



Business results

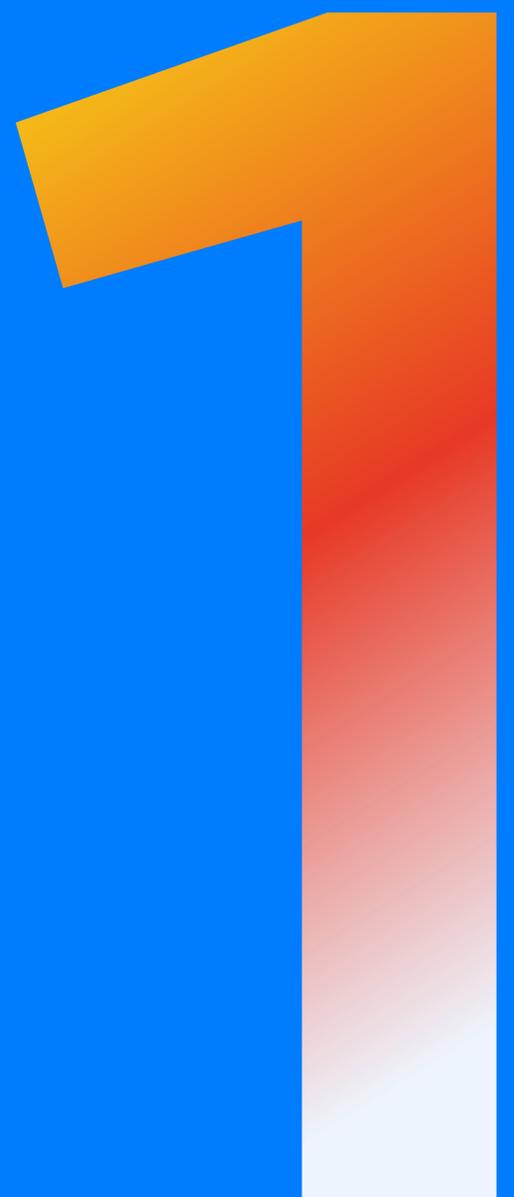
of the company Meritus ulaganja d.d. and its subsidiaries (the Group)
Financial statement for the year that ended March 31, 2024

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Business results

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COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD





Darko Horvat

President of the
Management Board

It is my great pleasure to present to you the business results of Meritus Ulaganja Group in the first quarter of 2024. The effectiveness of our strategic initiatives and the right decisions made in the past year are reflected in the further growth of income and profit in 2024 as well.

Revenues reached amount of EUR 87 million, which is a growth of 70% compared to the first quarter of last year. The BPTO industry vertical continues to hold the largest share of revenues at 63%.

The process of approval by the regulatory authorities for the finalization of the European Bank for Reconstruction and Development (EBRD) investment in Mplus's BPTO industry vertical, in the amount of EUR 60 million, is underway, which will ensure a stable capital structure for the development of new high-tech solutions, investments in infrastructure and people, organic growth but also additional business diversification. We expect the finalization of the mentioned approvals at the beginning of the second quarter of 2024.

In accordance with plans for further growth and expansion into new markets, we have strengthened our management by adding top employees and extremely experienced management with quality contacts in the industry.

In order to achieve better recognition on the market, and to provide clients with easier access to our technological services, a technology division under the brand name Mtech was created within the BPTO vertical. Mtech brings together technological companies of the Group: Calyx, Geomant and Bulb. Mtech's diverse offering of premium products and services has been carefully designed to transform the way businesses interact with customers and manage their processes, providing them with superior tools to improve customer experience, optimize operations and readily embrace digital transformation.

In accordance with our values that we bring to our daily operations, we continued to actively support organizations that we believe have a positive impact on the communities in which we operate, but we also launched new initiatives in which we focus on the well-being of children, youth and families.

In March, we started cooperation with Hrabri telefon, a non-profit non-governmental organization founded with the aim of preventing abuse and neglect of children and youth and providing direct assistance to them and their families. The collaboration, called 'The key to support is communication', highlights our commitment to the shared mission of creating a better and safer community. As part of the cooperation, a series of educational workshops and individual counseling for our employees will be organized throughout the year, and the topics of mental health, parenting and all the challenges accompanying the growing up of children and young people will be discussed.

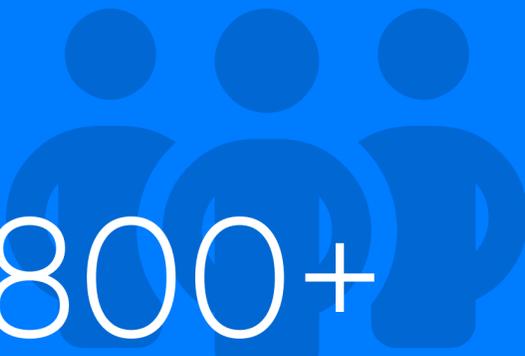
We have an exciting year ahead of us, filled with plans for strong growth and expansion, which will be particularly evident in the consolidation of the market of regional companies in Central and Southeastern Europe and the expansion of operations to new business verticals, which will have a significant impact on the further development of the Group. I am happy that in parallel with the business plans, we are also building an environment that focuses on the needs of our employees and empowers them for all the challenges and activities ahead, because it is our people who are the key to our success.

PERFORMANCE ANALYSIS



NUMBER OF EMPLOYEES

13,800+



EBITDA

8.5M €

EBITDA MARGIN

10%



REVENUES

87M €



NUMBER OF COUNTRIES

18



ADJUSTED EBITDA

10.5M €

ADJUSTED EBITDA MARGIN

12%



AVERAGE AGE

31



NUMBER OF CLIENTS

1,100+



NUMBER OF COMPANIES

71



Revenues

Meritus Ulaganja d.d. (The Company) and its subsidiaries (The Group) continued to achieve excellent results in the first quarter of 2024, and in the first three months of 2024, operating revenues in the amount of EUR 86,860 thousand were realized. Compared to 2023, there was an increase of EUR 35,816 thousand or 70%.

The BPTO industry vertical is still the largest industry vertical of the Group. Significant organic revenue growth is the result of acquiring new clients and higher volumes for existing clients. The Group achieved the mentioned growth through the organic growth of its BPTO (Business Process and Technology Outsourcing) business, whose revenues amount to EUR 55,001 thousand, which represents 63% of the Group's total operating revenues.

In the first quarter of 2024, the HR industry vertical generated EUR 27,227 thousand in revenue, which is 31% of the Group's operating revenues, while the eCommerce industry vertical generated EUR 4,332 thousand in revenue in the first three months of 2024, which represents 5% of the Group's total operating revenues.

EBITDA

In the first three months of 2024, the Group achieved EBITDA of EUR 8,474 thousand, which is an increase of EUR 2,149 thousand or 34% compared to the first three months of 2023.

The largest share in the Group's EBITDA was held by the BPTO vertical, which achieved an EBITDA of EUR 6,936 thousand and made up 82% of the EBITDA of the entire Group. Compared to the same period last year, the BPTO industry vertical achieved growth of 28%. The HR vertical operating through the Workplace brand achieved EBITDA in the amount of EUR 1,022 thousand, while the eCommerce industry vertical achieved EBITDA of EUR 429 thousand.

The total adjusted EBITDA of the Group for the first three months of 2024 was EUR 10,466 thousand, which represents a growth of 13% compared to the same period last year.

The adjusted EBITDA of the BPTO business vertical for the first three months of this year amounted to 8,644 thousand euros, which is a growth of 9% compared to the same period in 2023. The biggest adjustments refer to one-time costs related to the organization's adaptation for further growth and development.

Key indicators of the Group's income statement

(in EUR thousand)	1.-3.2024.	1.-3.2023.	Change	%
Operating revenues	86,860	51,044	35,816	70%
EBITDA	8,474	6,325	2,149	34%
Adjusted EBITDA	10,466	9,260	1,206	13%
Profit before taxation	1,714	1,401	313	22%

*Adjustments pertain to the impacts that are considered one-off (i.e., they do not have repetitive characteristics or effects on income and costs).

Profit before taxation

In the first three months of 2024, the Group achieved EUR 1,714 thousand in profit before taxation. Compared to the same period of the previous year, the Group achieved a growth of 22% or a growth of EUR 313 thousand. The growth is mostly the result of organic growth in the BPTO segment and the focus on efficient management of costs and profitability in all verticals of the Group. The Group will continue to implement active income growth policies, taking into account the optimal use of resources and keeping business costs under control.

Assets

The assets of the Group as of March 31, 2024, amounted to EUR 258,003 thousand. Compared to December 31, 2023, there was an increase of EUR 16,573 thousand or 7%.

Equity

The equity of the Group as of March 31, 2024, amounted to EUR 62,680 thousand and constitutes 24% of the total balance sheet. The equity remained at a similar level compared to the equity on December 31, 2023.

Net debt

As of March 31, 2023, the Group had a strong cash position in the amount of EUR 52,168 thousand, while liabilities to financial institutions and liabilities for assets with the right of use amounted to EUR 114,585 thousand, including liabilities for issued bonds, short-term loans for working capital and long-term investment loans. The net debt was EUR 62,417 thousand. The increase in net debt is the result of increased investment in infrastructure through right-of-use assets and an increase in short-term loans for working capital due to increased business volume and new business verticals.

The aforementioned structure of net debt enables further organic growth, but also creates the potential for further acquisitions.



Key indicators of the Group's statement financial position

(in EUR thousand)	March 31, 2024	December 31, 2023	Change	%
Assets	258,003	241,430	16,573	7%
Equity	62,680	58,105	4,575	8%
Net debt	62,417	55,890	6,527	12%

Mplus Group (BPTO)

M Plus Croatia d.o.o. and its subsidiaries (Mplus Group) are one of the fastest growing BPTO groups in Europe.

Compared to the first quarter of 2023, Mplus Group increased its results at the level of revenue, gross profit margin and EBITDA. Higher revenue at the Mplus Group level, mainly attributed to an excellent pricing strategy for the banking industry in the MENA region and the performance of companies from the CEE region whose income exceeded projections of stability and growth in the number of agents. As for the IT part of the business, a high percentage of growth was achieved in all areas.

The BPTO vertical also achieved an increase in revenue generated by smaller and new markets while maintaining a high level of revenue from premium clients by demonstrating independence from major clients and maintaining client and industry diversity.

The group also achieved rent savings compared to the first quarter of 2023 despite inflation and higher office rental costs.

Standardization of processes and implementation of new software guarantees better organization

and cohesion at the Group level. Dynamics 365 Business Central ERP has been implemented in Croatia, Bosnia, Slovenia, Serbia, Germany and Turkey, which refers to 90% of Mplus Group members included in this implementation. HRnet, a complete digitized solution for human resources management, has been implemented in Croatia, and soon will be in Bosnia and Herzegovina, Slovenia and Serbia.

Several new projects at the level of the Mplus group have been initiated, which show organic growth and growth in market share. We also entered new markets, for example by starting operations in Albania.

Regarding the IT part of the Mplus Group, the branding of the IT part of the business in Mtech was mentioned earlier, which will contribute to even greater recognition of the Group's IT members on the market. In addition, we sold the Cempreso AI core platform and the Cempreso AI Data Collection module, which shows the growth of AI products with existing clients and recognition of user satisfaction in the IT part of the business. The positive trend continued with other solutions related to artificial intelligence, primarily through the Buzzeasy Group solution.



Workplace Grupa (HR)

The mission of the Workplace Group is to offer clients comprehensive human resources management solutions, enabling companies to concentrate on their core business activities. The specialty of the Workplace Group lies in tailor-made solutions, addressing each client's needs individually, thereby earning recognition as a "one-stop-shop" for HR services.

In Q1 of 2024, Workplace initiated strategic international mobility projects, including regional mobility within the South East Europe region and established partnerships with sister agencies in East Asia. A dedicated regional team of 14 individuals has already completed projects for clients across various industries, not only sourcing top talents but also pioneering innovative cultural onboarding models that have proven to enhance new employee productivity from day one.

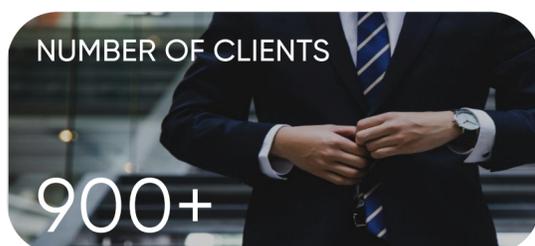
The redesign of the new website is underway and scheduled for launch in Q2 2024, promising a fresh experience for both clients and candidates.

The Hungarian office made significant strides by establishing a game testing HUB in 2023, the first of its kind in this region of Europe. The company has forged collaborations with gaming giants like Amazon, experiencing growth in both client base and talent pool within the HUB.

Entering the year with refined research and reporting on salary benchmarks, Workplace Group assists clients in formulating superior employee and employer branding strategies, enhancing their competitive positioning in the market. Additionally, the Group conducted numerous training sessions as part of people development projects for clients spanning various industries.

Q1 2024 also saw investments in new Applicant Tracking Systems (ATS) and automation processes, yielding tangible results such as increased productivity and faster candidate placements. This automation enhances client experience, providing a swift and agile approach, delivering satisfying and measurable outcomes.

Workplace is committed to the robust development of staffing projects with major international and local firms, emphasizing employee satisfaction and upholding the global award for the Global Most Ethical Company 2024 (won for the 15th consecutive year) by the Ethisphere Institute, bestowed upon the ManpowerGroup and all the companies within the Workplace Group. The Group is witnessing an upward trend in permanent employment and achieving success in projects encompassing white-collar and executive search, which will remain focal points throughout the year.



Eplus Ventures (eCommerce)

By bringing together the companies Moderna Ventures S.A. (Megabon) and the company Konverzija d.o.o. (Pink Panda) within the umbrella company Meritus Global Technology d.o.o. in the third quarter of 2023, a new eCommerce industry vertical was formed within the Group, which will operate under the brand name Eplus Ventures.

Growth and innovation supported by leading technological achievements, a personalized shopping experience and an emphasis on flawless user experience are the key determinants on which the Group bases its further activities in the eCommerce vertical.

Currently, Eplus Ventures employs more than 60 experts from the eCommerce industry, specializing in various services related to technology, sales, marketing and customer support.

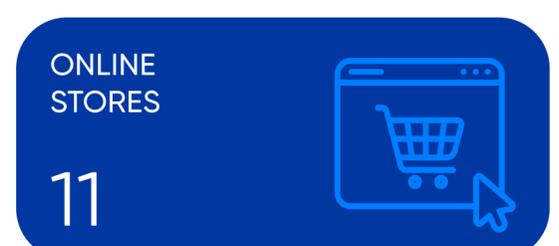
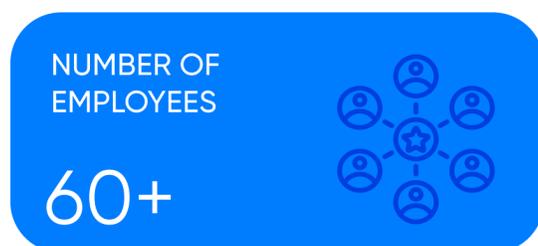
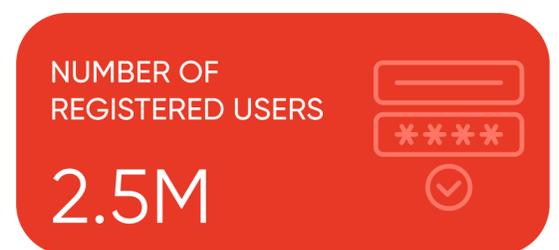
The tourism part of Eplus Ventures through its Megabon brand achieved excellent results in the first quarter of 2024. The excellent results are the result of the dedicated work of the team, which is reflected in over 50 new partnerships. These partnerships will provide new momentum through offerings in the coming months.

The upcoming months are the main trigger when an even greater momentum in business is expected given the sensational nature of the tourism industry. The number of Megabon platform offers available to customers has increased by about 50%, and now on average Megabon offers over 1,500 active offers available to customers.

Together with one of the leading technological platforms for the travel industry - Travel Compositor, Eplus Ventures develops solutions that will further strengthen the market presence, increase the number of offers and further improve the user experience.

The redesign of the new Pink Panda and Licila websites are underway and are planned to launch in the coming periods of 2024, promising a new experience for all customers.

Pink Panda has continued cooperation with leading beauty brands such as Revolution, L'Oréal and others, and is developing new strategic partnerships with new brands and new listings through the extension of the product range.



GROUP AND STRUCTURE OF THE GROUP

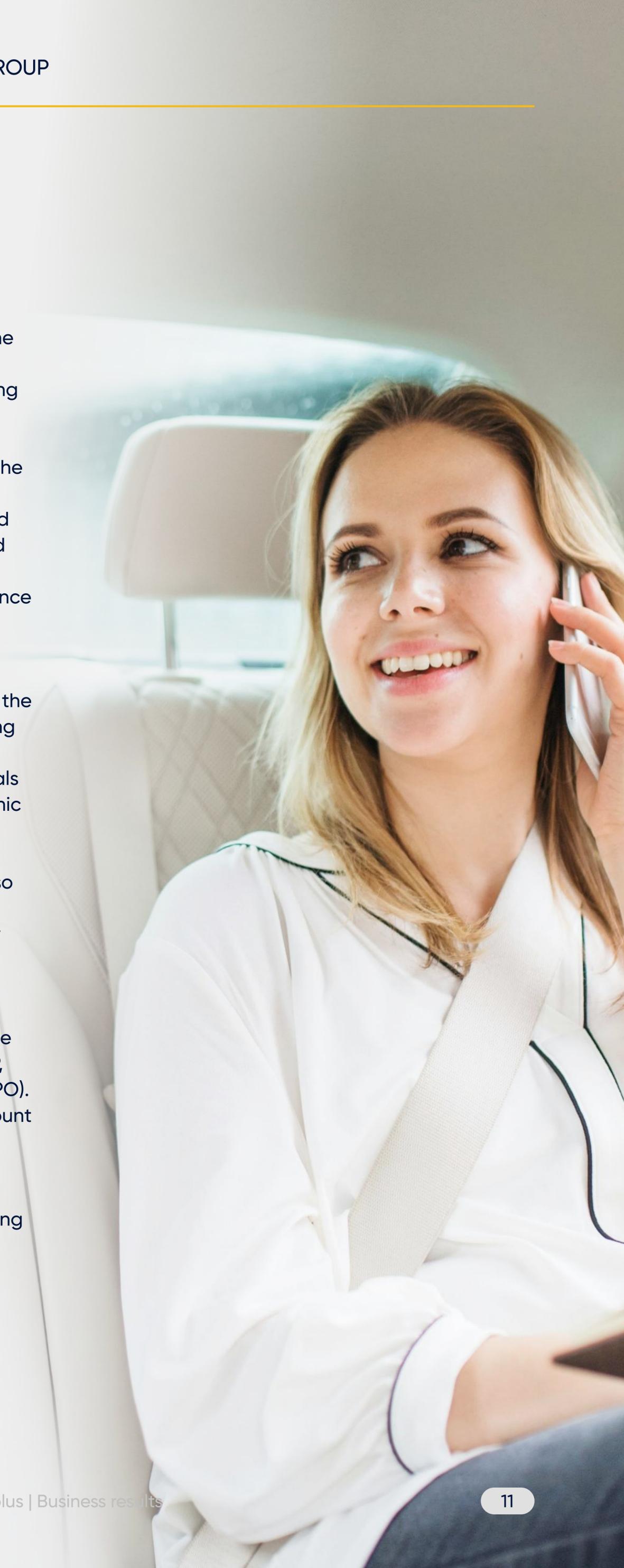


Key informations

Meritus ulaganja d.d. (Company) and its subsidiaries (Group) form a Group that operates through three industry verticals. The most important vertical of the Group is the Business Process and Technology Outsourcing (BPTO) industry vertical, which also includes companies that provide Information technology (IT) services. In the first quarter, the Group continued to develop the other two industry verticals, HR (Human Resources) and eCommerce, which operate under the brand Workplace and Eplus Ventures, respectively, which have an increasingly significant influence on the Group's development.

Over the past 8 years, through a dynamic process of acquisitions and organic growth, the Group has created one of the fastest growing groups in the region. The Group's plan is to continue to develop its business in all verticals during the future period, both through organic growth and acquisitions, and to further strengthen its position as a fast-growing European business Group. The Group will also continue investing in new projects and companies from other sectors and form new significant verticals in its business.

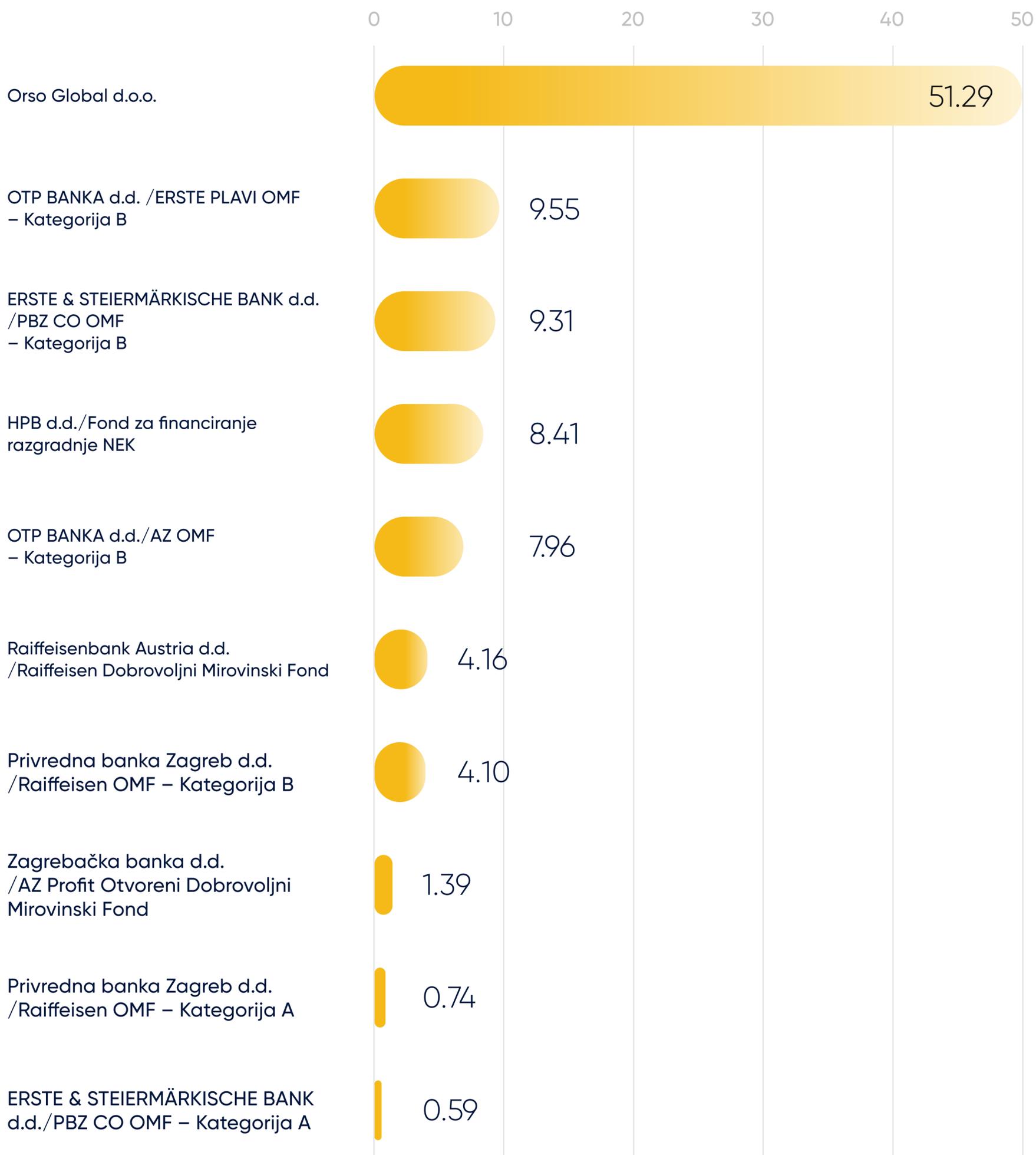
The Company's shares were listed on the Official Market of the Zagreb Stock Exchange under the mark MRUL-R-A on August 6, 2019, through an initial public offering of shares (IPO). The IPO raised additional capital in the amount of EUR 11,385 thousand. On June 2, 2021, the Company decided to increase its capital by issuing shares through a secondary public offering on the Zagreb Stock Exchange, raising EUR 14,015 thousand. In which qualified investors and retail investors participated.



Ownership structure of the Company as at March 31, 2024

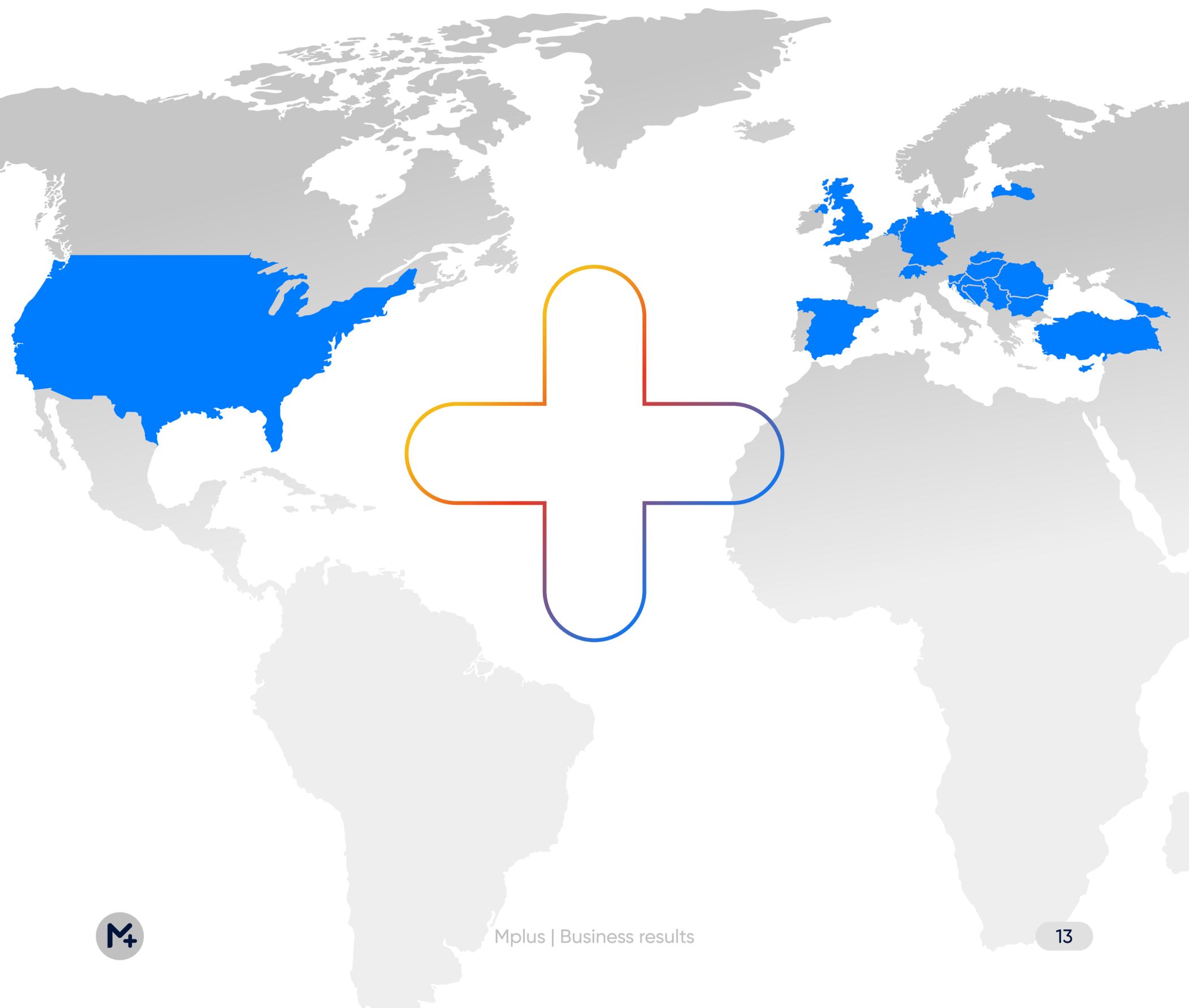
SHAREHOLDERS

PERCENTAGE OF SHARE (%)



18 countries

- Croatia
- Serbia
- Bosnia and Herzegovina
- Slovenia
- Hungary
- Turkey
- Georgia
- Bulgaria
- Romania
- Slovakia
- Germany
- Spain
- UK
- USA
- Cyprus
- Netherland
- Latvia
- Switzerland



Structure of the Group

1/2

BPTO

M Plus Croatia d.o.o.

M+ Agent d.o.o.

M+ BH d.o.o.

M Plus Serbia d.o.o.

M Plus BL d.o.o.

CDE Nove tehnologije d.o.o.

CMC iletişim ve Çağr Merkezi Hizmetleri A.Ş.

RGN iletişim Hizmetleri A.Ş.

Meritus Georgia LLC

Mplus Germany GmbH

BusinessLine GmbH

Mplus Halle GmbH

Mplus Helmstedt GmbH

Mplus Leipzig GmbH

Mplus Lüneburg GmbH

PİT İnsan Kaynakları ve Danışmanlık A.Ş.

ISS Sigorta Acentelik Hizmetleri A.Ş.

M+ Deutschland BPTO GmbH

Mplus Magdeburg GmbH

Mplus Prenzlau GmbH

ISF MicroUnits GmbH

Mplus Sales GmbH

Mplus Bielefeld GmbH

Mplus Braunschweig GmbH

Mplus Bremen GmbH

Mplus Gran Canaria S. L. U.

M Plus Smart Hub Romania SRL

M+ Slovakia, S.R.O.

SIA M+ Latvia

Bulb d.o.o.

Calyx d.o.o.

Buzzeasy AI Kft

Geomant - Algotech Zrt.

Geomant Srl

Geomant UK limited

Inova Solutions Inc.

Geomant Global d.o.o.

Bulb Upravljanje d.o.o.

Technology Services Holdings B.V.

Meritus Plus Centar d.o.o. Belgrade

Structure of the Group

2/2

HR

Smart Flex d.o.o.

Smart Flex Sourcing d.o.o.

Manpower d.o.o., Croatia

Manpower Savjetovanje d.o.o.

Manpower d.o.o., Bosnia and Herzegovina

Manpower Bulgaria

Manpower Group, Bulgaria

Manpower Munkaerő Szervezési Kft

Manpower Business Solutions Kft.

Manpower d.o.o., Slovenia

Business Integrator

Manpower d.o.o., Serbia

Manpower Business Solutions d.o.o

Workplace Projekt - Adria d.o.o.

Workplace Projekt d.o.o.

MPS Integration

Integrator Holding

Workplace Project B.V.

eCommerce

Meritus Global Technology d.o.o.

Konverzija d.o.o.

Moderna Ventures B.V.

Moderna Ventures S.A.

Other

Meritus Global Real Estate Management d.o.o.

Meritus Global Strategics d.o.o.

Meritus ulaganja d.d.

TVPD Holdings B.V.

Zeleni Horizont d.o.o.

Global People Solutions d.o.o.

Real Estate Development projekti - Projekt

Vukovarska d.o.o.

Go Health d.o.o.

Kanatol IEDC Limited

KEY MILESTONES



EBRD

The approval process of the regulatory authorities for the implementation of the investment of the European Bank for Reconstruction and Development is in progress.

According to the investment agreement signed on November 28, 2023, the European Bank for Reconstruction and Development (EBRD) is to invest EUR 60 million in the company M Plus Croatia d.o.o. (Mplus), which consolidates the BOTI business vertical of the Group. The necessary regulatory approvals from the competition commissions in the countries where Mplus and the EBRD jointly operate are pending for the conclusion of the transaction. The finalization of the mentioned approvals is expected at the beginning of the second quarter of 2024. Upon obtaining the necessary approvals, the EBRD's investment of EUR 60 million in Mplus will be concluded.

Mtech

Mtech – formation of a technological division within the Mplus BPTO vertical

In order to achieve better recognition on the market, and to enable clients to have easier access to our technological services, within Groups BPTO vertical, a technological division was created under the brand name Mtech. Mtech brings together the technology companies of the Group: Calyx, Geomant and Bulb, and Mtech's diverse range of premium products, services and consulting is carefully designed to change the way companies communicate with customers and manage their processes, providing them with superior tools to improve the customer experience, optimization of operations and ready acceptance of digital transformation.



Corporate Social Responsibility (Hrabri telefon and HNK)

In accordance with our values that we bring to our daily operations, Group actively supports organizations that have a positive impact on the communities in which we operate and contribute to the development of society.

Thanks to last year's successful cooperation with the Croatian National Theater (HNK), which contributed to the theater's excellent results, in the form of a 57% increase in the number of subscribers and revenue from subscriptions, we will continue to support HNK in 2024. The plan is to further strengthen our cooperation in the form of providing customer support and digital transformation, and to intensify support for drama, opera and ballet programs through upcoming initiatives.

In March, cooperation was launched with Hrabri Telefon, a non-profit non-governmental organization founded with the aim of preventing abuse and neglect of children and youth and providing direct help and support to children and their families. The collaboration, called 'The key to support is communication', highlights our commitment to the shared mission of creating a better, healthier and safer community in partnership with others. The Group supported the project financially, but also by providing the services of an invitation campaign to the base of 26,000 potential donors of the Hrabri telefon in order to complete the construction of the new "Brave Center". Additionally, in cooperation with Hrabri telefon, a series of educational workshops, interactive sessions and individual counseling for our employees will be organized throughout the year. The topics of mental health, parenting and all the challenges accompanying the growing up of children and young people will be discussed.

New additions to the Group management

Our management has been strengthened by the appointment of two experienced managers, which aims to further strengthen our presence on the market and establish better relations with our clients. Koda Skurzewski has been appointed Executive Vice President of the Sales and Marketing, and Paul Neumann as the new Executive Vice President of the Strategic Accounts.

With this addition, Group is well-positioned to achieve growth, innovation, and continued success in the year ahead.

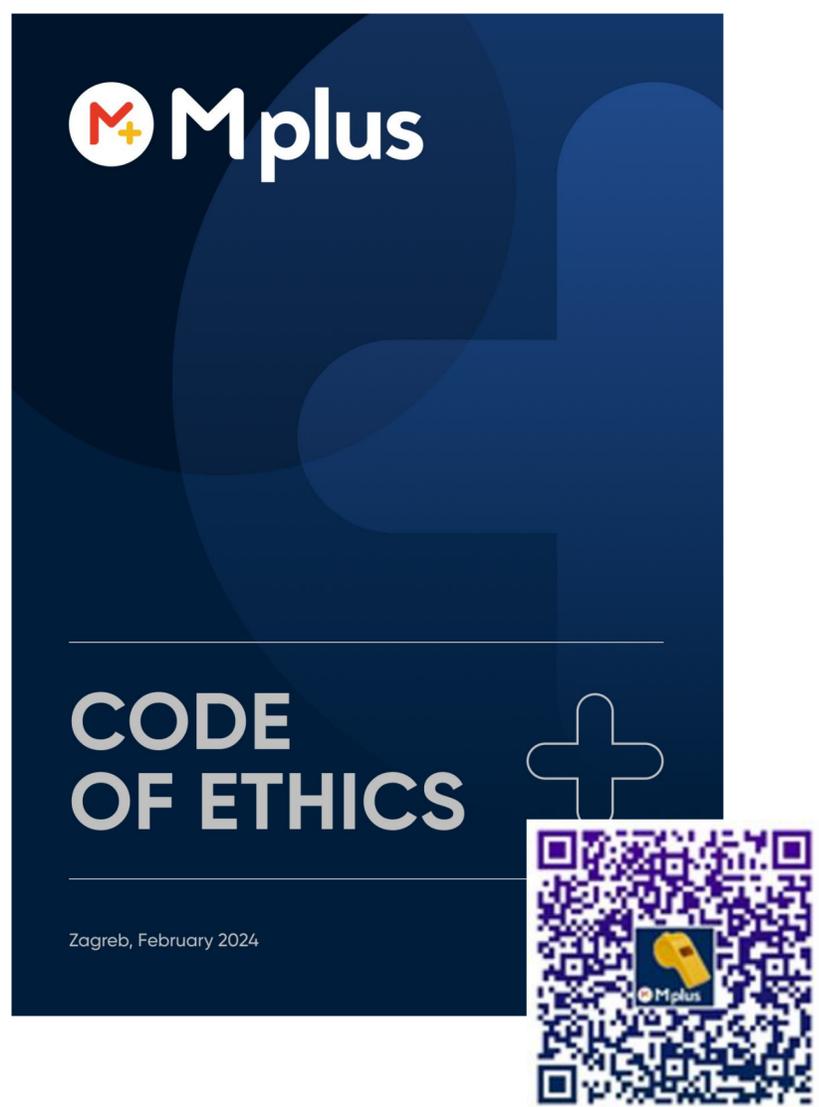


Formation of Whistleblowing Platform and Code of Ethics

The Group believes that the foundation of a healthy organizational culture is the creation of an environment where individuals feel safe and supported.

For this purpose, a new channel for reporting irregularities has been created within our organization, which can be accessed via the Mplus Whistleblowing website or QR code. This channel allows our employees and third parties to confidentially or anonymously report any irregularities or unethical behavior within our organization that may have consequences for the general public or the community.

Simultaneously with the implementation of this platform, the Group also adopted a new Code of Ethics, which serves as a guide for making correct business decisions and reflects our commitment to conducting business in an ethical and responsible manner.



CONSOLIDATED FINANCIAL STATEMENTS



Consolidated statement of financial position

(in thousand EUR)

December 31, 2023

March 31, 2024

Non-currents assets

Goodwill	17,983	17,983
Intangible assets	56,409	56,747
Right of use assets	13,584	19,087
Property, plant and equipment	17,590	15,672
Investment property	14,276	14,148
Non-current financial assets	4,661	5,783
Deferred tax assets	4,739	4,739

Total non-current assets	129,241	134,159
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Current assets

Inventories	1,527	1,752
Other current financial assets	2,751	3,213
Trade receivables	43,150	46,164
Other receivables	7,197	9,041
Accrued income and prepaid expenses	6,927	11,506
Cash and cash equivalents	50,637	52,168

Total current assets	112,189	123,844
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TOTAL ASSETS	241,430	258,003
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Equity

Share capital	13,034	13,034
Other reserves	(24,808)	(21,611)
Capital reserves	19,784	19,784
Legal reserves	1,997	1,997
Retained earnings and profit for the period	18,994	21,262

To the owners	29,001	34,466
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Non-controlling interest	29,104	28,214
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Total Equity	58,105	62,680
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Non-current liabilities

Long term borrowings	33,718	40,779
Liabilities arising from issued bonds	40,000	40,000
Long-term lease liabilities	10,100	11,410
Deferred tax liability	3,271	2,882
Other non-current liabilities	10,346	10,333

Total non-current liabilities	97,435	105,404
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Current liabilities

Trade payables	12,237	7,570
Liabilities to employees	18,983	21,969
Other current liabilities	9,995	12,505
Short term borrowings	29,022	30,303
Short-term lease liabilities	5,469	6,091
Accrued expenses and deferred Income	10,183	11,482

Total current liabilities	85,889	89,920
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TOTAL EQUITY AND LIABILITIES	241,430	258,003
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Consolidated statement of comprehensive income

(in thousand EUR)

1.1.–31.3.2023

1.1.–31.3.2024

	Kumulativ	Tromjesečje	Kumulativ	Tromjesečje
Revenues from contracts with customers	50,010	50,010	84,526	84,526
Other revenue	1,034	1,034	2,334	2,334
Total revenue	51,044	51,044	86,860	86,860
Costs of raw materials and supplies	(168)	(168)	(609)	(609)
Cost of goods sold	(147)	(147)	(3,824)	(3,824)
Costs of services	(3,982)	(3,982)	(6,693)	(6,693)
Staff costs	(38,002)	(38,002)	(63,058)	(63,058)
Depreciation and amortization	(3,572)	(3,572)	(4,736)	(4,736)
Other operating expenses	(2,420)	(2,420)	(4,202)	(4,202)
Total operating expenses	(48,291)	(48,291)	(83,122)	(83,122)
Profit from operations	2,753	2,753	3,738	3,738
Financial income	440	440	1,060	1,060
Financial expenses	(1,792)	(1,792)	(3,084)	(3,084)
Losses from financial activities	(1,352)	(1,352)	(2,024)	(2,024)
Profit before taxation	1,401	1,401	1,714	1,714
Income tax	(272)	(272)	(336)	(336)
Profit for the year	1,129	1,129	1,378	1,378
Attributable to:				
the owners of the Company	507	507	2,268	2,268
Non-controlling interests	622	622	(890)	(890)
Other comprehensive income				
Profit for the year	1,129	1,129	1,378	1,378
<i>Items that cannot later be transferred to profit or loss</i>				
Other items that will not be reclassified later	-	-	-	-
<i>Items that can later be transferred to profit or loss</i>				
Exchange rate differences from the translation of foreign parts of operations in the current business year	-	-	3,197	3,197
Other comprehensive gain for the year	-	-	3,197	3,19
TOTAL COMPREHENSIVE INCOME FOR THE CURRENT YEAR	1,129	1,129	4,575	4,575
Attributable to:				
the owners of the Company	507	507	5,465	5,465
Non-controlling interests	622	622	(890)	(890)

Consolidated cash flows statement

(in thousand EUR)	2023.	2024.
Profit before taxation	1,401	1,714
Depreciation	3,572	4,736
Interest and dividend income	(78)	(369)
Interest expenses	1,558	1,756
Provisions	(720)	(76)
Exchange rate differences (unrealized)	118	37
Other adjustments for non-cash transactions and unrealized gains and losses	(54)	1,048
Cash flow increase before changes in working capital	5,797	8,846
Increase in short-term liabilities	1,268	1,277
Decrease/(Increase) in short-term receivables	1,131	(3,325)
Decrease/(Increase) in inventories	1	(225)
Other changes in working capital	(4,996)	(2,725)
Cash generated in operating activities	3,201	3,848
Interests paid	(1,114)	(1,458)
Income tax paid	(272)	(481)
Net cash from operating activities	1,815	1,909
Cash payments for purchase of fixed tangible and intangible assets	(3,577)	(4,731)
Cash payments for loans and deposits for the period	(639)	(1,585)
Net cash used in investment activities	(4,216)	(6,316)
Cash receipts from credit principals, loans and other borrowings	6,219	10,458
Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	(3,878)	(2,377)
Cash payments for leases	(1,113)	(1,651)
Net cash from financing activities	1,228	6,430
Net (decrease)/increase cash and cash equivalents	(1,173)	2,023
Unrealized exchange rate differences in respect of cash and cash equivalents	(306)	(492)
Cash and cash equivalents at the beginning of the period	57,523	50,637
Cash and cash equivalents at the end of the period	56,044	52,168

Consolidated statement on changes in equity

(in thousand EUR)	Share capital	Other reserves	Capital reserves	Legal reserves	Reserves from exchange differences from investment in foreign operations	Retained earnings	To the owners of the Company	Non-controlling interests	Total
Balance at January 1, 2023	13,034	(22,287)	19,784	1,763	2,027	13,828	28,149	25,961	54,110
Profit for the period	-	-	-	-	-	507	507	622	1,129
Other changes	-	906	-	-	-	(35)	871	-	871
Balance at March 31, 2023	13,034	(21,381)	19,784	1,763	2,027	14,300	29,527	26,583	56,110
Balance at January 1, 2024	13,034	(23,286)	19,784	1,997	(1,522)	18,994	29,001	29,104	58,105
Profit for the period	-	-	-	-	-	2,268	2,268	(890)	1,378
Other comprehensive income for the period	-	-	-	-	3,197	-	3,197	-	3,197
Balance at March 31, 2024	13,034	(23,286)	19,784	1,997	1,675	21,262	34,466	28,214	62,680

Notes to the financial statements

NOTES TO FINANCIAL STATEMENTS – TFI (drawn up for quarterly reporting periods)

Name: Meritus ulaganja d.d.

OIB: 62230095889

Reporting period: January 1, 2024. – March 31, 2024

Notes to financial statements for quarterly period include:

a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 – Interim financial reporting):

- In cases where a member of the Group is classified as a hyperinflationary economy, indexation is applied in accordance with IAS 29. In 2022, the Republic of Turkey met the requirements of IAS 29 for the said classification, and the corresponding indexes were applied to the comparative data for the year 2023, and to current data for 2024.

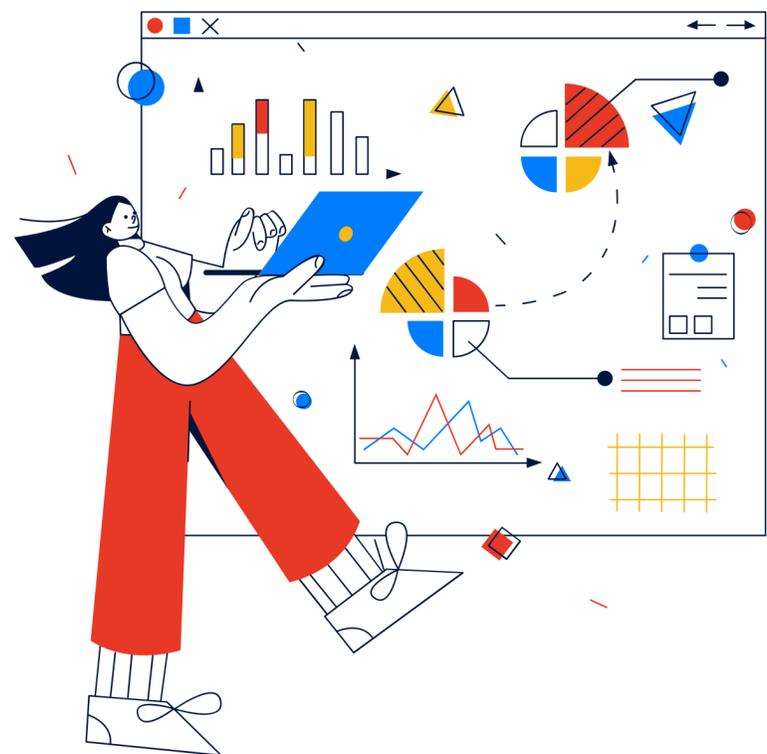
b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period
Access is provided on official webpage (<https://mplusgroup.eu/financial-reports>).

c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 – Interim financial reporting)

There were no changes in accounting policies compared to previous periods.

d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 – Interim financial reporting) – n/a

e) other comments prescribed by IAS 34 – Interim financial reporting – n/a



In the notes to financial statements for quarterly periods, in addition to the information stated above, information in respect of the matters shall be disclosed:

1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration

Name: Meritus Ulaganja d.d.

Adress: Ulica grada Vukovara 23, 10000 Zagreb

Legal form: Public Limited Company

Country: Croatia

MBS: 81210030

OIB: 62230095889

2. adopted accounting policies (only an indication of whether there has been a change from the previous period)

There were no changes in the applied accounting policies compared to the previous reporting period.

3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately - There are no financial liabilities, guarantees or contingencies that are not included in the balance sheet.

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence - n/a

5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security

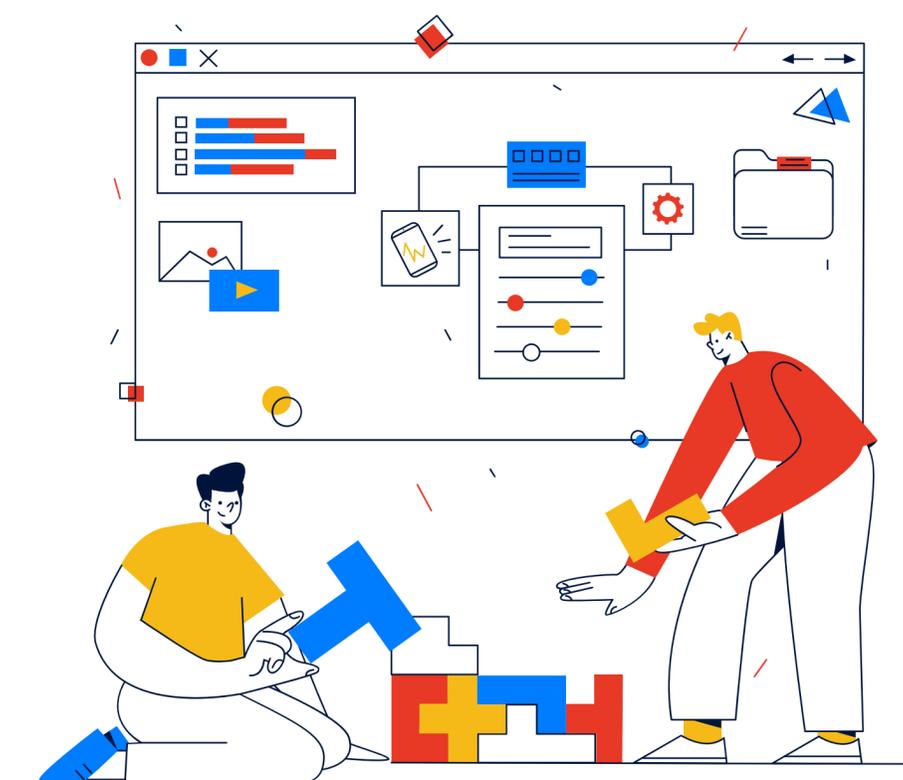
Of the total debts, EUR 3,013,966,50 is due after more than 5 years. Total debts to banks and financial institutions are covered by promissory notes and by collateral.

6. average number of employees during the financial year: 13.811

7. where, in accordance with the regulations, the undertaking capitalized on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalized on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries - n/a

8. where a provision for deferred tax is recognized in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year

The amount of Deferred Tax Assets recognized is EUR 4,739,277, while Deferred Tax Liabilities are EUR 2,881,770.



9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking - n/a

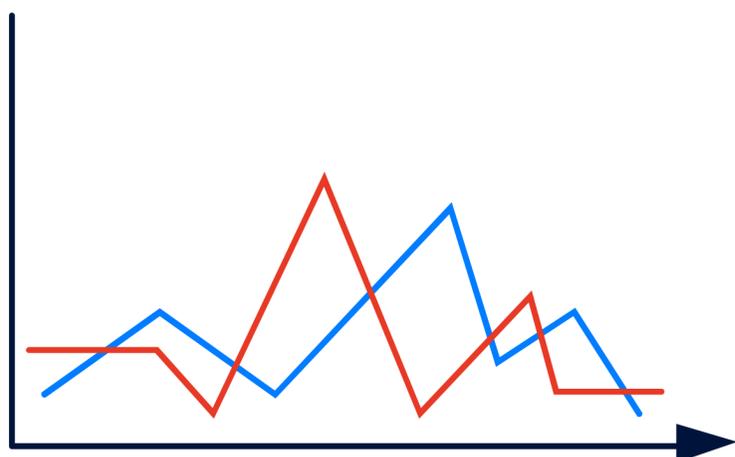
10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorized capital.

Paid-up and subscribed capital of Meritus Ulaganja d.d. has a total value of EUR 13,033,800 as of March 31, 2024 and is divided into 982,032 ordinary shares.

11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer - n/a

12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability

The subsidiaries of the Group are listed on the home page of the consolidated TFI-POD form



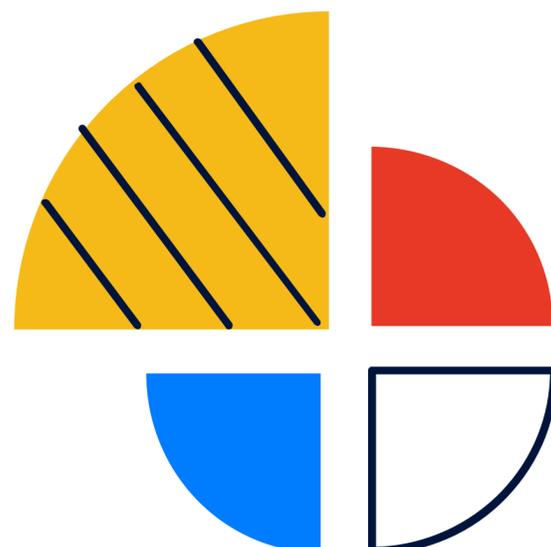
13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member - n/a

14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13 n/a

15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available - n/a

16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking - n/a

17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet - n/a



UNCONSOLIDATED FINANCIAL STATEMENTS



Unconsolidated statement of financial positions

(in thousand EUR)

December 31, 2023

March 31, 2024

Non-current assets

Intangible assets	1	3
Right of use assets	88	77
Investment property	2,513	2,489
Non-current financial assets	83,071	80,575
Total non-current assets	85,673	83,144

Current assets

Other current assets	500	3,718
Trade receivables	267	391
Other receivables	860	900
Accrued income and prepaid expenses	171	163
Cash and cash equivalents	28,243	30,064
Total current assets	30,041	35,236

TOTAL ASSETS

115,714 **118,380**

Equity

Share capital	13,034	13,034
Capital reserves	51,447	51,447
Legal reserves	414	414
Retained earnings and loss for the period	2,405	2,075
Total equity	67,300	66,970

Non-current liabilities

Long-term borrowings	1,300	4,692
Long-term lease liabilities	36	28
Long-term liabilities for issued bonds	40,000	40,000
Total non-current liabilities	41,336	44,720

Current liabilities

Trade payables	1,536	1,542
Liabilities to employees	31	55
Other current liabilities	1,005	1,299
Short-term borrowings	4,468	3,759
Short-term lease liabilities	35	35
Accrued expenses and deferred income	3	-
Total current liabilities	7,0	6,690

TOTAL EQUITY AND LIABILITIES

115,714 **118,380**



Unconsolidated statement of comprehensive income

(in thousand EUR)	1.1.-31.3.2023		1.1.-31.3.2024	
	Cumulative	Quarter	Cumulative	Quarter
Revenues	135	135	76	76
Other revenues	1	1	24	24
Total revenues	136	136	100	100
Costs of raw material and supplies	(8)	(8)	(4)	(4)
Costs of services	(100)	(100)	(138)	(138)
Staff costs	(39)	(39)	(61)	(61)
Depreciation and amortization	(25)	(25)	(35)	(35)
Other operating expenses	(36)	(36)	(40)	(40)
Total operating expenses	(208)	(208)	(278)	(278)
Loss from operations	(72)	(72)	(178)	(178)
Financial income	165	165	364	364
Financial expenses	(479)	(479)	(516)	(516)
Loss from financial activities	(314)	(314)	(152)	(152)
Loss before taxation	(386)	(386)	(330)	(330)
Income tax	-	-	-	-
Loss for the period	(386)	(386)	(330)	(330)
Other comprehensive income				
Loss for the period	(386)	(386)	(330)	(330)
<i>Items that can later be transferred to profit or loss</i>	-	-	-	-
TOTAL COMPREHENSIVE LOS FOR THE PERIOD	(386)	(386)	(330)	(330)

Unconsolidated cash flows statements

(in thousand EUR)	2023	2024
Loss before taxation	(386)	(330)
Depreciation	25	35
Interest and dividend income	(165)	(364)
Interest expenses	459	516
Cash flow decrease before changes in working capital	(67)	(143)
Decrease in short-term liabilities	(399)	(403)
Increase in short-term receivables	(177)	(164)
Other changes in working capital	-	29
Cash used in operating activities	(643)	(681)
Interests paid	(874)	(859)
Net cash used in operating activities	(1,517)	(1,540)
Cash payments for the purchase of fixed tangible and intangible assets	(2)	(3)
Cash payments for loans and deposits	(552)	(17)
Net cash used in investment activities	(554)	(20)
Cash receipts from loans received	-	3,500
Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	(50)	(108)
Leases paid	-	(11)
Net cash (used in)/from financing activities	(50)	3,381
Net (decrease) /increase in cash and cash equivalents	(2,121)	1,821
Cash and cash equivalents at the beginning of the period	36,014	28,243
Cash and cash equivalents at the end of the period	33,893	30,064

Unconsolidated statement of changes in equity

(in thousand EUR)	Share capital	Capital reserves	Legal reserves	Retained earnings	Total
Balance at January 1, 2023	13,034	51,447	340	2,443	67,264
Loss for the period	-	-	-	(386)	(386)
Balance at March 31, 2023	13,034	51,447	340	2,057	66,878
Balance at January 1, 2024	13,034	51,447	414	2,405	67,300
Loss for the period	-	-	-	(330)	(330)
Balance at March 31, 2024	13,034	51,447	414	2,075	66,970

Notes to the financial statements

NOTES TO FINANCIAL STATEMENTS – TFI (drawn up for quarterly reporting periods)

Name of the issuer: Meritus ulaganja d.d.

OIB: 62230095889

Reporting period: January 1. 2024. - March 31, 2024

Notes to financial statements for quarterly periods include:

a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 15C IAS 34 - Interim financial reporting) - n/a

b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period - n/a

c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (item 16.A (a) IAS 34 - Interim financial reporting) - There were no changes in the applied accounting policies compared to the previous period annual financial statements

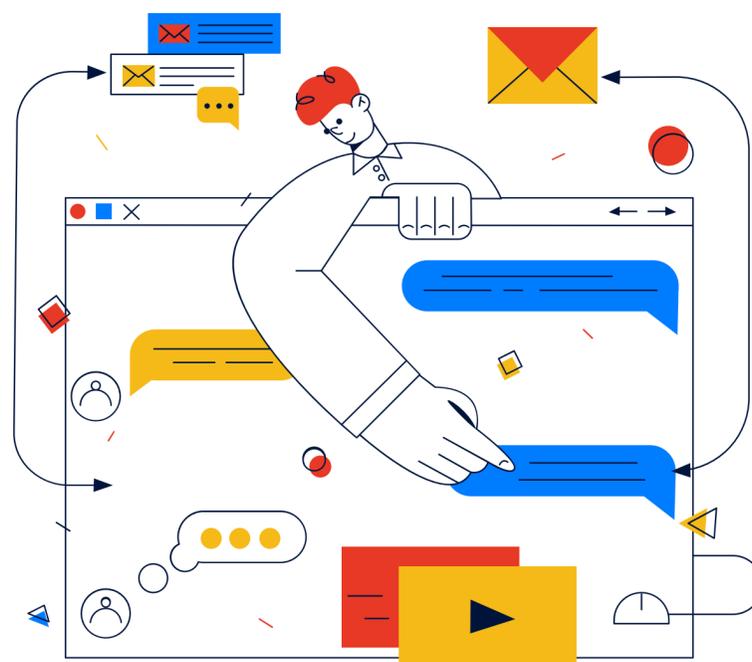
d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting) - n/a

e) other comments prescribed by IAS 34 - Interim financial reporting - n/a

In the notes to financial statements for quarterly periods, in addition to the information stated above, information in respect of the following matters shall be disclosed.

1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration

Name: Meritus Ulaganja d.d.
Address: Ulica grada Vukovara 23, 10000 Zagreb
Legal form: Public Limited Company
Country: Republika Hrvatska
MBS: 81210030
OIB: 62230095889



2. adopted accounting policies (only an indication of whether there has been a change from the previous period)

There were no changes in the applied accounting policies compared to the previous reporting period.

3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately

There are no financial liabilities, guarantees or contingencies that are not included in the balance sheet.

4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence - n/a

5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security

Of the total debts, EUR 350,000 is due after more than 5 years. Total debts to banks and financial institutions are covered by promissory notes, and to a lesser extent by collateral.

6. average number of employees during the financial year: 6

7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries - n/a

8. where a provision for deferred tax is recognized in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial - n/a

9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking - n/a



10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorized capital Paid-up and subscribed capital of Meritus Ulaganja d.d. has a total value of EUR 13,033,800 as of March 31, 2024 and is divided into 982,032 ordinary shares.

11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer - n/a

12. name, headquarters and legal form of each entrepreneur in which the entrepreneur has unlimited liability.
Subsidiaries of Meritus Ulaganja d.d. they are listed on the home page of the consolidated TFI-POD form.

13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member - n/a

14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13 - n/a

15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available - n/a

16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking - n/a

17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet. - n/a



STATEMENT OF THE MANAGEMENT BOARD ON RESPONSIBILITY FOR THE FINANCIAL STATEMENTS



Zagreb, April 30, 2024

Statement of the Management board on responsibility for the financial statements

The unconsolidated financial statements of Meritus ulaganja d.d. (the Company) and the consolidated financial statements of Meritus ulaganja d.d. and its subsidiaries (the Group) are prepared in accordance with International Financial Reporting Standards (IFRS) which are adopted in EU and the Croatian Accounting Act.

The unaudited unconsolidated and consolidated financial statements of the Company and the Group for the period that ended March 31, 2024 provide a complete and true view of the assets and liabilities, profit and loss, financial position, and operations of issuers and companies included in the consolidation as a whole.

The Management Board's report for the period that ended March 31, 2024 contains a true and fair view of the development and results of the Company's and Group's operations with a description of the most significant risks and uncertainties to which the Company and the Group are exposed.

Darko Horvat

President of Management Board

Tomislav Glavaš

Member of Management Board

CONTACTS



Investor relations contact



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investitori@mplusgroup.eu



Head of Investor relations

Ana Babić



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Corporate website

www.mplusgroup.eu

