BUSINESS RESULTS

of the company Meritus ulaganja d.d. and its subsidiaries (the Group)

Financial statement for the period that ended March 31, 2023

ZAGREB, April 2023

CONTENT

1. COMMENT OF THE PRESIDENT OF THE MANAGEMENT BOARD

I am pleased to report that Meritus ulaganja d.d. and its subsidiaries (the Group) had a strong first quarter in 2023, with revenues of EUR 51 million and a growth of 28% compared to the same period in 2022. This growth was achieved through organic growth only, and our efforts to increase sales, develop new products and services, and expand into new markets. Our focus on customer satisfaction, innovation, and efficiency is paying off. Despite the impact of the earthquake in Turkey which impacted the Group's EBITDA by EUR 2.5 million the Group was able to increase both revenue and EBITDA, reaching EUR 6.3 million, with a 2% increase year-over-year. After adjustments for the earthquake and other normalization items, the Group achieved an impressive 40% growth in adjusted EBITDA compared to the same period last year.

We are also pleased to announce the successful completion of our transaction, which we announced at the end of last year, where we invested in Integrator Holding and MPS Integrator and became partner to Aleksandar Hangimana in building the dominant Human Resources (HR) industry vertical company under the Workplace brand in wider region. The Workplace Group operates through 16 companies including Manpower operations in six countries in the region, including Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Bulgaria, and Hungary. Workplace Group provides wide spectrum of services including recruitment of top and middle management, temporary and permanent employees, HR advisory services, implementation of highly technology HR solutions, BPO and management of human resources, outsourcing of the companies and manufacturing process and other HR services.

As approval of the Competition Commission in Serbia for the transaction was provided on March 29, 2023, financials were not included in the consolidation, but only on proforma basis as if the Workplace Group was included from January 1, 2023. Workplace Group generated EUR 22 million in revenue in the first quarter of 2023 and is planned to generate around EUR 100 million in revenue by the end of 2023. Further standalone data for Workplace Group and proforma consolidation are presented in the report.

The first quarter of 2023 was marked for all of us on a personal level, by the natural disaster that hit Turkey in February. We operate from seven locations in Turkey, two of which, Malatya and Şanlıurfa, were hit extremely hard by the earthquake. At these locations, we employ more than 4.000 people.

In response to the earthquake, we have provided financial and material support to the affected areas and have been actively involved in relief efforts. We are committed to continuing to provide support to the people of Malatya and Şanlıurfa, and our thoughts are with those affected by this devastating earthquake.

We understand that investing in our people is essential for driving long-term success. To that end, we have recently launched Mplus Elevate, our global leadership program in partnership with IEDC BLED. This program is intended to provide our leaders with the skills and knowledge necessary to lead in today's digital and technological landscape, while also helping to create new ideas and solutions that will help drive our success and the success of the industry as a whole.

Our results for the first quarter of 2023 demonstrate the success of our strategy and our commitment to ensure sustained growth for the Group. They are a testament to the hard work of our employees and our dedication to delivering value to our customers. I am confident that this trend will continue as we enter the second quarter of the year.

2. KEY OPERATIONAL FIGURES

51 million EUR
revenues in Q1/2023

40 million EUR
First ESG bond issued in Croatia

7.3
Million EUR
Proforma EBITDA

EUR 6.3 million EBITDA

300+
clients

12.700+
employees

8.6 million
non-voice interactions

30.4 million
calls

31
average employee age

55
companies are part of the Group

49 locations
16 countries

Revenues: Meritus ulaganja d.d. (the Company) and its subsidiaries (the Group) continued with good results in 2023. Business revenues in the first quarter of 2023 amounted to EUR 51 million. Compared to the same period of the previous year, an increase of EUR 11.1 million or 28% was achieved, which was purely organic growth. The Group has successfully established new business relationships with clients from various sectors with a special focus on clients from the Deutschland-Austria-Switzerland („DACH") region. Organic revenue growth was achieved through a focus on business operations, increasing service quality, and achieving higher volumes through synergies gained through the integration of new group companies.

(in EUR thousand)	1-3 2023	1-3 2022	Change	%
Total revenue	51,044	39,949	11,095	28%
EBITDA	6,325	6,195	130	2%
Adjusted EBITDA	9,260	6,623	2,637	40%
Net profit	1,129	648	481	74%

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

EBITDA: Earthquake in Turkey had negative impact on the Group operations but despite that the Group managed to achieve growth in both revenue and EBITDA in comparison to the first quarter of 2022. The earthquake in Turkey decreased EBITDA for EUR 2,513 through decrease in revenue and increase of unexpected costs. Stable demand for Business process and Technology Outsourcing ("BPTO") services in all markets, successful integration and restructuring of Invitel Group, implementation of new process and technologies during 2022 and cost optimization had positive impact on EBITDA of EUR 6,3 million. In comparison to the previous year period there was increase of 2%.

Adjustments to EBITDA of EUR 2,935 relate to negative impact of earthquake in Turkey of EUR 2,513 and other items in the total amount of EUR 422 thousand out of which most relates to the advisory expenses. Adjusted EBITDA in comparison to the same period of the last year increased to EUR 2,637 thousand, with 40% growth.

In 2023 integration and restructuring process of Invitel Group continued and further positive impact on results is expected. Investments in technology solutions made during 2022, started to generate positive impact on Group profitability.

We continued to scale our sales department significantly in all areas - from reporting and presales process to customer success management and activities which will expand client portfolio. Said activities will also allow the Group to utilize its unique market position with Invitel as a sourcing pool for the acquisition of additional clients in the DACH region but also in new markets, like United Kingdom.

Operationally, the Group enhanced its Human resources ("HR") and Workflow Management ("WFM") process by reorganizing and adding a strategic layer on the Group level while implementing two solutions covering the end-to-end HR process - from sourcing to scheduling and forecasting. This will allow the Group to allocate its talent across different geographies more efficiently, resulting in increased employee satisfaction and higher profitability in the midterm.

The Group has also started with the implementation of the Business Central system to harmonize the finance and accounting departments throughout the entire Group, which will further improve the reporting and management process.

Impact on the margins during 2023 is affected by inflation and increase of minimum wages depending on the countries we operate in. Transfer of increase of minimum wages to clients is done through existing contracts which facilitates transfer in shorter to medium term with some impact on profitability, while inflation impact on other cost structure of Group like electricity, other energy sources, gas, IT infrastructure, licenses, etc. has impact on the profitability in the longer period. We keep insisting on working from home for all clients, depending on their approval, to balance possible impact of inflation as much as possible.

Net profit: In the first quarter of 2023, the Group generated EUR 1,1 million of net profit which is increase of 74% in comparison to same period last year.

(in EUR thousand)	March 31, 2023	December 31, 2022	Change	%
Assets	205,557	201,683	3,874	2%
Equity	56,110	54,110	2,000	4%
Net debt	41,527	40,420	1,107	3%

Assets: As of March 31, 2023, the Group's assets amounted to EUR 206 million. Compared to December 31, 2022, assets increased by EUR 4 million or 2%.

Equity: As of March 31, 2023, the Group's equity amounted to EUR 56 million, accounting for 27% of the total balance sheet. Equity increased by 4% or EUR 2 million.

Net debt: As of March 31, 2023, the Group had a strong cash position in the amount of EUR 56 million, able to facilitate future organic growth and growth through acquisitions, while liabilities to financial institutions and liabilities for assets with right of use amounted to EUR 98 million including liabilities from issued bonds and loans for purchase of real-estate for new corporate headquarters. Net debt amounts to EUR 42 million. Also, cash flows from operating activities in Q1 2023 were EUR 1.8 million, while in the same period in 2022 they were negative in the amount of EUR 2m which confirms organic growth platform on which the Group was built.

PROFORMA CONSOLIDATION

After receiving the approval of the Competition Commission in Serbia for the acquisition of Integrator Holding, the Group has concluded acquisition of 51% in Integrator holding and 90% of MPS integrator as of March 29, 2023. April 1, 2023 was determined as acquisition date. The subsidiaries of Integrator holding in six countries including Slovenia, Croatia, Bosnia and Hercegovina, Serbia and Hungary operate under the global Human Resource brand - Manpower. The conclusion of the transaction represents the beginning of the Group's cooperation with Manpower International, which should result in the acquisition of new companies operating under the Manpower brand on a global level. The listed companies together with the companies Smartflex d.o.o. and Smartflex sourcing d.o.o. form the Workplace Group.

Workplace Group operates through 16 companies in 6 countries and employees more than 350 highly qualified professionals in the field of human resources. Workplace Group provides wide range of services including recruitment of top and middle management, temporary and permanent employees, advisory services, implementation of high-tech solutions, outsourcing and management of human resources and other services in the field of human resources. In 2022 the Workplace Group was working with more than 1,000 companies, recruited more than 3,000 professionals, and managed with more of 4,000 employees for its clients.

The Workplace Group is actively working on expanding the range of services in order to offer its clients an overall solution in the management of human resources, and the Group will further strengthen the aforementioned processes with its knowledge and investments. Through state-of-the-art technological solutions and specialized teams with proven experience in human resources, Workplace Group expands the individual offerings of all member companies to create a unique place for HR services.

The Group will continue with an active policy of acquiring and merging companies that operate under the Manpower brand in cooperation with Manpower International, companies that have high-tech solutions in the field of human resources and regional leading companies, with the goal of achieving EUR 300 million in revenue in three years. Based on the current potential, the Group believes that through further acquisitions in 2023, the Workplace Group will end up with EUR 200 million in revenue in 2023 (on a proforma basis).

Key information for Workplace Group for Q1 2023

(in EUR thousand)	1-3 2023	1-3 2022	Change	%
Revenue	22,088	21,196	892	4%
EBITDA	931	846	85	10%
Adjusted EBITDA	1,395	1,116	279	25%
Net profit	237	221	16	7%

In the first three months of 2023, Workplace Group achieved higher revenues by EUR 892 thousand, or 4%, and increased EBITDA from EUR 846 thousand in the first quarter of 2022 to EUR 931 thousand in the first quarter of 2023. Net income was marginally higher in comparison to 2022. The Group has already started the process of refinancing all financial obligations of the Workplace Group, which will have a positive impact on further operations and the realization of a higher net profit.

Adjusted EBITDA was EUR 1,395 thousand. Adjustments to EBITDA relate primarily to adjustments for owner costs, Manpower International relationship costs and other minor one-off items from 2023.

(in EUR thousand)	March 31, 2023	December 31, 2022	Change	%
Assets	24,721	24,403	318	1%
Equity	3,472	4,459	(987)	(28%)
Net debt	6,866	6,766	100	1%

The assets of Workplace Group increased for EUR 318 thousand, or 1% from December 31, 2022.

The Equity of Workplace Group decreased by EUR 987 thousand in comparison to December 31, 2022 as result of the owner transactions and negative impact of the foreign exchange rates of Hungarian forints.

The increase in net debt as of March 31, 2023 compared to December 31, 2022 is the result of additional credit lines approved by the Group to Workplace Group with the aim of strengthening of the financial position of the Workplace Group which will ensure significant organic growth in following period.

Financial statement of Workplace Group for the period that ended March 31, 2023

Income statement for the period that ended March 31, 2023

**in EUR thousands*	**2022**		**2023**	
	Cumulative	Quarter	Cumulative	Quarter
Revenues	22,079	22,079	20,829	20,829
Other revenues	10	10	14	14
Total revenues	**22,089**	**22,089**	**20,843**	**20,843**
Costs of raw materials and supplies	(77)	(77)	(59)	(59)
Cost of goods sold	-	-	(118)	(118)
Costs of services	(1,844)	(1,844)	(1,720)	(1,720)
Staff costs	(18,836)	(18,836)	(17,813)	(17,813)
Depreciation and amortization	(495)	(495)	(349)	(349)
Other operating expenses	(401)	(401)	(292)	(292)
Total operating expenses	**(21,653)**	**(21,653)**	**(20,351)**	**(20,351)**
Profit from operations	**436**	**436**	**492**	**492**
Financial income	171	171	115	115
Financial expenses	(289)	(289)	(104)	(104)
(Loss)/gain from financial activities	**(118)**	**(118)**	**11**	**11**
Profit before taxation	**318**	**318**	**503**	**503**
Income tax	(81)	(81)	(56)	(56)
Profit for the period	**237**	**237**	**447**	**447**

Financial statement of Workplace Group for the period that ended March 31, 2023 (continued)

Statement of financial position as of March 31, 2023

*in EUR thousands	December 31, 2022	March 31, 2023
Non-current assets		
Intangible assets	2,954	3,702
Right of use assets	2,286	2,677
Property, plant, and equipment	817	727
Non-current financial assets	185	175
Deferred tax assets	2	1
Total non-current assets	**6,244**	**7,282**
Current assets		
Inventories	458	271
Other current financial assets	1,115	268
Trade receivables	12,013	12,490
Other receivables	1,081	502
Accrued income and prepaid expenses	1,800	2,432
Cash and cash equivalents	1,692	1,476
Total current assets	18,159	17,439
TOTAL ASSETS	**24,403**	**24,721**
Equity		
Share capital	3	3
Other reserves	(14)	2
Retained earnings and profit for the period	1,240	237
To the owners of the parent	**1,229**	**242**
Non-controlling interests	3,230	3,230
Total equity	**4,459**	**3,472**
Non-current liabilities		
Long-term borrowings	2,246	1,615
Long-term lease liabilities	2,940	2,898
Deferred tax liability	-	-
Provisions	17	62
Total non-current liabilities	**5,203**	**4,575**
Current liabilities		
Trade payables	2,255	2,823
Liabilities to employees	3,566	3,747
Other current liabilities	4,122	3,116
Short-term borrowings	2,292	2,863
Short-term lease liabilities	980	966
Accrued expenses and Deferred Income	1,526	3,159
Total current liabilities	**14,741**	**16,674**
TOTAL EQUITY AND LIABILITIES	**24,403**	**24,721**

Illustrative consolidated financial information

The Group has prepared for illustrative purposes pro forma key financial information under the assumption that the Workplace Group was an integral part of the Group from January 1, 2023 ("Proforma Group") i.e., how would the Group have reported as of March 31, 2023, had the approval been obtained on January 1, 2023. Such presentation is also in accordance with the definitions in the Simplified Prospectus of Public Offering and Listing of Bonds Related to Sustainable operations.

(in EUR thousand)	1-3 2023	1-3 2022	Change	%
Revenue	73,132	39,949	33,183	83%
EBITDA	7,256	6,195	1,061	17%
Adjusted EBITDA	10,655	6,623	4,032	61%
Net profit	1,366	648	718	111%

EBITDA: Proforma Group EBITDA would amount to EUR 7,3 million which would be EUR 1 million higher than EBITDA for first three months of 2022. Using certain synergy effects, experience of the Group in implementation of high-tech solutions and establishing efficient processes and procedures in management, the Group expects to additionally increase the EBITDA of its HR industry vertical by the end of 2023, which will have multiple effects on the entire Proforma Group.

Adjusted EBITDA would amount to EUR 10,655 thousand and would be higher by EUR 4,032 thousand or 61% from EBITDA in comparable period.

Revenue: Revenues at the Proforma Group level would increase by 83% or EUR 33.183 thousand in comparison to the same period in 2022. The Group will use the large base of international clients from its BPTO business for its new HR operations and thereby significantly increase the number of clients, in which case the primary goal will be sustainable growth.

Net profit: Net profit would increase for 111% in comparison to the same period last year and would amount to EUR 1,4 million.

(in EUR thousand)	March 31, 2023	December 31, 2022	Change	%
Assets	230,278	201,683	28,595	14%
Equity	57,545	54,110	3,435	6%
Net debt	47,071	40,420	6,651	16%

Assets: The Proforma Group assets as of March 31, 2023 would amount to EUR 230 million. In comparison to December 31, 2022, it would increase for EUR 29 million or 2%.

Equity: The Proforma Group Equity as of March 31, 2023 would be EUR 57.5 million. The Equity would increase by 6% or EUR 3 million.

Net Debt: The Proforma Group as of March 31, 2023 would have had strong cash position holding EUR 58 million that allows strong future organic growth and further acquisitions. Total net debt would amount to EUR 47 million.

3. SIGNIFICANT EVENTS FOR THE PERIOD UP TO MARCH 31, 2023

Acquisition of shares in the company Integrator holding d.o.o.

On December 20, 2022, the Group signed an agreement on the purchase and sale of business shares, which envisages the indirect acquisition of 90% of the shares in the company MPS Integration d.o.o. and a 51% stake in Integrator holding d.o.o., which owns companies that operate under the Manpower brand in the CEE region (Bulgaria, Serbia, Bosnia and Herzegovina, Croatia, Slovenia and Hungary). This represents the beginning of cooperation with Manpower International, USA in the field of Human Resources (HR) services.

Realization of the transaction based on the sales contract, was subject to the approval of the competent authorities of the Republic of Serbia. In March 2023, the Group obtained necessary approvals and as transaction date was determined April 1, 2023.

HR vertical of the Group will continue to operate under the umbrella brand Workplace. All Manpower licensed companies in six countries of the region will operate under the Workplace brand, as well as the three HR companies Smartflex, Integrator and MPS Integration in Serbia and Croatia. Workplace will have 15 companies operating in six countries. The new HR Group members achieved EUR 90 million in revenue in 2021 and employed 350 people. Our plan is to develop its business over the next three years to the level which will make it a material industry vertical in the Group through both organic growth and acquisitions.

We have ambitious plans in integrated human resources management services, selection, and employment, in which we will start applying scalable technological solutions, algorithm-driven smart technology, and implement best practices in human resources management.

The investment is estimated at EUR 5.9 million.

Earthquakes in Turkey and Syria

Strong earthquakes up to magnitude of 7.8 on Richter scale hit Turkey on Monday, February 6, 2023. Malatya and Şanlıurfa, cities in which the Group employs about four thousand people, are situated in a strongly hit area. Ten of our employees have lost their lives in earthquakes, and a large number has lost their homes. The Group became involved in the efforts to help affected areas, and especially our employees and their loved ones. Despite facing numerous challenges, on the first day of the earthquake, Mplus Turkey formed a crisis coordination team to manage all needs and communicate with local administration. In less than 48 hours, we have started supplying food, heating, blankets, clothing, baby food, medicine, and other essentials to those in need. Furthermore, we opened our business premises to provide shelter for over 2,100 earthquake survivors, including our employees and their families, as well as other individuals in need.

The crisis coordination team has formed project teams which will cover the following areas: accelerating post-traumatic recovery, finance, sustainability, logistics and technical support, employment. Project teams will also be supported by professional psychologists and behavioral scientists to provide optimal mental health assistance.

New Mplus website

In February 2023, the new Group's website was published at www.mplusgroup.eu. This continued the rebranding process of the BPO members of the Group gathered under the Mplus brand in order to provide all clients, users and employees with a harmonized and unique corporate experience, which, along with the new logo, visual identity, redefined service structure, is now completed by the new website. The emphasis is on functionality and enabling easy access to information about the Group's services and solutions.

Acquisition of non-controlling interests in CDE nove tehnologije d.o.o.

In 2023, the Group purchased the remaining 23% stake in the company CDE nove tehnologije d.o.o. thus acquiring a 100% stake in the said company.

Introduction of Euro as official currency

The Government of the Republic of Croatia adopted the Decision on the announcement of the introduction of the euro as the official currency in the Republic of Croatia. With the decision, the euro becomes the official monetary unit and legal currency in the Republic of Croatia from January 1, 2023. The fixed conversion rate is set at HRK 7.53450 for one euro. The introduction of the euro as the official currency in the Republic of Croatia represents a change in the functional currency that will be calculated prospectively and does not represent an event after the reporting date that requires retroactive changes in our financial statements.

Mplus Elevate - First Global Leadership Development program tailored specifically for Mplus in cooperation with one of the best MBA schools in the region - IEDC BLED

In the first quarter of 2023, we launched the leadership program "Mplus Elevate" in partnership with the business school IEDC – Bled. The 9-month program deals with the key challenges of leadership in the future, including the impact of new technologies and sustainability.

We believe that this program will have a great impact on the personal and professional development of the involved employees through the acquisition of advanced business competencies and numerous useful contacts with participants from other companies in the open part of the program. This program is also an opportunity to create new ideas and solutions that will lead to further success of Mplus. With it, we continue to invest in the greatest value of our company - our employees.

War in Ukraine

The Group closely monitors developments in Ukraine and assesses short-term and long-term effects on business operations. The Group is not directly exposed to negative business developments, as it does not do business with clients from Ukraine or Russia. The sanctions imposed on Russia do not limit or reduce the contracted volumes of business with our clients.

Indirect negative consequences such as rising energy costs, inflationary pressures, and other negative elements that affected the slowdown of the economies in which our customers operate did not impact our clients' business significantly. In the following period we will monitor impact of global political and economy changes on our clients' business to address potential business risks in timely manner.

4. MARKETS, CLIENTS, PRODUCTS, AND SERVICES

EUR 51 million of revenue	In the first quarter of 2023, the Group generated consolidated revenue in the amount of EUR 51 million.
12,700+ employees	With more than 12,700 employees, we are the largest employer of customer service agents in Southeast Europe.
Provision of services in 57 countries	We provide services to clients in over 57 countries, with high focus on our premium clients in the European (especially in the DACH region) and North American markets, including the USA, Canada, and Australia.
300+ clients	We provide services from a wide range of activities and from various locations to more than 300 clients. Our clients include both large companies and fast-growing start-up companies.
32 languages	With a language portfolio of 32 languages, we remain one of the few service providers of our size able to truly meet all the language needs of large global clients. Our core competencies still pertain to the languages of the region, as well as to English, German, Turkish, and Italian, with the services in said languages generating most of our revenue.

49 locations

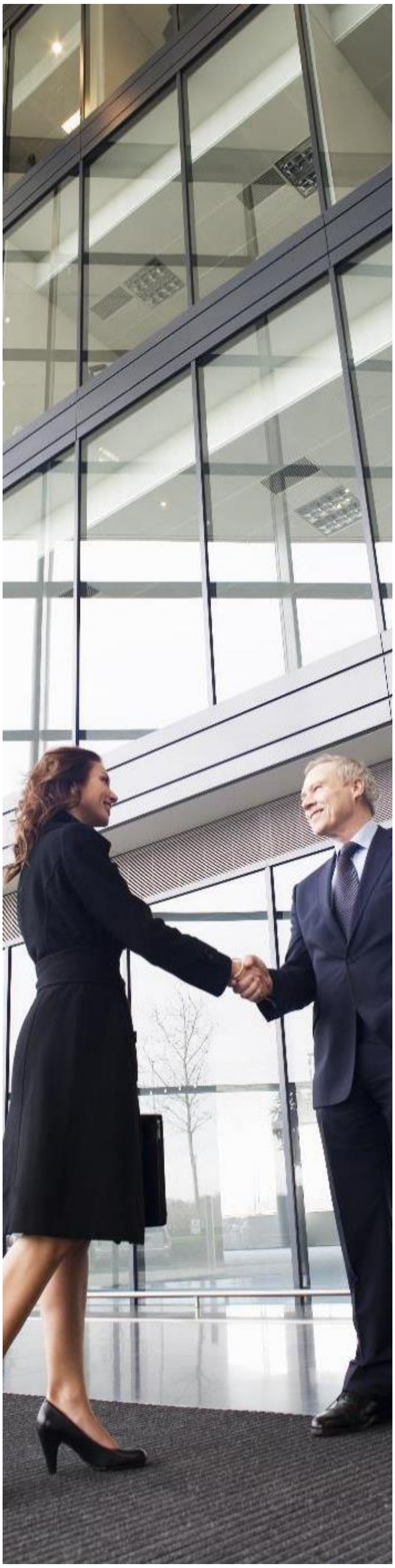
Our offices are located in:

- Ljubljana (Slovenia)
- Koper (Slovenia)
- Vipava (Slovenia)
- Zagorje ob Savi (Slovenia)
- Zagreb (Croatia)
- Osijek (Croatia)
- Sarajevo (BiH)
- Banja Luka (BiH)
- Belgrade (Serbia)
- Niš (Serbia)
- Istanbul (Turkey)
- Malatyi (Turkey)
- Urfa (Turkey)
- Bayburt (Turkey)
- Van (Turkey)
- Rize (Turkey)
- Izmir (Turkey)
- Budapest (Hungary)
- Székesfehérvár (Hungary)
- Segedinu (Hungary)
- Cluj (Romania)
- Helmstedt (Germany)
- Boitzenburg (Germany)
- Prenzlau (Germany)
- Leipzig (Germany)
- Lüneburg (Germany)
- Magdeburg (Germany)
- Potsdamu (Njemačka)
- Sangerh (Germany)
- Halle (Germany)
- Braunschweig (Germany)
- Bielefeld (Germany)
- Bremen (Germany)
- Nordhausen (Germany)
- Maspalomas (Spain)
- Bucharest (Romania)
- Amsterdam (Netherlands)
- Giubiascu (Switzerland)
- Londonu (UK)
- Charlottesvilleu (USA)
- Atlanta (USA)
- Tbilisiju (Georgia)
- Bratislava (Slovakia)
- Riga (Latvia)

Markets

We provide services to clients on 5 continents in 57 countries around the world:

1. Albania
2. Angola
3. Argentina
4. Armenia
5. Australia
6. Azerbaijan
7. The Bahamas
8. Barbados
9. Belgium
10. Belize
11. Bolivia
12. Bosna and Herzegovina
13. Brazil
14. Bulgaria
15. Cape Verde
16. Cameroon
17. Canada
18. Chile
19. Colombia
20. Croatia
21. Cyprus
22. Democratic Republic of the Congo
23. Denmark
24. Ecuador
25. Ethiopia
26. France
27. Germany
28. Greece
29. Guyana
30. Ireland
31. Israel
32. Italy
33. Jamaica
34. Kenya
35. Macedonia
36. Mexico
37. The Netherlands
38. Paraguay
39. Peru
40. Portugal
41. Rwanda
42. Senegal
43. Serbia
44. Slovenia
45. Republic of South Africa
46. Spain
47. Sweden
48. Switzerland
49. Tanzania
50. Trinidad and Tobago
51. Türkiye
52. UAE
53. Uganda
54. UK
55. Uruguay
56. USA
57. Zambia



Clients

The Group was able to impressively maintain and expand its leading market position in the respective local markets. In 2023, the Group is operating out of 49 locations in 16 countries with more than 12,500 employees. Customer base has increased to more than 320 clients in various sectors whereas financial services, e-commerce, technology, and utilities were contributing the strongest growth.

The Group is focused on establishing partnerships with leading clients from various industries by providing end-to-end solutions and sees an opportunity in the acquisition of new international clients with whom activities are underway. A part of the clients has increased their willingness to outsource CRM services, or their current BPTO service providers are unable to respond to their needs.

Thus, the Group was able to run services from existing regions with increasing numbers by the WFH model generating more flexibility for both customers and employees. The strong path of growth with existing customers could be obtained plus efficiently new logos were onboarded in various segments e.g., banking, tech, and mobility. Here, among other things, the complexity of individual customer relationships has increased further by not only increasing the number of services per customer, but also the number of regions from which these services are provided. This interlocking with customers has made the Group a virtually irreplaceable partner.

Concurrently, additional regions and country markets were opened with local operating units, and the Group now welcomes Romania, Slovakia, and the Baltic states.

Besides omnichannel based communication solutions the Group has constantly widened its product portfolio giving raising emphasis to digital interaction solutions, Automation/RPA and process consulting. With the latter, a major German bank was acquired as a customer, whereby a specific outsourcing relationship was further developed from a process optimisation lasting several weeks.

Within the year the Group was able to support an increasing number of existing customers with nearshore and offshore solutions moving to countries such as Turkey, Croatia, Romania and Serbia. This model has developed to a success model showing capabilities and flexibility especially for Groups demanding customers in the e-commerce, logistics and utility sector, fostering relationships, and increasing customer loyalty.

Locations

The Group currently provides contact center services in 34 locations in 9 countries in Southeast Europe, Germany, and Spain.

- Ljubljana (Slovenia)
- Kopar (Slovenia)
- Zagreb (Croatia)
- Osijek (Croatia)
- Sarajevo (Bosnia and Herzegovina)
- Banja Luka (Bosnia and Herzegovina)
- Beograd (Serbia)
- Niš (Serbia)
- Istanbul (Turkey)
- Malatya (Turkey)
- Izmir (Turkey)
- Bayburt (Turkey)
- Van (Turkey)
- Rize (Turkey)
- Urfa (Turkey)
- Helmstedt (Germany)
- Boitzenburg (Germany)
- Tbilisi (Georgia)
- Prenzlau (Germany)
- Leipzig (Germany)
- Lüneburg (Germany)
- Magdeburg (Germany)
- Halle (Germany)
- Sangerh (Germany)
- Braunschweig (Germany)
- Bielefeld (Germany)
- Bremen (Germany)
- Nordhausen (Germany)
- Maspalomas (Spain)
- Bucharest (Romania)

Research and development ("R&D") centers have been established in 5 locations. Their focus is on the development of new technologies, artificial intelligence ("AI"), machine learning, and contact center software:

- Zagreb
- Ljubljana
- Belgrade
- Istanbul
- Budapest

Products and Services

Contact Center Services

The Group is one of the largest providers of **business process and technology outsourcing** (“BPTO”) services (BPO) in the region. The Group provides a wide range of BPTO-CRM solutions structured around a multi-channel (telephone, email, chat, and social networks) and multilingual (32 languages) customer experience platform, primarily through the contact center.

In addition to its **contact center** services, the company also offers **IT services** (CEP, CRM, the Buzzeasy contact center software, video identification (SaaS), and the development of specific software solutions), robotic process automation (“RPA”), and **human resource management services** (selection and identification of potential staff and temporary employment), developed as complementary services to said core activities. By merging all three business lines, the Group offers a unique platform for improving the business of its clients.

The provision of contact center services is the core activity of the Group (consisting, among other things, of the provision of inbound and outbound services, insource and outsource models, voice and non-voice services, back-office services, and video identification services).

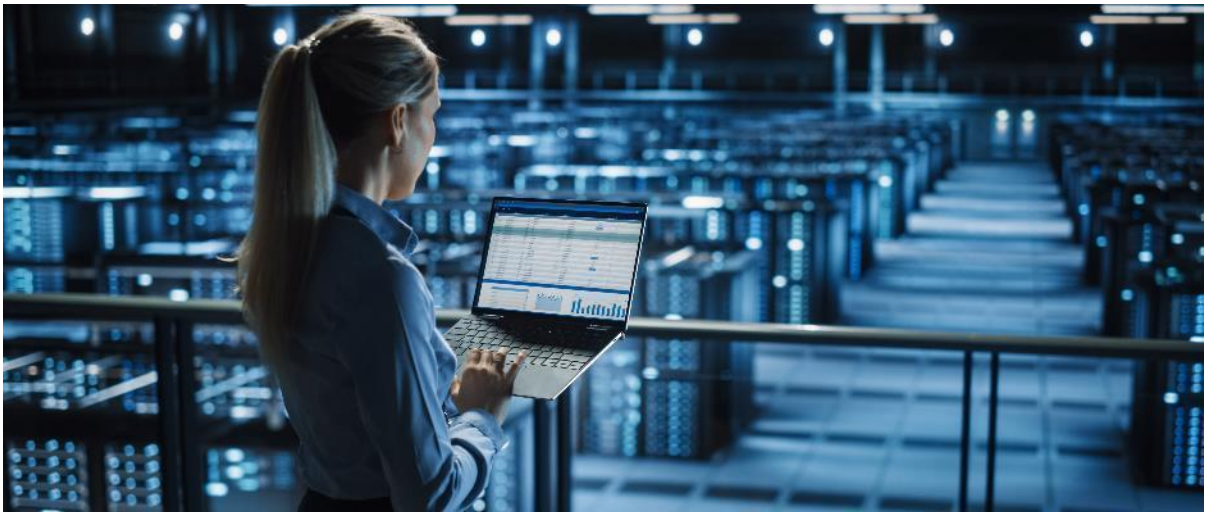
At the heart of our Group’s business lies the provision of customer service on different channels, such as the voice channel (incoming and outgoing calls), email, ticketing systems, chat, and, most importantly, digital contacts, especially on platforms such as Facebook, LinkedIn, WhatsApp, Viber, Social Listening, Twitter, etc. Our contact with customers takes place 24 hours a day, seven days a week.

Corporate clients are also provided with the service of peak capacity management (Overflow handling), where clients have their own call centers, but during peak flow, when their operators cannot answer all inquiries, they can transfer excess calls to the call center of the Group and provide their customers with a prompt and professional response to inquiries. The portfolio also includes customer data verification services, the optimization of the sales and order management process, debt collection, and identity verification via video, a simple and extremely safe security measure for the verification of the identity of online users.

Contact center services are also characterized by the application of high-tech IVR solutions, chat bots, and artificial intelligence robots that always ensure the effectiveness of the offered solutions.

We also provide business support to our clients through business analytics services that include the collection, verification, storage, protection, and processing of data in order to provide reliable and timely operations reports.

IT services



At the Group, we deeply believe that technology is fundamental in providing differentiated, outstanding customer service. We have acquired technology companies that gave us a range of solutions providing the highest levels of digitalization, automation, and self-service without any compromises with respect to quality. Furthermore, we have invested internally to create products and solutions catering to the most advanced customer care scenarios.

The focus when investing into IT companies is to acquire businesses that have products and services that the Group can widely utilize in its daily operations, together with having the portfolio that can be successfully commercialized in the open market. Mplus has acquired the following IT companies: Calyx, Geomant, and Bulb Technologies.

Operating since 2007, Calyx provides tailored software solutions to meet customers' specific needs. The company delivers integration and development services to our clients, helping them solve some of their key challenges.

With offices across the globe and certified by leading technology providers including Avaya, Microsoft, and Cisco, Geomant is a well-established, innovative Software Developer and Systems Integrator specializing in solutions that improve the operations of a contact center. Operating in two business units and being recognized as the prime Contact Center System Integrator, Geomant created Buzzeasy product. Buzzeasy platform is a unique customer interaction platform enabling one to transform a traditional contact center into a customer interaction center. It uses voice, e-mail, SMS, chat, and social networks within a single platform, along with complete business management tools. These tools are used for the creation of advanced segmentation, as well as in every interaction with the target group. On top human customer care interactions, they enable implementation of fully automated BOT omni-channel communication. In December 2022 Geomant received Microsoft product certification for Buzzeasy, making it one of only a handful companies in the world to have it.

Bulb Technologies is a software company focused on the digitalization of customer support and customer engagement through solutions for customer-facing departments and self-service applications. Based on years of experience and proven capabilities to deliver complicated CEM projects, the company has created the Cempresso CEM product suite, a next-generation solution that offers a new approach to automated end-to-end diagnostics, guided troubleshooting, and analytics. The latest development by Bulb Technologies is Digital Self-Service, pioneering the entire Customer Service market, using advanced machine learning / AI to provide self-care scenarios. This solution enables customers to receive support and answers to their simple or complex queries through the automatic, guided interaction via any channel, removing waiting times and delayed responses.

IT Solutions developed by the operational BPO companies

To provide advanced solutions to our BPO customers, increase efficiency of the operations and achieve differentiation in the market, our operational companies have created some outstanding solutions in the IT area.

Mplus Turkiye has developed the multi-channel customer relations management platform Workspace, as well as the interactive Smart Agent knowledge sharing software, which greatly shortens the employee training and education process. Combined, these two solutions create an excellent CRM system, particularly tailored for the Contact Center industry.

Also, Mplus Turkiye created Totti – an RPA (robotic process automation) solution for business process automation. By imitating human actions, this solution masters repetitive tasks such as filling out different forms, retrieving data from the web, creating calculations, etc.

Mplus Serbia has developed the BA Framework, which is used for creating advanced reporting across any line of business and mixing the data from any source. It is a flexible set of interlinked solutions, processes and data models easily adaptable to clients' set of needs and preferences, that can be evolved and/or scaled to accommodate any business environment.

Quality management and information security management

Quality management and information security management are central to the Mplus Group's operations. Accordingly, we continuously set the highest quality standards, investing in quality monitoring and management systems, and monitoring regional and global trends in areas relevant to the quality of services we provide.

To ensure the quality and information security of our business, we have established a system of triple review:

1. Internal audit
2. External audit
3. Customer audit

As a Group, we are committed to continuous assessment and investment in the latest knowledge and technology to maintain the highest data security measures available on the market. We are convinced that we are well equipped to meet all legal and non-legal requirements related to the data security of our clients and users around the world.

Group holds relevant ISO certificates, including but not limited to:

- ISO 27701 Personal Data Management System
- ISO 37001 Anti-Corruption Management System
- ISO 9001 Quality Management
- ISO 27001 Information Security Management System
- ISO 22301 Business Continuity Management System
- ISO 18295-1 Contact Center and Customer Relationship Management Services
- ISO 10002 Multichannel Contact Center and Customer Relationship Management Services
- ISO 20000-1 Information Technology Service Management
- ISO 45001 Occupational Health and Safety Management System

In addition, Geomant's Buzzeasy omni-channel contact centre product was certified by Microsoft in Dec 2022. It is a thorough certification and only 17 companies globally have obtained it.

5. GROUP MEMBER COMPANIES

Contact Center services

- M Plus Croatia d.o.o.
- M+ Agent d.o.o.
- M+ BH d.o.o.
- Trizma d.o.o.
- Trizma GS d.o.o.
- Linea Directa d.o.o.
- CDE Nove tehnologije d.o.o.
- CMC iletişim ve Çağri Merkezi Hizmetleri A.Ş.
- RGN iletişim Hizmetleri A.Ş.
- Meritus Georgia LLC
- Invitel GmbH
- BusinessLine GmbH
- Invitel Halle GmbH
- Invitel Helmstedt GmbH
- Invitel Leipzig GmbH
- Invitel Lünenburg GmbH
- Invitel Magdeburg GmbH
- Invitel Prenzlau GmbH
- ISF MicroUnits GmbH
- SalesKultur GmbH
- Simon & Focken Bielefeld GmbH
- Simon & Focken Braunschweig GmbH
- Simon & Focken Bremen GmbH
- Simon &Focken S.L.U.
- M Plus Smart Hub Romania SRL
- M+ Slovakia, S.R.O.
- SIA M+ Latvia

IT services

- Bulb d.o.o.

- Calyx d.o.o.
- Geomant – Algotech Zrt.
- Geomant Srl
- Geomant UK limited
- Inova Solutions Inc.

- CDE IT d.o.o.

HR services

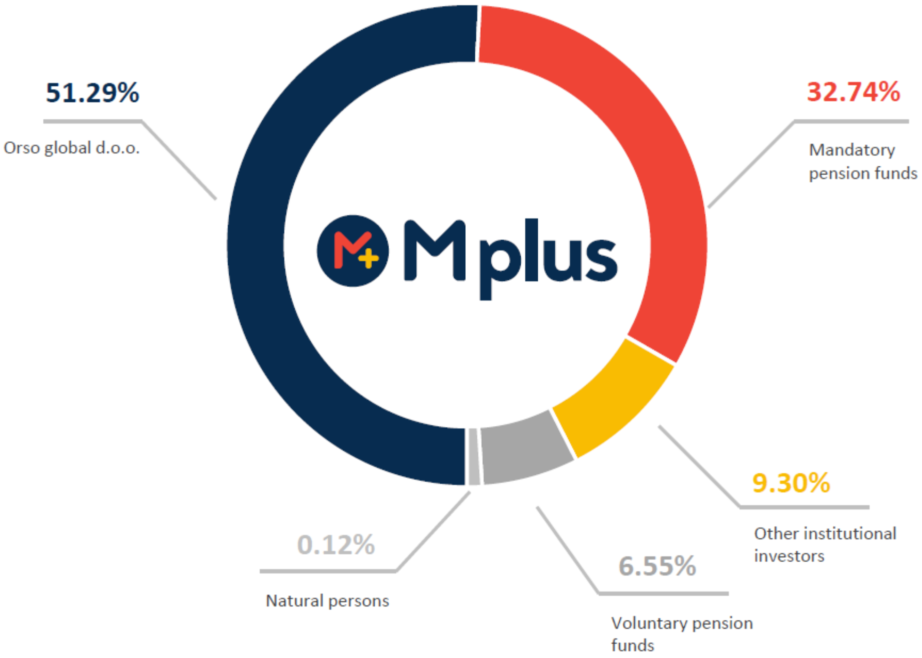
- Smart Flex d.o.o.
- Smart Flex Sourcing d.o.o.

Other Companies

- Technology Services Holdings B.V.
- Meritus Plus Centar d.o.o. Beograd
- Trizma Plus d.o.o. Beograd
- Meritus Global Real Estate Management d.o.o.
- Meritus Global technology d.o.o.
- Meritus Global Strategics d.o.o.
- Geomant Global d.o.o.
- Bulb Upravljanje d.o.o.
- Pit insan Kaynaklari ve Danişmanlik A.Ş.
- ISS Sigorta Acentelik Hizmetleri A.Ş.
- M+ Deutschland BPTO GmbH
- Moderna Ventures B.V.
- Moderna Ventures S.A.
- TVPD Holdings B.V.
- Dvorec Zemono d.o.o.
- Global People Solutions d.o.o.
- Real Estate Development projekti - Projekt Vukovarska d.o.o.
- Go Health d.o.o.

6. OWNERSHIP STRUCTURE

Ownership structure as at March 31, 2023:



The ten largest shareholders of the Company as at March 31, 2023, were:

	Shareholders	Percentage of shares (%)
1	Orso Global d.o.o.	51.29
2	OTP BANKA d.d./ERSTE PLAVI OMF - Category B	9.55
3	ERSTE & STEIERMARKISCHE BANK d.d./PBZ CO OMF – Category B	9.31
4	HPB d.d./Fond za financiranje razgradnje NEK	8.41
5	OTP BANKA d.d./AZ OMF Category B	7.96
6	Raiffeisenbank Austria d.d./Raiffeisen Dobrovoljni Mirovinski Fond	4.16
7	Privredna banka Zagreb d.d./ Raiffeisen OMF Category B	4.10
8	Zagrebačka banka d.d./AZ Profit Otvoreni Dobrovoljni Mirovinski Fond	1.39
9	Privredna banka Zagreb d.d./ Raiffeisen OMF Category - A	0.74
10	ERSTE & STEIERMARKISCHE BANK d.d./PBZ CO OMF – Category - A	0.59

7. CONSOLIDATED FINANCIAL STATEMENTS

7.1. CONSOLIDATED BALANCE SHEET

in EUR thousands	December 31, 2022	March 31, 2023
Non-current assets		
Goodwill	23,134	23,134
Intangible assets	39,585	43,076
Right of use assets	11,045	9,784
Property, plant, and equipment	25,625	25,675
Non-current financial assets	3,401	3,179
Deferred tax assets	3,005	2,994
Total non-current assets	**105,795**	**107,842**
Current assets		
Inventories	211	210
Other current financial assets	165	1,104
Trade receivables	28,423	28,194
Other receivables	4,882	3,981
Accrued income and prepaid expenses	4,682	8,183
Cash and cash equivalents	57,523	56,044
Total current assets	**95,886**	**97,716**
TOTAL ASSETS	**201,681**	**205,558**
Equity		
Share capital	13,034	13,034
Other reserves	(20,260)	(19,976)
Capital reserves	19,784	19,784
Legal reserves	1,763	1,763
Retained earnings and profit for the period	13,828	14,922
To the owners of the parent	**28,149**	**29,527**
Non-controlling interests	25,961	26,584
Total equity	**54,110**	**56,111**
Non-current liabilities		
Long-term borrowings	36,594	37,550
Liabilities for bonds	40,000	40,000
Long-term lease liabilities	7,481	7,767
Deferred tax liability	4,280	4,733
Other non-current liabilities	4,040	1,922
Total non-current liabilities	**92,395**	**91,972**
Current liabilities		
Trade payables	6,358	4,498
Liabilities to employees	9,680	12,752
Other current liabilities	6,222	7,656
Short-term borrowings	19,783	20,391
Short-term lease liabilities	5,730	4,298
Accrued expenses and Deferred Income	7,403	7,880
Total current liabilities	**55,176**	**57,475**
TOTAL EQUITY AND LIABILITIES	**201,681**	**205,558**

7.2. CONSOLIDATED PROFIT AND LOSS ACCOUNT

**in EUR thousands*	**2022**		**2023**	
	Cumulative	Quarter	Cumulative	Quarter
Revenues	39,458	39,458	50,010	50,010
Other revenues	467	467	1,034	1,034
Total revenues	**39,925**	**39,925**	**51,044**	**51,044**
Costs of raw materials and supplies	(90)	(90)	(168)	(168)
Cost of goods sold	(220)	(220)	(147)	(147)
Costs of services	(3,171)	(3,171)	(3,982)	(3,982)
Staff costs	(28,716)	(28,716)	(38,002)	(38,002)
Depreciation and amortization	(3,435)	(3,435)	(3,572)	(3,572)
Other operating expenses	(1,536)	(1,536)	(2,420)	(2,420)
Total operating expenses	**(37,168)**	**(37,168)**	**(48,291)**	**(48,291)**
Profit from operations	**2,757**	**2,757**	**2,753**	**2,753**
Financial income	1,206	1,206	440	440
Financial expenses	(1,089)	(1,089)	(1,792)	(1,792)
Gain/(loss) from financial activities	**117**	**117**	**(1,352)**	**(1,352)**
Profit before taxation	**2,874**	**2,874**	**1,401**	**1,401**
Income tax	(2,226)	(2,226)	(272)	(272)
Profit for the period	**648**	**648**	**1,129**	**1,129**
Attributable to:				
To the owners of the Company	1,045	1,045	507	507
Non-controlling interests	(397)	(397)	622	622
Other comprehensive income				
Profit for the period	**648**	**648**	**1,129**	**1,129**
Items that can later be transferred to profit or loss				
Exchange rate differences from the translation of foreign parts of operations	8,745	8,745	-	-
Other comprehensive income for the period	8,745	8,745	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**9,393**	**9,393**	**1,129**	**1,129**
Attributable to:				
The owners of the Company	9,790	9,790	507	507
Non-controlling interests	(397)	(397)	622	622

7.3. CONSOLIDATED CASH FLOW STATEMENT

in EUR thousands	2022	2023
Profit before taxation	**2,874**	**1,401**
Depreciation	3,435	3,572
Interest and dividend income	(141)	(78)
Interest expenses	772	1,558
Provisions	38	(720)
Exchange rate differences (unrealised)	61	118
Other adjustments for non-cash transactions and unrealised gains and losses	(2,657)	(54)
Cash flow increase before changes in working capital	**4,382**	**5,797**
(Decrease)/increase in short-term liabilities	(1,345)	1,268
(Increase)/decrease in short-term receivables	(3,798)	1,131
Increase/(decrease) in inventories	(73)	1
Other changes in working capital	(1,174)	(4,996)
Cash (used in)/from operating activities	**(2,008)**	**3,201**
Interest paid		(1,114)
Income tax paid	(23)	(272)
Net cash (used in)/from operating activities	**(2,031)**	**1,815**
Cash payments for the purchase of fixed tangible and intangible assets	(2,342)	(3,577)
Cash payments for loans and deposits for the period	(753)	(639)
Other cash inflows from investment activities	1,975	-
Net cash used in investment activities	**(1,120)**	**(4,216)**
Cash receipts from credit principals, loans and other borrowings	7,499	6,219
Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	(3,725)	(3,878)
Cash payments for leases	(901)	(1,113)
Cash inflows from increase in equity in subsidiary	3,979	-
Cash payments for acquisition of non-controlling interests	(8,871)	-
Net cash (used in)/from financing activities	**(2,019)**	**1,228**
Net decrease in cash and cash equivalents	**(5,170)**	**(1,173)**
Unrealised exchange rate differences in respect of cash and cash equivalents	-	(306)
Cash and cash equivalents at the beginning of the period	**46,188**	**57,523**
Cash and cash equivalents at the end of the period	**41,018**	**56,044**

7.4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousands	Share capital	Other reserves	Capital reserves	Legal reserves	Reserves from foreign exchange differences from investment in foreign operations	Retained earnings	To the owners of the Company	Non-controlling interests	Total
Balance at December 31, 2021	**13,034**	**(8,792)**	**19,784**	**737**	**(5,723)**	**12,277**	**31,317**	**22,974**	**54,291**
Profit for the period	-	-	-	-	-	1,045	**1,045**	(397)	**648**
Other comprehensive income for the period	-	-	-	-	8,745	-	**8,745**	-	**8,745**
Acquisitions of non-controlling interests	-	(5,670)	-	-	-	2,468	**(3,202)**	(6,234)	**(9,436)**
Balance at March 31, 2022	**13,034**	**(14,462)**	**19,784**	**737**	**3,022**	**15,790**	**37,905**	**16,343**	**54,248**
Balance at December 31, 2022	**13,034**	**(22,287)**	**19,784**	**1,763**	**2,027**	**13,828**	**28,149**	**25,962**	**54,111**
Profit for the period	-	-	-	-	-	507	**507**	622	**1,129**
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Other changes in equity	-	906	-	-	-	(35)	**871**	-	**871**
Balance at March 31, 2023	**13,034**	**(21,381)**	**19,784**	**1,763**	**2,027**	**14,300**	**29,527**	**26,584**	**56,111**

7.5. NOTES TO THE FINANCIAL STATEMENTS

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

Name of the issuer: Meritus ulaganja d.d.

Personal identification number (OIB): 62230095889
Reporting period: 01.01.2023. - 31.03.2023.
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)
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 sais classification, and the corresponding indexes were applied to the comparative data for the year 2022, and to current data for 2023. The effects of this indexation on previously published data as of March 31, 2022 are presented in the following table:

	Previously reported	**Adjusted**	**Adjustment effect**
Operating income	39,404	39,949	545
Operating expenses	35,982	37,191	1,210
Financial income	318	1,208	890
Financial expenses	1,023	1,090	67
Profit before tax	2,717	2,876	159
Income tax	23	2,227	2,205
Profit after tax	2,694	648	(2,046)

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
f) in the notes to quarterly periods financial statements, 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
n/a
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 9,352,7125.15 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

12,771

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 recognised 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 value of Deferred Tax Assets recognized is EUR 2,993,973, while Deferred Tax Liabilities amount to EUR 4,733,042.

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 authorised capital - n/a

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

n/a

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

8. UNCONSOLIDATED FINANCIAL STATEMENTS

8.1. UNCONSOLIDATED BALANCE SHEET

in EUR thousands	December 31, 2022	March 31,2023
Non-current assets		
Intangible assets	4	6
Property, plant, and equipment	2,608	2,584
Non-current financial assets	72,018	73,151
Total non-current assets	**74,630**	**75,741**
Current assets		
Trade receivables	206	373
Other receivables	686	697
Accrued income and prepaid expenses	225	219
Cash and cash equivalents	36,014	33,893
Total current assets	**37,131**	**35,182**
TOTAL ASSETS	**111,761**	**110,923**
Equity		
Share capital	13,034	13,034
Capital reserves	51,447	51,447
Legal reserves	340	340
Retained earnings and profit for the period	2,443	2,057
Total equity	**67,264**	**66,878**
Non-current liabilities		
Long-term borrowings	1,508	1,459
Liabilities for bonds	40,000	40,000
Total non-current liabilities	**41,508**	**41,459**
Current liabilities		
Trade payables	2,066	2,079
Liabilities to employees	9	11
Other current liabilities	708	296
Short-term borrowings	200	200
Accrued expenses and Deferred Income	6	-
Total current liabilities	**2,989**	**2,586**
TOTAL EQUITY AND LIABILITIES	**111,761**	**110,923**

8.2. UNCONSOLIDATED PROFIT AND LOSS ACCOUNT

in EUR thousands	2022		2023	
	Cumulative	Quarter	Cumulative	Quarter
Revenues	97	97	135	135
Other revenues	1	1	1	1
Total revenues	**98**	**98**	**136**	**136**
Costs of raw materials and supplies	(5)	(5)	(8)	(8)
Costs of services	(6)	(6)	(100)	(100)
Staff costs	(29)	(29)	(39)	(39)
Depreciation and amortization	(41)	(41)	(25)	(25)
Other operating expenses	(33)	(33)	(36)	(36)
Total operating expenses	**(114)**	**(114)**	**(208)**	**(208)**
Loss from operations	**(16)**	**(16)**	**(72)**	**(72)**
Financial income	54	54	165	165
Financial expenses	(32)	(32)	(479)	(479)
Gain/(loss) from financial activities	**22**	**22**	**(314)**	**(314)**
Profit/(loss) before taxation	6	6	(386)	(386)
Income tax	-	-	-	-
Profit/(loss) for the period	**6**	**6**	**(386)**	**(386)**
Other comprehensive income				
Profit/(loss) for the period	6	6	(386)	(386)
Items that can later be transferred to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**6**	**6**	**(386)**	**(386)**

8.3. UNCONSOLIDATED CASH FLOW STATEMENT

in EUR thousands	2022	2023
Profit/(loss) before taxation	**6**	**(386)**
Depreciation	41	25
Interest and dividend income	(44)	(165)
Interest expenses	17	459
Cash flow increase before changes in working capital	**20**	**(67)**
Decrease in short-term liabilities	(74)	(399)
Decrease in short-term receivables	(160)	(177)
Other changes in working capital	8	-
Cash used in operating activities	**(206)**	**(643)**
Interest paid	(17)	(874)
Net cash used in operating activities	**(223)**	**(1,517)**
Cash receipts based on the return of loans and savings deposits	44	-
Cash payments for the purchase of fixed tangible and intangible assets	-	(2)
Cash payments for loans and deposits	-	(552)
Net cash from/(used) in investment activities	**44**	**(554)**
Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	(88)	(50)
Net cash used in financing activities	**(88)**	**(50)**
Net decrease in cash and cash equivalents	**(267)**	**(2,121)**
Cash and cash equivalents at the beginning of the period	**15,396**	**36,014**
Cash and cash equivalents at the end of the period	**15,129**	**33,893**

8.4. UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousands	Share capital	Capital reserves	Legal reserves	Retained earnings	To the owners of the Company
Balance at December 31, 2021	**13,034**	**51,447**	**269**	**2,325**	**67,075**
Profit for the period	-	-	-	6	**6**
Balance at March 31, 2022	**13,034**	**51,447**	**269**	**2,331**	**67,081**
Balance at December 31, 2022	**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**

8.5. NOTES TO THE FINANCIAL STATEMENTS

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

Name of the issuer: Meritus ulaganja d.d., Zagreb

Personal identification number (OIB): 62230095889

Reporting period: 01.01.2023. - 31.03.2023.

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
f) in the notes to quarterly periods financial statements, 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
Meritus ulaganja d.d., Zagreb, Hrvatska, MB: 05012228, 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 650,000 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

2

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 recognised 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

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 authorised capital

n/a

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

n/a

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.

9. STATEMENT OF THE MANAGEMENT BOARD ON RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Zagreb, April 2023

Statement of the Management Board on the 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) and the Croatian Accounting Act. The unaudited non-consolidated and consolidated financial statements of the Company and the Group for the period that ended March 31, 2023 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, 2023, contains a true and fair view of the development and results of the Company's operations with a description of the most significant risks and uncertainties to which the Company is exposed.

Darko Horvat
President of the Management Board

Tomislav Glavaš
Member of the Management Board

10. CONTACTS

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