential	2015-07-28 delivery contract no. 2015/54 / PRT	
12	Confidential	Confidential	2014 sales contract no. 2014/5 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
13	Confidential	Confidential	2016 sale and purchase agreement	
14	Confidential	Confidential	2020 sale and purchase agreement	
15	Confidential	Confidential	2014-01-15 sales contract	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
16	Confidential	Confidential	Sale contract no. 2020/14 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
17	Confidential	Confidential	Service contract no. 2021/36 / PRT	Brokerage contract. Contractor mediates between the Company and potential buyers for a corresponding fee.
18	Confidential	Confidential	2016-06-15 contract no. 2016/63 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
19	Confidential	Confidential	2017-06-15 contract no. 2017/57 / PRT	Contract for the sale of goods. The company and the contractor have entered into an

				agreement for the long-term sale of refrigerators and freezers to the contractor.
20	Confidential	Confidential	2018-06-15 contract (without number)	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
21	Confidential	Confidential	Contract No. 2019/27 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
22	Confidential	Confidential	Contract No. 2020/31 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
23	Confidential	Confidential	Contract no. 2021/59 / PRT	Contract for the sale of goods. The company and the contractor have entered into an agreement for the long-term sale of refrigerators and freezers to the contractor.
24	Confidential	Confidential	2004-04-15 contract no. 4966461 / 280-4024	Sale and purchase agreement. The company manufactures refrigerators and freezers under the buyer's brands for the contractor.
25	Confidential	Confidential	2015-05-15 contract no. 2015/48 / KVS	Sale and purchase agreement. The company manufactures refrigerators and freezers under the buyer's brands for the contractor.
26	Confidential	Confidential	30.08.2017 industrial premises lease agreement No. 2017/64 / GT as amended and supplemented	Lease agreement for industrial premises. The company leases 503.46 sq. M. To the contractor.
27	Confidential	Confidential	2010-03-18 sales contract no. 249664610 / 280-5225	Sale and purchase agreement. The company manufactures refrigerators and freezers under the buyer's brands for the contractor.
28	Confidential	Confidential	2019-04-01 trade agreement no. 2019/201 / PRT	
29	Confidential	Confidential	2010-03-30 purchase agreement no. 4/110 with all amendments and additions	The Company purchases from the contractor materials required for the Company's production
30	Confidential	Confidential	2019-11-19 purchase agreement no. 2019/29 / PT with all additions, amendments and additions.	The Company purchases from the contractor materials required for the Company's production
31	Confidential	Confidential	Purchase and sale agreement NO. 4/132 with all amendments and additions	The Company purchases from the contractor materials required for the Company's production
32	Confidential	Confidential	2020-09-15 delivery (sale) agreement with all changes and additions	The Company purchases various materials from the contractor required for the Company's production activities
33	Confidential	Confidential	2020-12-10 purchase agreement no. 2021 / 241PT with all amendments and additions	The Company purchases various materials from the contractor required for the Company's production activities
34	Confidential	Confidential	2008-04-07 contract no. 4/50	The Company purchases various materials from the contractor required for the Company's production activities
35	Confidential	Confidential	2021-01-04 purchase agreement no. 2021/12 / PT as amended and supplemented	The Company purchases various materials from the contractor required for the Company's production activities
36	Confidential	Confidential	Purchase agreement no. 2020/21 / PT	The Company purchases various materials from the contractor required for the Company's production activities
37	Confidential	Confidential	2007-08-01 contract no. 05/06/2007 with all amendments and additions	The Company purchases various materials (parts) required for the Company's production activities from the contractor
38	Confidential	Confidential	2007-01-02 Lease agreement no. 04 / 111-14	The Company leases assets to the contractor
39	Confidential	Confidential	2004-03-08 contract no. 4 / Ch-19	The contractor produces and sells polystyrene sheets to the Company
40	Confidential	Confidential	2005-02-17 purchase and sale agreement No. 12/4/26	The Company purchases various materials (parts) required for the Company's production activities from the contractor
41	Confidential	Confidential	2005-04-01 lease agreement no. 03/08/4/30	The Company leases assets to a contractor.
42	Confidential	Confidential	2005-09-16 purchase and sale agreement No. 4/51/87	The company purchases materials (glass doors) from the contractor.
43	Confidential	Confidential	2022-04-22 Waste Management Agreement No. 2022/6 / SGS as	Disposal of non-hazardous waste, acceptance of engineering waste,

			supplemented and amended	composting of biodegradable waste,
44	Confidential	Confidential	2021-12-02 Insurance contract no. 199796 with additions and amendments	Financial insurance
45	Confidential	Confidential	2006-08-22 purchase and sale agreement no. BT 06-043 with additions and amendments	Commissioning and transfer of ownership of telecommunications equipment
46	Confidential	Confidential	2021-03-18 special terms of service no. 1L3500 CETA_2021_03_18_1.4.2_134	An agreement on discounts for subscriptions has been signed
47	Confidential	Confidential	08/20/08 Telecommunication Services Agreement No. VR210809 / 01	Telecommunications contract
48	Confidential	Confidential	Contract of maintenance of liquefied gas tank no. 19/42	Liquefied gas tank, underground and domestic gas pipeline, located at Pramonės str. 6, in Alytus, technical maintenance and elimination of accidents and disturbances
49	Confidential	Confidential	2019-11-05 drinking water supply and wastewater treatment contract with additions and amendments	Contract for the provision of cold drinking water and sewage and surface water treatment services
50	Confidential	Confidential	Agreement on co-operation in the installation of electrical and electronic equipment and waste batteries and accumulators reception facilities No. 2018/15 / SGS as supplemented and amended	Collection and organization of waste electrical and electronic equipment and waste batteries and accumulators
51	Confidential	Confidential	Insurance policy no. 710-310-84089 with an extension policy	Property insurance against fire and other natural or unnatural threats
52	Confidential	Confidential	Annual insurance certificate of transported cargo No. 710-920-101134	The transport of new refrigeration equipment and parts and assemblies used in its manufacture for which it is responsible under commercial relations or supply conditions shall be prohibited.
53	Confidential	Confidential	Annual insurance certificate of transported cargo No. 710-920-101305	The transport of new refrigeration equipment and parts and assemblies used in its manufacture for which it is responsible under commercial relations or supply conditions shall be prohibited.
54	Confidential	Confidential	Business interruption insurance certificate no. 710-140-5391 with an extension policy	Contract for Business interruption insurance
55	Confidential	Confidential	Corporate property insurance certificate no. 710-310-84089 with an extension policy	Corporate property insurance
56	Confidential	Confidential	Employer's liability insurance certificate no. 710-663-104965	Insurance
57	Confidential	Confidential	Employer's liability insurance certificate no. 710-663-105763	Insurance
58	Confidential	Confidential	Corporate Liability Insurance Certificate No. 710-660-1111490	Insurance
59	Confidential	Confidential	Corporate Liability Insurance Certificate No. 710-660-1115005	Insurance
60	Confidential	Confidential	Vehicle group casco insurance contract 710-850-G-2513 with an extension policy	Insurance
61	Confidential	Confidential	2021-03-01 electronic security agreement no. TS22648 with additions and modifications	Contract for the security
62	Confidential	Confidential	2021-03-01 maintenance contract no. APT1838 with additions and modifications	Contract for maintenance
63	Confidential	Confidential	2020-05-04 goods purchase and sale agreement No. 2020/20 / PT as supplemented and amended	The Company purchases from the contractor materials required for the Company's production
64	Confidential	Confidential	2016-06-22 cargo transportation contract no. 2016/57 / TMS	
65	Confidential	Confidential	2021-09-01 natural gas purchase-sale and service provision agreement no. 2021-1-1436 with additions and amendments	The Company purchases from the contractor materials required for the Company's production
66	Confidential	Confidential	2014-12-14 cargo transportation contract no. 20201118-01 with additions and amendments	
67	Confidential	Confidential	2007-01-26 service contract no.	

			249664610 / 3-6	
68	Confidential	Confidential	2007-01-26 spare parts supply contract no. 249664610 / 3-7	Spare parts supply
69	Confidential	Confidential	2013-08-27 service provision agreement no. 131Pst-312006-3749 with additions and amendments	Post service.
70	Confidential	Confidential	2015-01-27 contract no. 151PST-500001-275	Post service
71	Confidential	Confidential	05/08/2020 Payment card service and payment decision agreement	Payment services
72	Confidential	Confidential	Payment service agreement no. OPAY-20200817/01 with additions and amendments	Payment services
73	Confidential	Confidential	2014-12-23 Contract no. 249664610 / 3-152 for the supply of spare parts with additions and modifications	The Company purchases from the contractor materials required for the Company's production
74	Confidential	Confidential	2014-12-23 service contract no. 249664610 / 3-151 with additions and amendments	The Company purchases from the contractor materials required for the Company's production
75	Confidential	Confidential	2008-03-31 liquefied gas (in cylinders) purchase and sale agreement No. 4/46 with additions and amendments	The Company purchases from the contractor materials required for the Company's production
76	Confidential	Confidential	2015-07-22 factoring agreement no. 2015/80 / PT	
77	Confidential	Confidential	2013-08-07 Purchase agreement no. S-0708 / LT	The Company purchases from the contractor materials required for the Company's production
78	Confidential	Confidential	2021-04-15 contract no. US50000037-210324	The Company purchases from the contractor materials required for the Company's production
79	Confidential	Confidential	General contract no. 9-5-34	The Company purchases from the contractor materials required for the Company's production
80	Confidential	Confidential	2007-01-29 service contract no. 249664610 / 3-12 su	The Company purchases from the contractor materials required for the Company's production
81	Confidential	Confidential	2007-01-29 contract Nr. 249664610/3-12	The Company purchases from the contractor materials required for the Company's production
82	Confidential	Confidential	2018-11-30 contract Nr. 16-2019/2019/84	Service
83	Confidential	Confidential	Insurance policy Nr. LUC0014487 With additions and changes	Insurance
84	Confidential	Confidential	Insurance policy Nr. BTR-0326831 With additions and changes	Insurance
85	Confidential	Confidential	Insurance GJELT Nr. 3491303 With additions and changes	Insurance
86	Confidential	Confidential	Insurance (viso 26 sutartys)	Insurance
87	Confidential	Confidential	2015-09-01 Contract Nr. 2015/99/PT With additions and changes	The Company purchases from the contractor materials required for the Company's production
88	Confidential	Confidential	2014-01-21 Contract Nr. 4 2014/102/PT	The Company purchases from the contractor materials required for the Company's production
89	Confidential	Confidential	2014-01-21 Contract Nr. S-39 With additions and changes	The Company purchases from the contractor materials required for the Company's production
90	Confidential	Confidential	2016-12-13 Contract Nr. 2017/25/PT With additions and changes	The Company purchases from the contractor materials required for the Company's production
91	Confidential	Confidential	2008-04-17 Contract Nr. 4/43 With additions and changes	The Company purchases from the contractor materials required for the Company's production
92	Confidential	Confidential	2018-12-06 Contract Nr. 742 With additions and changes	The Company purchases from the contractor materials required for the Company's production
93	Confidential	Confidential	2016-02-29 Contract Nr. ISO3 With additions and changes	Transport
94	Confidential	Confidential	2007-06-07 Contract Nr. 4/03 With additions and changes	The Company purchases from the contractor materials required for the Company's production
95	Confidential	Confidential	2006-02-01 Contract Nr. 4/18 With	The Company purchases from the

			additions and changes	contractor materials required for the Company's production
96	Confidential	Confidential	2018-10-11 Contract Nr. 180906-1 With additions and changes	The Company purchases from the contractor materials required for the Company's production
97	Confidential	Confidential	2006-11-30 Contract Nr. 4/108 With additions and changes	The Company purchases from the contractor materials required for the Company's production
98	Confidential	Confidential	2021-04-09 Contract Nr. 2021/19/PS	The Company purchases from the contractor materials required for the Company's production
99	Confidential	Confidential	2017-10-18 Contract Nr. 2017/71/PS With additions and changes	The Company purchases from the contractor materials required for the Company's production
100	Confidential	Confidential	2021-10-14 Contract Nr. KGR-21/10/14-IS With additions and changes	The Company purchases from the contractor materials required for the Company's production
101	Confidential	Confidential	2021-11-01 Contract Nr. 810 DM-MD-E 774	The Company purchases from the contractor materials required for the Company's production
102	Confidential	Confidential	2022-01-01 Contract Nr. 810 DM-MD-E 567	The Company purchases from the contractor materials required for the Company's production
103	Confidential	Confidential	2021-01-06 Contract Nr. 2021-01 With additions and changes	The Company purchases from the contractor materials required for the Company's production
104	Confidential	Confidential	2013-05-08 Contract Nr. 0081304204997-24 With additions and changes	Factoring
105	Confidential	Confidential	2019-10-10 Contract Nr. 2019-090555 With additions and changes	Rent
106	Confidential	Confidential	2022-01-17 faktoringo Contract Nr. F-22-251506 With additions and changes	Factoring
107	Confidential	Confidential	2021-08-11 Contract Nr. CP3/21-06-22/02 With additions and changes	Credit
108	Confidential	Confidential	Contract Nr. 001/0122L/13	Credit
109	Confidential	Confidential	2021-10-21 Contract Nr. K21-26	Service
110	Confidential	Confidential	2014-09-16 Contract Nr. GMC-SNG 2014/09/16	Service
111	Confidential	Confidential	2008-11-10 Contract Nr. GMC-SNG 2008/11/10-1	Service
112	Confidential	Confidential	2009-10-30 Service Contract Nr. GMC-SNG 2009-1	Service
113	Confidential	Confidential	2009-02-24 Service Contract Nr. GMC-SNG 2009/03/01-1	Service
114	Confidential	Confidential	2011-01-01 Service Contract Nr. GMC-SNG 2011/01/01	Service
115	Confidential	Confidential	2018-01-02 Service Contract Nr. GMC-SNG 2018/01/02	Service
116	Confidential	Confidential	2021-01-04 Service Contract Nr. GMS-SNG 2021/01/04	Service
117	Confidential	Confidential	2006-09-08 Contract Nr. BBL PG 76/06	Service
118	Confidential	Confidential	2007-01-19 Service Contract Nr. SM 04278	Service
119	Confidential	Confidential	2007-01-19 Service Contract Nr. SM 04279	Service
120	Confidential	Confidential	2018-06-11 Contract Nr. SC02484 su priedais	Service
121	Confidential	Confidential	2021-06-15 Contract Nr. SC 04691 su priedais	Service
122	Confidential	Confidential	2007-07-11 Service Contract Nr. SM 04342	Service
123	Confidential	Confidential	2011-06-28 Contract Nr. DU-201121 With additions and changes	Service
124	Confidential	Confidential	2003-10- Contract Nr. ADU-200367 With additions and changes	Service
125	Confidential	Confidential	2003-10- Contract Nr. DU-200346 With additions and changes	Service
126	Confidential	Confidential	2015-06-15 Contract Nr. 2015/71/TMS With additions and changes	Service
127	Confidential	Confidential	2002-05-29 Contract Nr. 2907 000347	Service
128	Confidential	Confidential	2013-01-25 Contract Nr.	Service

			P/DPD/KN/12/056 With additions and changes	
129	Confidential	Confidential	2015-12-09 Contract Nr. 2015/113/TMS	Transport
130	Confidential	Confidential	2017-06 Contract Nr. 2017/55/Li5/ su priedais	Transport
131	Confidential	Confidential	2009-07-02 Contract Nr. 498	Transport
132	Confidential	Confidential	2021-12-27 Contract Nr. 21-12-27	Rent
133	Confidential	Confidential	2012-12-31 Contract Nr. 1 su priedais	Rent
134	Confidential	Confidential	2020-02-07 Contract Nr. 2020/5/ES With additions and changes	Service
135	Confidential	Confidential	2021-08-18 Contract Nr. 2021/52/ES With additions and changes	Service
136	Confidential	Confidential	2010-07-01 Contract Nr. 301171-50310/100018	Energy
137	Confidential	Confidential	2021-11-30 Contract Nr. 13497-2021 With additions and changes	Energy
138	Confidential	Confidential	2016-02-10 Contract Nr. 2016/20/ES With additions and changes	Service
139	Confidential	Confidential	2020-10-29 Service Contract Nr. PAT20-38 with changes	Service
140	Confidential	Confidential	2021-01-28 Contract Nr. MP-20210128-02-G.N. with changes	Service
141	Confidential	Confidential	2006-02-09 Service Contract Nr. 0823 with changes	Service
142	Confidential	Confidential	2021-12-08 Contract Nr. A21/054 with changes	Service
143	Confidential	Confidential	2021-09-08 Contract Nr. AP-21/09/24/56/ES with changes	Service
144	Confidential	Confidential	2008-04-01 Service Contract Nr. APT-08/D-06	Service
145	Confidential	Confidential	2016-02-10 Contract Nr. 2016/22/ES with changes	Service
146	Confidential	Confidential	2017-06-15 Service Contract Nr. K-P-2017/270	Service
147	Confidential	Confidential	2006-06-01 Contract Nr. 2006/06-01 With additions and changes	Service
148	Confidential	Confidential	2020-02-06 Contract Nr. RR-202001	Service
149	Confidential	Confidential	2021-09-14 Contract Nr. 2021-09-14 with changes	Service
150	Confidential	Confidential	2022-01-31 Contract Nr. SUT-2021-1066642 with changes	Service
151	Confidential	Confidential	2022-01-31 Contract Nr. SUT-2021-1066643 with changes	Service
152	Confidential	Confidential	2022-01-03 Contract Nr. EKO/ATL2021348 with changes	Service
153	Confidential	Confidential	2019-05-30 Contract Nr. 19-E02-00372 with changes	Service
154	Confidential	Confidential	2018-06-20 Contract Nr. 18-E02-01022, 2018/12/SGS with changes	Service
155	Confidential	Confidential	2021-03-23 Service Contract Nr. 21009	Service
156	Confidential	Confidential	2021-11-30 Contract Nr. 2021/11/30-1 with changes	Service
157	Confidential	Confidential	2021-09-01 Contract Nr. 2021/57/SGS	Service
158	Confidential	Confidential	2020-01-16 Contract Nr. 2020/01-05 with changes	Service
159	Confidential	Confidential	2021-09-06 Contract Nr. AAS 2021-791 with changes	Service
160	Confidential	Confidential	2020-10-29 Contract Nr. KN20/10/29-05D with changes	Service
161	Confidential	Confidential	2007-01-17 Service Contract Nr. 249664610/3-3 with changes	Service
162	Confidential	Confidential	2007-01-17 Contract Nr. 249664610/3-2 with changes	Spare parts
163	Confidential	Confidential	2020-02-25 Service Contract Nr. 2020-9-LIST with changes	Spare parts
164	Confidential	Confidential	2020-02-25 Contract tiekimi Nr. 2020-10-LIST with changes	Spare parts
165	Confidential	Confidential	2020-12-30 Contract Nr. 2020/51/Sns	Spare parts

			with changes	
166	Confidential	Confidential	2020-12-30 Contract Nr. 2020/52/Sns	Spare parts
167	Confidential	Confidential	2007-01-26 Service Contract Nr. 249664610/3-10 With additions and changes	Spare parts
168	Confidential	Confidential	2007-01-26 Contract Nr. 249664610/3-11 with changes	Spare parts
169	Confidential	Confidential	2007-01-26 Service Contract Nr. 249664610/3-14 With additions and changes	Spare parts
170	Confidential	Confidential	2007-01-26 Contract Nr. 249664610/3-15 with changes	Spare parts
171	Confidential	Confidential	2002-01-07 Contract Nr. 1	Spare parts
172	Confidential	Confidential	2009-06-10 Contract Nr. 249664610/3-73	Spare parts
173	Confidential	Confidential	2011-01-10 Service Contract Nr. 249664610/3-88 with changes	Spare parts
174	Confidential	Confidential	2010-02-24 Service Contract Nr. 249664610/3-80 With additions and changes	Spare parts
175	Confidential	Confidential	2010-02-24 Contract Nr. 249664610/3-81 with changes	Spare parts
176	Confidential	Confidential	2006-06-27 Contract Nr. 7-S-49 With additions and changes	Service
177	Confidential	Confidential	2022-02-04 Contract Service	Service
178	Confidential	Confidential	2022-03-18 representation Contract	Service

4.7 MARKET SITUATION, TRENDS

In February of this year with the start of Russia's military invasion of Ukraine, the world economy, still dealing with the aftermath of the pandemic, suffered another blow. The ongoing war in Europe and the growing response of states are affecting the global economy through a variety of channels: international trade, energy and commodity prices, the financial sector, currency and capital markets, and investor and consumer confidence. Due to the still extremely high level of uncertainty and the variability of these and other factors, it is currently extremely difficult to assess the development of the economies of both Lithuania and other countries in the next few years. For this reason, the Bank of Lithuania's latest economic review presents three possible paths for Lithuania's economic development: the conventional scenario and shock and higher shock sensitivity analyzes. The conventional scenario is based on data and information available up to 1 March, and the sensitivity analyzes are based on hypothetical assumptions based on more recent data and information. In addition, in all cases it is assumed that hostilities will be limited to the territory of Ukraine.

Lithuania's GDP fell by 0.5% in the second quarter of 2022 compared to the previous quarter. The main contributing factor was a significant drop in real exports of goods and services, which were almost 5% lower than in the previous quarter. The export trend was mainly influenced by the sanctions on trade with Russia and Belarus, which restricted the export of transport services, the closure of AB ORLEN Lietuva for scheduled repairs and the temporary closure of AB LIFOSA due to sanctions. Household consumption has also fallen significantly due to very high inflation. Even in the context of a relatively favourable development of household disposable income, it was more than 2.5% lower than in the previous quarter. The war and accelerating price increases have worsened households' sentiment and expectations, further reducing their willingness to consume.

For example, the consumer confidence indicator in August this year was close to its lowest level in a decade. Other recent higher frequency indicators also point to further difficulties in Lithuania's economic development. Business sentiment, after a significant deterioration in March, has remained significantly unchanged for almost half a year. Meanwhile, monthly turnover data for the largest sectors of the economy - industry, construction, trade and services - show signs of declining activity between June and July. These unfavourable factors can only be partly offset by the forecast of a ten percent increase in this year's agricultural harvest.

According to the latest data, exports to Russia accounted for 6%, to Ukraine for 3% and to Belarus for 3%. of all Lithuanian exports. The largest share of exports to Russia and Belarus was re-exported of goods, the loss of which would not be very painful for the entire Lithuanian economy, and exports of transport services. The main exports to Ukraine are goods of Lithuanian origin. The complete loss of these markets in 2022-2024. could lead to up to 3%. points slower growth of the Lithuanian economy. Imports from these countries accounted for 15%. of total Lithuanian imports, of which 44 percent. are energy products. Restricting import flows from these countries is likely to lead to temporary disruption of production due to a shortage of the required raw materials, and the cost of purchasing these raw materials from alternative suppliers will be slightly higher.

As 20 percent of metals and 45 percent of timber was imported from Russia, Belarus and Ukraine in 2021, and imports of metals and wood raw materials and products that are particularly important for the construction sector and some industries, such as metalworking and furniture, are likely to be the most disruptive. Due to the economic consequences of

Russia's military aggression in Ukraine for Lithuania's other export partners, the total foreign demand will decrease, which will worsen the growth prospects of other Lithuanian exports. The continued rise in oil and natural gas prices, as Western countries refuse to buy Russian resources, will increase the cost of electricity, heating and transport for all sectors of the economy and will continue to drive inflation due to rising consumer prices. Increased uncertainty is likely to hamper business investment, at least in the short term, which will also affect consumers' choice to consume less and save more. The increasing flow of refugees from Ukraine to Lithuania may have an additional impact on the Lithuanian labor market. If a part of these people stayed in the country for a longer period of time and entered the labor market, it would increase the Lithuanian labor force and reduce the problem of labor shortage that has been seen more and more recently.

Following Russia's restriction of gas supplies to Europe, gas prices on the market in August were more than five times higher than in the same period a year ago. As gas is used to generate electricity and heat, this has led to a significant increase in electricity and heat prices. In addition, the price of gas has led to a significant increase in the demand for solid fuels, mainly firewood, as an alternative energy source. This has further boosted the already rapidly rising prices of solid fuels, with solid fuel prices up 166% year-on-year in August. Energy prices for consumers are projected to rise at an average annual rate of 56% this year. Energy price increases will moderate next year, but will continue to be a key driver of inflation. Overall, the revision of energy price projections in both 2022 and 2023 has had the largest impact on the revision of inflation projections.

Even before the start of the war in Ukraine, Lithuania's real GDP growth forecast was reduced by declining exports to China, disruptions in the supply of raw materials, slower development of the transport sector due to the EU mobility package, and slower growth in total external demand. Continuing supply chain disruptions due to the pandemic have led to stagnant growth in the public investment and construction sectors. On the other hand, the financial situation of Lithuanian businesses and households was strong before the start of the war, which alleviated the inflationary challenges facing households. The decline in the savings rate that increased during the pandemic and the use of savings in the future were expected to dampen the negative impact of inflation on household consumption. With labor market shortages on the rise, wage growth has been expected to rise this year and next. Relatively strong domestic demand has facilitated the pass-through of cost increases to consumer prices. Although rising energy and raw material costs were particularly important in this case, the impact of domestic factors on price growth was becoming more pronounced, mainly due to the accelerating rise in service prices. At higher-than-expected inflation in January and February. The accelerated rise in energy prices due to rising geopolitical tensions and the revisions to the consumer price index basket at the beginning of the year also contributed. Until March 1. The information available on the effects of the war in Ukraine and the sanctions that came into force at the time led to a significant deterioration in external demand and a significant increase in the assumptions about the development of energy commodity prices. This further worsened the outlook for Lithuania's exports, investment and household consumption. Higher-than-expected inflationary pressures will also affect household income and consumption decisions.

4.8 SWOT ANALYSIS

During the implementation of the restructuring plan, the Company will seek to exploit its strengths and reduce the impact of weaknesses and threats to achieve the Company's objectives.

Table 20

SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> • Many years of experience in the production of refrigeration equipment • Modern plant with the capacity to more than double current production levels quickly and efficiently • Thanks to modern equipment, suitable production lines and highly qualified employees, the production process is extremely efficient and flexible. • High-quality products. The product failure rates are well below the industry average • Strong and experienced management team and employees with many years of experience in the company. • The experienced product development team that develops new products consistently improves the existing ones and innovates in terms of technical parameters and design • Diversified product portfolio: The company manufactures household and professional refrigeration appliances • Established trade relationships with customers from more than 30 European, African and Asian countries • Recognized brand in the Baltics and Eastern Europe • A well-balanced product portfolio between own-brand and outsourced private brands, including well-known home appliance manufacturers (Whirlpool, Severin, Boman, KBS, etc.) and BT retail chains (Expert, Orima, Boulanger, etc.) 	<ul style="list-style-type: none"> • Relatively high financial liabilities to creditors; • Relatively low production volumes hinder the purchase of materials, damages and components at better prices • Relatively lower experience and low profile in new areas of the Company: medical and professional refrigeration market segments

Opportunities	Threats
<ul style="list-style-type: none"> • Establish the more profitable segments of professional and medical refrigeration equipment by increasing sales through existing customers and actively seeking new ones. • Increase sales in these segments by expanding the range of medical and professional refrigerators with new products that meet customer needs. • Focus on sales of more expensive and exclusive household refrigerators • Enter the market for compact DC (12 / 24V) refrigerators used in campers, yachts • Adapt DC (12 / 24V) refrigerators to use solar energy 	<ul style="list-style-type: none"> • The status of the restructured company during the implementation of the restructuring plan may have a negative impact on some of the Company's suppliers, customers and partners • If the Company's creditors do not approve the plan proposed by the Company, the continuity of operations will be endangered. • War and general uncertainty about supply chains, rising raw material and energy prices can directly impact performance and creditworthiness. • Due to the country of origin of the main shareholder, the Company cannot receive financing or support, and may lose part of its income.

4.9 ESTIMATED OPERATING REVENUE

The primary sources of funds that will be used to finance current activities and settle accounts with creditors are the following:

- The Company's generated profit (EBITDA) is planned to be earned by consistently increasing sales of professional and medical refrigerators and concentrating on more expensive household refrigeration appliances.
- Released working capital from optimization of the Company's operations (inventory management, cost optimization, change of procurement strategy).
- Proceeds from the sale of property (real estate, equipment, financial assets)

The restructuring plan will implement measures to increase the production and sales of higher value-added industrial and medical refrigeration appliances.

The professional and medical refrigeration equipment segment is less competitive and more profitable than the segment of household refrigeration appliances. Therefore, increasing its sales would significantly improve the Company's financial results.

The Company has all the prerequisites for implementing this measure: many years of experience in the refrigeration business, experienced specialists and engineers, suitably qualified or easily retrained employees and the necessary technical base for the development and production of such products.

Over the last few years, the Company has consistently developed this segment: Invested into production lines (EUR 1.2 million), developed number of new products, obtained international quality certificates, participated in an international exhibition, received support of large customers such as Whirlpool, KBS, NARA and others. The Company expects its products to appear in these customers' sales catalogues next year.

The Company also earns a portion of its revenue from home appliance sales, focusing on exclusive, more profitable products and design lines.

The following is the projected revenue over the RP implementation period.

Table 21

MAIN OPERATING INCOME DURING THE IMPLEMENTATION PLAN

Articles	2023 year	2024 year	2025 year	2026 year
Sales revenue	24 480 000	29 467 900	32 414 690	35 656 159

<i>Sales Thous. Eur</i>	2019	2020	2021	2022	2023	2024	2025
Total:	31 204	28 705	32 852	20 447	24 480	29 468	32 415
Household refrigerators	24 028	22 191	20 196	8 070	7 029	7 452	8 007
Refrigeration equipment for professional and medical use	5 029	5 103	10 444	11 330	16 479	21 148	23 493
Other products and sales	2 147	1 411	2 212	1 047	972	868	915

Assumptions for revenue growth in the coming years are as follows:

- Sales of existing products will remain at current levels, as contracts with key customers have been maintained and the Ukrainian market is considered to be almost non-recovering.
- The introduction of new professional products will generate additional revenue due to the ongoing market introduction.

Another source of settlement with creditors is income from the sale of long-term, current and financial assets of the Company. More information on the assets for sale is provided in Section 4.5 of the RP.

In conclusion, after implementing the business optimization plans, the Company can operate profitably, the forecasted profitability indicators of the Company allow the Company to ensure the continuity of operations and the fulfillment of the settlement schedule with creditors.

4.10 OPERATING EXPENDITURE, CURRENT PAYMENTS

The following costs will be incurred during the implementation of the restructuring plan:

- Cost of sales
- General administrative expenses

The cost of sales will consist of the direct costs associated with producing the output. There will also be operational and financial costs associated with the implementation of the plan. The following is a one-month forecast budget for the duration of the plan. The budget is forecasted on the basis of actual results during the period of preparation of the plan and on the basis of forecast estimates of production and operating costs.

Table 22

OPERATING BUDGET DURING THE PLANNING PERIOD FOR ONE MONTH

Expenses	Amount, EUR
Raw materials and supplies	1 516 398
Wages and salaries	347 017
Taxes	113 259
Energy costs	140 623
Leasing, interest and other financial charges	35 825
Transport costs	150 772
Other expenses	168 378
Total	2 472 272

4.11 ADMINISTRATIVE EXPENDITURES OF RESTRUCTURING

The administrative costs of the restructuring process will include the remuneration paid to the restructuring administrator during the plan period, costs related to the preparation of the restructuring plan, informing creditors about the implementation of the plan, organization of reporting creditors' meetings, possible additional legal costs related to the restructuring process.

During the period of the restructuring plan, the restructuring administrator will be paid a salary of EUR 1.000 (excluding VAT) per month. The cost of the preparation of the restructuring plan is EUR 5.000 (excluding VAT).

4.12 CONTINGENCY PROCEDURE

In order to ensure the continuity of the company's operations, to be able to make current payments on time, to cover unforeseen losses, the financial forecasts provided reserves to ensure the company's stability, timely settlement with employees, budget and creditors, as well as protect the company from short-term customers insolvency risk.

The company's reserve is expected to be at least EUR 70,000. The company can accumulate such a reserve amount from operating income. It should be noted that these reserve funds will ensure the uninterrupted operation of the Company and at the same time the timely repayment of the restructured accounts payable according to the planned schedule.

4.13. PROJECTED PROFIT (LOSS) STATEMENTS

The Company's forecast profit (loss) statement is presented in the table.

Table 23

PROJECTED PROFIT AND LOSS ACCOUNTS DURING THE RESTRUCTURING PERIOD

No.		1 year	2 year	3 year	4 year
I.	Sales revenue	24 480 000	29 467 900	32 414 690	35 656 159
II.	Cost of sales	19 584 000	23 868 999	26 093 825	28 703 208
III.	Operating profit (loss)	4 896 000	5 598 901	6 320 865	6 952 951
IV.	Operating costs	5 703 175	5 925 175	6 225 175	6 385 175
V.	Gross profit (loss)	-807 175	-326 274	95 690	567 776
VI.	Other activity	555 282	0	0	8 962 957
VI.1.	<i>Income</i>	980 000			16 377 800
VI.2.	<i>Expenses</i>	424 718			7 414 843
VII.	Financial and investment activities	0	0	0	0
VII.1	<i>Income</i>				
VII.2	<i>Expenses</i>				
VIII.	Ordinary profit (loss)	-251 893	-326 274	95 690	9 530 733
IX.	Extraordinary income (extraordinary gain)				
X.	Disposals (extraordinary loss)				
XI.	Profit (loss) before tax	-251 893	-326 274	95 690	9 530 733
XII.	Income tax				428 883
XIV.	Net profit (loss)	-251 893	-326 274	95 690	9 101 850
		<u>1 274 282</u>	<u>1 199 901</u>	<u>1 621 865</u>	<u>10 628 025</u>

source: Company data.

4.14. PROJECTED CASH FLOW STATEMENTS

The projected cash flow statements for the duration of the restructuring plan are set out in the table below.

Table 24

FORECAST CASH FLOW STATEMENT FOR THE RESTRUCTURING PERIOD

(EUR)	1 year	2 year	3 year	4 year
Cash flows from operating activities				
Net profit (loss)	-251 893	-326 274	95 690	9 101 850
Depreciation and amortisation expenses	1 526 175	1 526 175	1 526 175	1 526 175
Decrease (increase) in stocks, except advance payments	-980 000	180 000	230 000	570 000
Decrease (increase) in amounts receivable from entities of the entities group and the associated entities	-300 000	0	100 000	186 000
Decrease (increase) in trade debtors	60 000	150 000	380 000	295 000
Increase (decrease) in liabilities of tax on profit	0	0	0	428 883
Increase (decrease) in liabilities related to employment relations	100 744	30 223	31 734	33 321
Other payables and current liabilities	0	95 000	30 000	35 000
Cash flows from operating activities	155 026	1 655 124	2 393 599	12 176 229
Cash flows from financing activities				
Elimination of results of disposals of fixed tangible and intangible assets	0	0	0	7 414 843
Investment in long. financial assets	424 718	0	0	0
Investments and deposits	0	0	0	0
Net cash flows from investing activities	424 718	0	0	7 414 843
Financial activities				
Other changes in capital (reserves)	0	0	0	0
Other changes in capital (profit distribution)	0	0	0	0
Provisions	0	0	0	0
Increase (decrease) in long-term amounts payable	-402 988	-2 160 000	-2 920 000	-11 601 787
Long - term amounts of current year	0	0	0	0
Financial debts	0	400 000	400 000	120 000
Cash flow from financing activities	-402 988	-1 760 000	-2 520 000	-11 481 787
Cash and cash equivalents at the beginning of the period				
	73 224	249 979	145 103	18 702
Cash flow total	176 755	-104 876	-126 401	8 109 285
Cash and cash equivalents at the end of the period	249 979	145 103	18 702	8 127 988

4.15. PROJECTED ECAS BALANCE SHEET

Forecast balance sheets for the restructuring period. Forecast balancesheets are based on the above operating and repayment options and other assumptions discussed in the draft restructuring plan:

Table 25

FORECAST BALANCE SHEET

No.		1 year	2 year	3 year	4 year
A.	Fixed assets	12 566 110	11 039 935	9 513 760	572 742
I.	Intangible assets	1 318 201	1 069 201	820 201	571 201
II.	Tangible assets	11 247 909	9 970 734	8 693 559	1 541
II.1	Land				
II.2	Buildings and Structures	4 644 203	4 220 968	3 797 733	0
II.3	Machinery and equipment	5 859 343	5 134 693	4 410 043	0
II.4	Vehicles	15 011	10 521	6 031	1 541
II.5	Other fixtures, fittings, tools and equipment	729 352	604 552	479 752	0
II.6	Unfinished construction	0	0	0	0
II.7	Other tangible assets	0	0	0	0
III.	Financial Fixed Assets		0	0	0
		8 770 416	8 485 540	8 029 139	15 382 425
B.	Current assets	5 214 244	5 034 244	4 804 244	4 234 244
I.	Inventories (reserves), prepayments and contracts in progress	4 834 244	4 734 244	4 684 244	4 234 244
I.1.	Reserves	380000	300000	120000	
I.2.	Prepayments				
I.3.	Contracts in progress	3 306 193	3 306 193	3 206 193	3 020 193
II.	Within one year of receivables	3 286 532	3 286 532	3 186 532	3 000 532
II.1	Trade receivables	0	0	0	0
II.2	Subsidiaries and associated companies	19 661	19 661	19 661	19 661
II.3	Other receivables		0	0	0
III.	Other current assets	249 979	145 103	18 702	8 127 988
IV.	Money and money equivalents	26 244	26 244	26 244	26 244
C.	Accrued income and deferred charges	21 362 770	19 551 719	17 569 143	15 981 411
	TOTAL ASSETS	22 992 053	20 862 588	19 226 341	17 964 028
	<i>Shareholders' equity and liabilities</i>				
A.	Capital	-528 727	-855 001	-759 311	8 342 539
I.	Share capital	6 735 807	6 735 807	6 735 807	6 735 807
II.	Revaluation reserve	7006558	7006558	7006558	7006558
III.	Reserves	673 581	673 581	673 581	673 581
IV.	Retained profit (loss)	-14 944 673	-15 270 947	-15 175 257	-6 073 407

IV.1	The reporting year profit (loss)	-251 893	-326 274	95 690	9 101 850
IV.2	Previous year profit (loss)	-14 692 780	-14 944 673	-15 270 947	-15 175 257
B.	Financing (grants and subsidies)	0	0	0	0
C.	Provisions and deferred taxes	1 985 230	1 985 230	1 985 230	1 985 230
I.	Liabilities and charges Provisions	1 985 230	1 985 230	1 985 230	1 985 230
D.	Grants and subsidies	247 165	247 165	247 165	247 165
E.	Payment sums and liabilities	19 659 102	18 174 326	16 096 060	5 406 477
I.	After one year, the amount due	16 681 787	14 521 787	11 601 787	0
I.1	Financial debts	16 681 787	14 521 787	11 601 787	0
I.1.1.	Leasing and similar obligations	0	0	0	0
I.1.2.	Credit institutions	9 294 283	8 694 283	7 974 283	0
I.1.3	Other financial debt	7 387 503	5 827 503	3 627 503	0
II.	Within one year of the amount due	2 977 316	3 652 539	4 494 273	5 406 477
II.1.	Long-term debt Current portion	0	0	0	0
II.2.	Financial debts	0	400 000	800 000	920 000
II.2.1.	Credit institutions	0	400 000	800 000	920 000
II.2.2.	Other debts	0	0	0	0
II.3.	Debts to suppliers	2 372 853	2 522 853	2 902 853	3 197 853
II.4.	Prepayments received	0	95 000	125 000	160 000
II.5.	Taxation	0	0	0	428 883
II.6.	Employment related liabilities	604 463	634 686	666 420	699 741
II.7.	Provisions	0	0	0	0
II.8.	Other payables and current liabilities	0	0	0	0
E.	ACCRUED EXPENSES AND DEFERRED INCOME	0	0	0	0
	SHAREHOLDERS 'EQUITY AND LIABILITIES TOTAL	21 362 770	19 551 720	17 569 143	15 981 411