ASA FINANCE d.d. Sarajevo

Financial statements for the year
ended 31 December 2024
and the Independent Auditor's report

Contents

Responsibility for the Separate Financial Statements

In accordance with the Law on Accounting and Auditing of the Federation of Bosnia and Herzegovina, a legal entity is obliged to keep accounting records and prepare and submit accounting reports in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board, which provide a true and fair view of the state of the Company, as well as its business results for the specified period.

After conducting appropriate research, the Management Board reasonably expects that the Company will have adequate resources for the foreseeable future, and therefore continues to adopt the going concern basis in preparing the financial statements.

Management's responsibilities in preparing the financial statements include the following:

- selection and consistent application of appropriate accounting policies
- making justified and prudent judgments and assessments
- acting in accordance with applicable accounting standards, with disclosure and explanation of all material departures in the financial statements; and
- preparing financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Management Board is responsible for keeping appropriate accounting records, which at all times show the Company's financial position with justified accuracy. Also, the Management is obliged to ensure that the financial statements are in accordance with the Law on Accounting and Auditing of the Federation of Bosnia and Herzegovina. In addition, the Management Board is responsible for safeguarding the Company's property, and for taking reasonable steps to prevent and detect fraud and other irregularities.

For and on behalf of the Management

Haris Moro, Director

DIONIČKO DRUŠTVO ZA EKONOMSKI I PRAVNI KONSALTING ASA FINANCE d.d. SARAJEVO 1

ASA FINANCE d.d.
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27 February 2025

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BDO BH doo
Fra Anđela Zvizdovića 1
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Independent Auditor's report

Opinion

We have audited the separate financial statements of ASA FINANCE d.d. Sarajevo (the Company),which comprise the statement of financial position as at 31 December 2024, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the legal framework for financial reporting in the Federation of Bosnia and Herzegovina.

Basis for opinion

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

Other Matters

We draw attention to Note 2 to the separate financial statements, which states that the Company is the parent company within the ASA Finance Group and that the consolidated financial statements of the Group prepared in accordance with the legal framework for financial reporting in the Federation of Bosnia and Herzegovina will be issued separately. In the accompanying separate financial statements, investments in subsidiaries are stated at cost. A better understanding of the financial position of the Group as a whole can be obtained by reviewing the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We addressed these matters in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- **Interest and dividend income**

We draw attention to the statement of income and other comprehensive income and notes 5 and 9 to the financial statements. Revenue is one of the most important measures of a company's performance. Revenue arising from the use by others of an entity's assets that bear interest and dividends is recognised on the following basis:

- Interest is recognized using the effective interest rate method,
- Dividends are recognized when the shareholders' right to receive payment is established.

How our audit addressed the key audit matter

Our audit approach included testing of controls as well as applying various substantive and analytical procedures, which are as follows:

- we reviewed the design and implementation and tested the operating effectiveness of key controls identified as significant to our evidentiary procedures in the revenue testing process,
- using statistical methods, we selected a sample of revenue transactions, performed detailed testing by reviewing the supporting documentation, checking whether adequate accounting policies were used, whether revenues were recorded in the appropriate period, recalculated the realized revenues, and investigated the identified differences.

Other information

The Management is responsible for the other information. In accordance with the Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina, the other information includes the Business Report and the Corporate Governance Rules. Our opinion on the financial statements does not cover the other information and we do not express any form of conclusion with an expression of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibilities for separate financial statements

Management is responsible for the preparation and fair presentation of separate financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a higher level of assurance, but it is not a guarantee that an audit performed in accordance with International Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error and are considered material if they could reasonably be expected, individually or in the aggregate, to affect the economic decisions of users made on the basis of those financial statements. As an integral part of an audit in accordance with International Standards on Auditing, we make professional judgments and maintain professional scepticism during the audit.

Auditor's Responsibilities for the Audit of Separate Financial Statements (continued)

We also:

- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non-detection of a material misstatement arising from fraud is greater than the risk arising from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or circumvention of internal controls.
- obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of the used accounting basis based on the going concern used by the management and based on the obtained audit evidence, we conclude on whether there is a significant uncertainty related to events or circumstances that may create significant doubt about the Company's ability to continue with business as a going concern.

  If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

The engaged partner in the audit resulting in this independent auditor's report is Lejla Kaknjo.

BDO BH doo

Lejla Kaknjo, Director and Certified Auditor

BDO

BDO BH d.o.o.
Sarajevo
Društvo za reviziju

Ezita Imamović, Certified Auditor

Sarajevo, 28 February 2025

(all amounts are presented in KM '000)	Note	2024	2023
Revenue from sold goods and services	-	-	-
Other operating income	5	484	302
Total operating income		***484***	***302***
Employees expenses	6	(960)	(558)
Service costs	7	(54)	(21)
Depreciation cost	12	(35)	(21)
Other operating costs and expenses	8	(2,046)	(5,039)
Total operating costs and expenses		***(3,095)***	***(5,639)***
Financial income	9	24,211	16,743
Financial expenses	10	(3,254)	(3,496)
PROFIT BEFORE TAX		***18,346***	***7,910***
Income tax	11	-	-
PROFIT AFTER TAX		***18,346***	***7,910***
Other comprehensive income		(1)	392
TOTAL COMPREHENSIVE PROFIT		***18,345***	***8,302***

The notes on pages 9 to 33 form an integral part of these financial statements.

ASA FINANCE d.d. Sarajevo
Statement of financial position
As of 31 December 2024

(all amounts are presented in KM '000)	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	12	5	2
Right-of-use assets - IFRS 16	12	133	6
Investments in subsidiaries	13	97,708	94,534
Investments in associated companies	14	5,045	5,045
Financial assets according to FV through OCI	15	5	6
Total non-current assets		***102,896***	***99,593***
Current assets			
Trade and other receivables	16	174	157
Loan receivables	17	9,266	10,298
Term deposits in banks	18	-	148
Cash and cash equivalents	19	3,480	100
Total current assets		***12,920***	***10,703***
TOTAL ASSETS		**115,816**	**110,296**
EQUITY AND LIABILITIES			
Capital			
Owner's capital	20	28,600	28,600
Statutory reserves	-	1,315	1,315
Revaluation reserves - financial assets at fair value through other comprehensive income	-	2	3
Accumulated profit/(loss)	-	12,928	(5,418)
Total capital		**42,845**	**24,500**
Non-current liabilities			
Provisions	21	3	7
Long-term lease liabilities	22	103	-
Debt securities issued (bonds)	23	30,362	-
		30,468	**7**
Current liabilities			
Trade payables	24	97	304
Short-term borrowings	25	42,279	85,359
Short-term lease liabilities	22	32	5
Other liabilities	26	95	121
Total current liabilities		**42,503**	**85,789**
TOTAL EQUITY AND LIABILITIES		***115,816***	**110,296**

The notes on pages 9 to 33 form an integral part of these financial statements.

Signed for and on behalf of the Company as of 27 February 2025:

Haris Moro, Director

DIONIČKO DRUŠTVO ZA EKONOMSKI I PRAVNI KONSALTING ASA FINANCE d.d. SARAJEVO 1

ASA FINANCE d.d. Sarajevo
Statement of changes in equity
for the year ended 31 December 2024

(all amounts are presented in KM '000)	Owner's capital	Statutory reserves	Revaluation reserves - financial assets at FVOCI	Accumulated profit	Total
Balance as of 31 December 2022	28,600	1,315	395	(13,720)	16,590
Net financial result for 2023	-	-	-	7,910	7,910
Transfer from/to	-	-	(392)	392	-
Total comprehensive income	-	-	*(392)*	*8,302*	*7,910*
Balance as of 31 December 2023	28,600	1,315	3	(5,418)	24,500
Net financial result for 2024	-	-		18,346	18,346
Fair value adjustments on financial assets	-	-	(1)	-	(1)
Transfer from/to	-	-	-	-	
Total comprehensive income	-	-	*(1)*	*18,346*	*18,345*
Balance as of 31 December 2024	28,600	1,315	2	12,928	42,845

The notes on pages 9 to 33 form an integral part of these financial statements.

(all amounts are presented in KM '000 KM)	2024	2023
Operating activities		
Profit before tax	18,346	7,910
Adjustments for:		
Depreciation	35	21
Impairment of receivables, net	(4)	3,671
Disposal of property, plant and equipment	6	-
Provisions for severance payments, net	(4)	2
Dividend income	(24,169)	(16,504)
Financial income recognized in profit and loss statement	(42)	(239)
Financial expense recognized in profit and loss statement	3,253	3,496
Changes in operating activities:		
(Increase)/decrease in trade and other receivables	(413)	3,412
(Decrease)/increase in trade and other payables (liabilities)	(233)	241
Interest paid	(3,253)	(3,496)
Net cash flow used in operating activities	**(6,478)**	**(1,486)**
Cash flow from financing activities		
Repayment of loan liabilities	(43,081)	(21,000)
Increase in liabilities based on issued bonds	30,740	-
Repayment of lease liabilities	(36)	(21)
Net cash flow used in financing activities	**(12,377)**	**(21,021)**
Cash flow from investing activities		
Purchase of tangible assets	(5)	-
Decrease of bank deposits	148	1
Decrease in loan receivables	1,097	6,123
Net increase of investments in subsidiaries, associates and financial instruments at FV OCI	(3,174)	(284)
Received interest and dividends	24,169	16,743
Net cash flow generated in investing activities	**22,235**	**22,583**
Net increase of cash and cash equivalents	**3,380**	**76**
Cash and cash equivalents at the beginning of the year	**100**	**24**
Cash and cash equivalents at the end of the year	**3,480**	**100**

The notes on pages 9 to 33 form an integral part of these financial statements.

1. GENERAL INFORMATION

ASA FINANCE d.d. Sarajevo is a shareholder company registered in the Federation of Bosnia and Herzegovina with its headquarters in Sarajevo, at Bulevar Meše Selimovića 16.

The company is registered in the Tax Administration of the Federation of BiH, tax office of Sarajevo Canton, under identification number: 4201409170005. The company is registered in the Directorate for Indirect - Indirect Taxation Banja Luka with an assigned identification number:201409170005.

Principal activity

The Company's core business is financial and investment consulting. As of 31 December 2023, the Company employed 8 employees (2023: 5 employees). The Company's Director is Haris Moro.

Supervisory Board:	**Audit Committee:**
Kenan Hastor	Dženan Prevljak
Damir Hastor	Rusmir Pašić
Samir Redžepović	Fatima Omerović

2. ADOPTION OF NEW AND REVISED STANDARDS

2.1 Standards and interpretations effective in the current period

The following standards, amendments to existing standards and interpretations, issued by the International Accounting Standards Board, are effective for the current period:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Financing Arrangements (effective for annual periods beginning on or after 1 January 2024)
- Amendment to IFRS 16 Leases: Amendments to IFRS 16 Sale and Leaseback Liabilities (effective for annual periods beginning on or after 1 January 2024)
- Amendments to IAS 1 Presentation of Financial Statements - Clarification of the Meaning of the Term "Settlement" in the Classification of Liabilities, Classification of Liabilities as Current or Non-Current (effective for annual periods beginning on or after 1 January 2024)
- Amendment to IAS 1 Presentation of Financial Statements: Long-term Contractual Liabilities (effective for annual periods beginning on or after 1 January 2024)

2.2 Standards and interpretations issued but not yet adopted

As of the date of issuance of these financial statements, the following standards, amendments to existing standards and interpretations have been published, but are not yet effective:

- Amendment to IAS 21: The Effects of Changes in Foreign Exchange Rates - Lack of Substitutability (effective for annual periods beginning on or after 1 January 2025)

- Amendments to IAS 7: Financial Instruments "Disclosures" - Cost Method and Deferred Difference between Fair Value and Transaction Price (effective for annual periods beginning on or after 1 January 2026)

- Amendments to IFRS 1: First-time Adoption of IFRS - Hedge Accounting by First-time Adopters (effective for annual periods beginning on or after 1 January 2026)

2. ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED)

2.2 Standards and interpretations issued but not yet adopted (continued)

- Amendments to IFRS 7: Financial Instruments: Disclosures - Introduction and Credit Risk Mitigation: Gain or Loss on Derecognition (effective for annual periods beginning on or after 1 January 2026)
- Amendments to IFRS 9: Financial Instruments - Classification and Measurement of Financial Instruments - Derecognition of a Lessee's Lease Liabilities (effective for annual periods beginning on or after 1 January 2026)
- Amendments to IFRS 9: Financial Instruments - Classification and Measurement of Financial Instruments - Transaction Price (effective for annual periods beginning on or after 1 January 2026)
- Amendments to IFRS 10: Consolidated financial statements - determination of "de facto representatives" (effective for annual periods beginning on or after 1 January 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
- IFRS 19 Subsidiaries without Public Liability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

The Company has elected not to adopt these standards, amendments and interpretations before they become effective. The Company anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the Company's financial statements.

3. SUMMARY OF FUNDAMENTAL ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, and in accordance with the legal framework for financial reporting in the Federation of Bosnia and Herzegovina.

Going concern

The financial statements have been prepared on a going concern basis, which implies that the Company will be able to collect receivables and settle liabilities in the normal course of business.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation and measurement

These financial statements have been prepared according to the historical cost principle. Historical cost is generally based on the fair value of the consideration given in exchange for the asset. All financial instruments that are measured or presented at fair value in the balance sheet are categorized in accordance with the hierarchy shown below, based on the lowest input that is significant for determining their fair value:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs that are not quoted prices included in Level 1, and are observable inputs for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is considered active if quoted prices are known from an exchange, broker, industry group or regulatory agency, and those prices represent actual and regular market transactions under normal trading conditions. The fair value of financial instruments that are not traded in an active market (for example, OTC derivatives) is determined using valuation techniques. These valuation techniques require the maximum use of observable market data where possible, and rely as little as possible on entity-specific estimates. If all significant inputs needed to measure the fair value of an instrument are observable, the instrument is included in Level 2. If one or more significant inputs are not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to measure financial instruments include:

- Quoted market prices or broker quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves.
- The fair value of foreign exchange forward contracts is determined using the forward exchange rate at the balance sheet date, and the value obtained as a result is discounted to the present value.
- Other techniques, such as discounted cash flow analysis, are used to determine the fair value of remaining financial instruments.

The fair value of derivative financial instruments and financial instruments available for sale is determined using specific valuation techniques, and they are included in level 3.

Investments in subsidiaries

A subsidiary is an entity that is controlled by the Company. Control is achieved by the Company having the power to participate in the financial and operating policy decisions of the entity so as to obtain benefits from the activities of the subsidiary. Investments in subsidiaries in these separate financial statements are stated at cost, less any impairment losses on individual investments, if any.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation and measurement (continued)

Investments in associated companies

An associate is an entity in which the Company has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is reflected in participation in the financial and operating policy decisions of the investor, but is neither control nor joint control over those policies. Investments in associates in these separate financial statements are shown at cost, less any impairment of the individual investment, if applicable.

3.1 Revenue recognition

Revenue from contracts with customers

Revenue is recognized in an amount that reflects the consideration the Company expects to receive in exchange for the transfer of goods and services to the customer. For each contract with the customer, the Company performs the following steps: identifies the contract with the customer; identifies the performance obligation in the contract; determines the price of the transaction, which includes estimates of variable compensation and the time value of money; allocates the transaction price to separate performance obligations using the separate selling price of each good and service to be delivered; and recognizes income when the performance obligation is fulfilled, i.e. at the moment when the promised goods and services are transferred to the customer. Variable consideration in the transaction price reflects rights granted to the customer in the form of price discounts, rebates and returns, performance bonuses or other similar items. Such estimates are determined using the “expected value” or “most likely amount” methods. The selected method of measuring variable consideration is applied consistently to the entire contract, i.e. revenue is recognized to the extent that it is highly probable that it will not be recovered. At the end of each reporting period, the Company should update the estimated transaction price (including its assessment of whether the estimate of the variable consideration is limited) so that it faithfully reflects existing circumstances at the end of the reporting period and changes in circumstances during the reporting period. For all amounts received (or claimed) to which the Company does not expect to be entitled, the Company does not recognize revenue when it transfers products to customers, but it should recognize those amounts that are received (or claimed) as a return obligation.

Sales of goods

Revenue from the sale of goods is recognized when the control of the goods is transferred to the customer, which usually occurs at the time of delivery.

Sales of services

Revenue from sales of services is recognized at the time while the service is provided, based on a fixed price or hourly rate.

Dividend income

Income from dividends is recognized when the shareholder's right to dividend payment is established.

Interest income

Interest income is recognized on the principle of interest accrued on the basis of outstanding principal and at the effective interest rate applicable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currencies

(a) Functional and presentation Currency

Items included in the Company's financial statements are stated in the currency of the primary economic environment in which the Company operates (the 'functional currency'). The financial statements are presented in Convertible Marks (KM), which represents the Company's functional and presentation currency.

(b) Transactions and balances in foreign currency

Transactions in foreign currencies are translated into the functional currency so that they are stated in foreign means of payment are translated at the exchange rate on the date of the transaction. Gains or losses from exchange rate differences, which arise during the settlement of those transactions and recalculation of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. Foreign exchange gains or losses related to liabilities under loans received are reported in the income statement within financing expenses - net. Other foreign exchange gains or losses are reported within the item other gains/(losses) - net in the income statement.

3.3 Employee benefits

a) Taxes and contributions for the provision of social security for employees

In accordance with local regulations and adopted accounting policies, the Company is required to pay contributions to various state social security funds. These obligations include contributions from employees in amounts calculated using specific, legally prescribed rates. The Company is legally required to withhold accrued contributions from employees' gross salaries and to transfer the withheld funds to the appropriate state funds on their behalf. Contributions from employees are expensed in the period to which they relate.

b) Retirement benefits

In accordance with the Labor Law of the Federation of Bosnia and Herzegovina, the Company is obliged to pay severance pay to employees upon retirement, in a maximum amount that is not less than one third of the average monthly salary paid to the employee in the last three months before the termination of the employment contract, for each completed year of work for that employer. The amount of severance pay cannot exceed six average monthly salaries paid to the employee in the last three months before the termination of the employment contract.

c) Short-term paid absence

Accumulated paid leave may be carried forward and used in future periods, if not fully utilized in the current period. Expected paid leave costs are recognized at the amount expected to be paid as a result of unused accumulated rights at the statement of financial position date. In the case of unaccumulated paid leave, a liability or expense is not recognized until the leave is used.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Taxation

Current income tax

Current income tax represents the amount calculated and paid in accordance with the Law on Income Tax of the Federation of Bosnia and Herzegovina ("Official Gazette of FBiH", no. 15/2016 and 15/2020), which is applicable starting from 5 March 2021. Current income tax represents the amount calculated by applying the prescribed tax rate of 10% to the base determined by the tax balance, which is the amount of profit before tax after deducting the effects of income and expense adjustments, and in accordance with the tax regulations of the Federation of Bosnia and Herzegovina. The tax regulations of the Federation of Bosnia and Herzegovina do not provide for the possibility of using tax losses from the current period as a basis for refunding taxes paid in previous periods. However, losses from the current period reported in the tax balance may be used to reduce the tax base of future accounting periods, but not longer than five years.

Deferred income tax

Deferred income tax is calculated using the liability method in the statement of financial position for temporary differences arising from differences between the tax bases of assets and liabilities in the statement of financial position and their carrying amounts. Tax rates enacted at the date of the statement of financial position, or tax rates enacted or substantively enacted after that date, are used to determine the deferred amount of income tax. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and the effects of tax losses and tax credits that can be carried forward to future fiscal periods, to the extent that it is probable that taxable profit will be available against which the tax loss carry forwards and credits can be utilized.

Depreciation included in the calculation of taxable profit may differ from that used in determining accounting profit. The resulting taxable temporary difference results in a deferred tax liability if depreciation for tax purposes is accelerated, or a deferred tax asset if depreciation for tax purposes is slower than accounting depreciation. With regard to the treatment of depreciation, the Income Tax Law provides for this possibility.

Taxes and contributions that do not depend on results

Taxes and contributions that do not depend on results represent payments according to applicable cantonal and municipal regulations to finance various communal and cantonal needs. These taxes and contributions are included within other operating expenses. The Law on Value Added Tax ("Official Gazette of BiH", No. 9/05, 35/05 and 100/08) introduced the obligation and regulated the system of payment of value added tax (VAT) in the territory of Bosnia and Herzegovina, starting from 1 January 2006, which replaced the taxation system with the application of the sales tax on products and services.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses recognised. Plant and equipment under construction for production, rental or other purposes not yet determined are stated at cost less recognised impairment losses. Cost includes professional fees and, for qualifying assets, financing costs capitalised in accordance with the Company's applicable accounting policies.

Depreciation of these assets, which is applied on the same basis as for other real estate, begins when the asset is ready for its intended use. Subsequent expenses are included in the carrying value of the asset or, if necessary, are recognized as a separate asset only if the Company will have future economic benefits from the said asset, and if the cost of the asset can be reliably measured. The carrying value of the replaced part ceases is derecognized. All other investment and current maintenance costs are charged to the income statement in the financial period in which they were incurred. Depreciation is calculated so that the cost or estimated value of assets, except for plant and equipment under construction, is written off over the estimated useful life of the asset using the straight-line method at the following rates:

	Estimated useful life	Depreciation rate
Office equipment	7- 8 years	12.5-14.29%
Computers	3 years	33%

The residual value of an asset is an estimated amount that the Company would currently obtain from disposal of the asset less estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life. The residual value of an asset is zero if the Company expects to use the asset until the end of its physical life. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

3.6 Intangible assets

An intangible asset is an asset that, according to its time classification, meets the criteria of fixed assets and that simultaneously meets all of the following conditions:

- it is an asset that can be recognized (such as software or new processes);

- if it is likely that the asset will generate future economic benefits and

- if it is possible to reliably measure the costs of acquiring funds.

Intangible assets created by the Company are amortized using the straight-line method over their useful lives.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Impairment

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that the assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated to determine any impairment loss.

If it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable value is the higher of net selling price and value in use.

For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the estimated recoverable amount of an asset (or cash-generating unit) is less than the carrying amount, then the carrying amount of that asset is reduced to the recoverable amount. Impairment losses are recognized immediately as an expense, unless the asset is land or a building not used as investment property that is stated at the revalued amount, in which case the impairment loss is stated as a decrease in value resulting from revaluation of the asset.

When an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimated recoverable amount of the asset, provided that the higher carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is recognized as a revaluation increase.

3.8 Financial instruments

Financial instruments are initially recognized when the Company becomes a party to the contract relating to the financial instrument. Financial assets and liabilities are recognized in accordance with IFRS 9 "Financial Instruments". Upon initial recognition, financial assets and financial liabilities are measured at their fair value plus transaction costs, in the case of financial assets and financial liabilities at fair value. Equity instruments are measured at fair value! the consideration received when issued by the entity, less related transaction costs.

Financial assets

The classification and measurement of financial assets under IFRS 9 is based on the entity's business model and the cash flows associated with each financial asset. Financial instruments are measured in two categories: amortised cost and fair value. Changes in fair value are recognised in profit or loss or other comprehensive income, provided that certain criteria are met, as set out below.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Financial instruments (continued)

Debt instruments

If a financial asset is a debt instrument, the following assessments should be made when determining its classification:

a) Business model of a financial asset management company

b) Contractual characteristics of cash flows of financial assets

A financial asset should be subsequently measured at amortized cost if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold the financial asset to collect contractual cash flows; and

b) The contractual terms of a financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (hereinafter referred to as "SPPI") on the outstanding principal amount.

A financial asset should be subsequently measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved both by holding the financial asset to collect contractual cash flows and by selling the financial asset; and

b) The contractual terms of the financial asset give rise to cash flows that are SPPI on specific dates.

If a financial asset does not pass the business model assessment and the SPPI criteria or the fair value option, it is measured at fair value through profit or loss.

Equity instruments

Investments in equity instruments are measured at fair value. Equity instruments held for trading must be measured at fair value through profit or loss, with dividend income recognized in profit or loss.

A financial instrument is held for trading if;

- Is acquired primarily for sale in the near future, or
- Upon initial recognition, it is part of a portfolio of identified financial instruments that are managed in such a way that the asset is defined for short-term profit-taking, or
- It's a derivative.

For all other equity securities, irrevocable elections are effective upon initial recognition to present changes in fair value in other comprehensive income rather than in the income statement. Dividends are recognized in the income statement unless it is clear that they represent a recovery of part of the cost of the investment, in which case they are recognized in other comprehensive income. There is no reuse of amounts from other comprehensive income to the income statement nor are there any impairment requirements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Financial instruments (continued)

Impairment

Under the "expected loss" model in IFRS 9, a credit event (or "trigger" for impairment) no longer needs to occur before credit losses are recognised. The Company will always recognise (at least) 12-month expected credit losses in the income statement. Lifetime expected losses are recognised on assets for which there has been a significant increase in credit risk since initial recognition. Impairment of trade receivables is calculated under the "simplified approach", based on lifetime expected credit losses (ECL). The expected credit loss model is based on historical loss trends and macroeconomic adjustments in order to arrive at expected credit loss rates. The Company uses an allowance matrix according to which impairment losses are calculated for trade receivables according to their age structure or maturity periods. In order to measure expected credit losses, trade receivables are grouped together based on common credit risk characteristics.

Default analysis is conducted for the previous 12 months to determine the overall default rate. Default ratios are calculated for the following time intervals: up to 30 days, from 31 to 60 days, from 61 to 90 days, from 91 to 180, from 181 to 365 days and over 356 days.

A financial asset is written off in full when the Company has exhausted all efforts to collect its receivable and concludes that there is no reasonable expectation of recovery. This usually occurs when the asset is at least 365 days past due.

Financial liabilities

Certain liabilities must be measured at fair value through profit or loss. This includes all derivatives and the company's own liabilities that it classifies as "held for trading". Financial liabilities that must be measured at fair value through profit or loss continue to have all movements in the income statement.

All other financial liabilities, such as borrowings, are subsequently measured at amortized cost, adjusted for movements in fair value on hedged risks if fair value hedge accounting is applied. If a financial liability is not required to be measured at fair value through profit or loss, but the company has specifically designated it as measured at fair value through profit or loss, the resulting changes in its own credit risk are not recorded in the income statement but are reported in other comprehensive income. All other changes are recorded in the income statement.

Effective interest rate method

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and allocating interest over the relevant period.

The effective interest rate is the rate at which estimated future cash flows through the expected life of a financial instrument are discounted to the net carrying amount of the financial asset or financial liability. In calculating the effective interest rate, the company estimates the cash flows taking into account all the contractual terms of the financial instrument but does not take into account future losses. In the rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument, the company instead uses the contractual cash flows over the entire contractual life of the financial instrument.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Financial instruments (continued)

Derecognition of financial assets and financial liabilities

The Company will derecognize a financial asset only when the contractual rights to the cash flows from the financial asset expire; or if it transfers the financial asset, and thereby substantially all the risks and rewards of ownership of the asset, to another entity. The Company derecognizes a financial liability when, and only when, the Company's liabilities have been discharged, cancelled or expired.

3.9 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes the invoice price and all direct and indirect costs incurred in bringing the inventories to their present location and condition. Inventories of small items of equipment are written off 100% when put into use.

3. 10 Leases

At the inception of an agreement, the Company assesses whether it constitutes a lease, or whether it contains elements of a lease. The Company recognizes a right-of-use asset and a corresponding lease liability for all leases, except for short-term leases or leases involving low-value assets.

All payments associated with such leases are recognized as an expense either on a straight-line basis over the lease term or on another systematic basis. At the first day of the lease term, the Company measures the liability under that lease at the present value of all lease payments not yet made at that date. Those payments are discounted at the interest rate implicit in the lease if the rate is readily determinable. In cases where that interest rate is not readily determinable, the Company applies the incremental borrowing rate.

Lease payments included in the measurement of the lease liability at the first day of the lease term include the following payments for the right to use the underlying asset during the lease term that are not settled at the first day of the lease term:

(a) fixed payments, less any lease incentives received;

(b) variable payments that depend on a specific index or rate and are initially measured at that index or rate on the first day of the lease term;

(c) the amounts expected to accrue to the lessee under the guaranteed residual value;

(d) the price of exercising a purchase option if there is a realistic probability that the lessee will exercise that option and

(e) penalties for terminating the lease, if the lease period shows that the lessee exercised that option.

The Company adjusts the lease liability determined by remeasurement and recognizes it as an adjustment to the right-of-use asset using the effective interest method. The cost of a right-of-use asset includes the amount of the lease liability initially measured, all lease payments made on or before the first day of the lease term, less any lease incentives received. The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that the Company will have to settle the obligation. The amount recognized as a provision is the best estimate of the amount required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured by cash flows that are estimated to be sufficient to settle the present obligation, its carrying amount is the present value of those cash flows.

4. CRITICAL ACCOUNTING JUDGEMENTA AND ASSUMPTIONS

In applying the accounting policies described in Note 3, the Company's Management makes judgments, estimates and assumptions that affect the amounts of assets and liabilities that cannot be derived from other sources. The estimates and assumptions are based on historical and other relevant factors. Actual amounts may differ from those estimated.

Estimates and assumptions are continually reviewed. Changes in accounting estimates are recognized in the period of the change if they relate only to that period, or in the period of the change and future periods if the change affects both current and future periods.

4.1 Key sources of estimation uncertainty

The following are key assumptions relating to the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Impairment trade receivables and other receivables

The Company's Management recognizes allowances for doubtful accounts based on estimated losses resulting from the inability of customers or business partners to settle their liabilities. When assessing the adequacy of allowances for doubtful accounts, the Company's Management bases its assessment on the aging structure of receivables and write-offs from previous periods.

5. OTHER OPERATING INCOME

	2024	2023
	(all amounts are presented in KM '000)	
Income from consulting services	420	266
Income from the release of allowances for receivables (Note 17)	46	-
Income from reversal of provisions (Note 21)	4	-
Gains from the sale of shares	-	36
Other	14	-
	484	**302**

6. EMPLOYEE EXPENSES

	2024	2023
	(all amounts are presented in KM '000)	
Gross salaries and benefits	910	541
Meal allowance and transportation	20	11
Costs of holiday allowances and similar benefits	15	6
Business travel expenses	15	-
	960	**558**

7. SERVICE COSTS

	2024	2023
	(all amounts are presented in KM '000)	
Rental expenses	49	21
Maintenance services	3	-
Advertising services	2	-
	54	**21**

8. OTHER OPERATING COSTS AND EXPENSES

	2024	2023
	(all amounts are presented in KM '000)	
Intellectual services	1,531	957
Bond issuance fees	369	-
Impairment of assets (Notes 16 and 17)	42	3,671
Donations	35	105
Entertainment expenses	23	-
Taxes, membership fees, court and administrative fees	16	8
Payment services	10	2
Brokerage services	5	2
Expenses Related to Prior Period Adjustments	-	278
Provisions for severance payments (Note 21)	-	2
Other	15	14
	2,046	**5,039**

9. FINANCIAL INCOME

	2024	2023
	(all amounts are presented in KM '000)	
Dividend income	24,169	16,504
Income from interest on loan receivables	42	239
	24,211	**16,743**

10. FINANCIAL EXPENSES

	2024	2023
	(all amounts are presented in KM '000)	
Interest expenses on borrowings	2,508	3,490
Interest expense on issued debt securities	740	-
Interest expenses from assets under IFRS 16	5	1
Foreign Exchange Losses	1	-
Default Interest Expense	-	5
	3,254	**3,496**

11. INCOME TAX

Income tax in the country is calculated at a rate of 10%, which is applied to the estimated taxable profit for the year. The reconciliation of income tax for the year with the profit shown in the income statement is as follows:

	2024	2023
	(all amounts are presented in KM '000)	
Profit before tax	**18,346**	**7,910**
Effects of non-deductible expenses	106	4,195
Adjustment of tax base for received dividends	(24,219)	(16,504)
Transfer pricing effect	181	432
Total taxable profit	(5,586)	(3,967)
Calculation of income tax at the rate of 10%	-	-
Current income tax	-	-
Effective income tax rate	-	-

12. PROPERTY, PLANT AND EQUIPMENT

(all amounts presented in KM '000)	Equipment	Right of use assets	Total
Cost			
As of 31 December 2022	10	97	107
As of 31 December 2023	10	97	107
Purchases	5	166	171
Adjustment	-	(97)	(97)
As of 31 December 2024	**15**	166	181
Accumulated depreciation			
As of 31 December 2022	7	71	78
Depreciation for the year	1	20	21
As of 31 December 2023	8	91	98
Depreciation for the year	2	33	35
Adjustment	-	(91)	(91)
As of 31 December 2024	10	33	43
Net carrying value			
As of 31 December 2024	5	133	138
As of 31 December 2023	2	6	8

12. PRPOPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right of use assets in accordance with IFRS 16 "Leases" are presented below:

	Property
Net carrying value on 31 December 2024 (KM '000)	133
Additions (KM 000)	-
Depreciation rate	20%
Number of rent contracts	1
Period of right of use	5 years

13. INVESTMENTS IN SUBSIDIARIES

	Business activity	Ownership in %	31 December 2024	31 December 2023
			(all amounts are presented in KM '000)	
ASA Banka d.d. Sarajevo	Bank	89.10%	60,513	57,339
ASA Central Osiguranje d.d. Sarajevo	Insurance	88.03%	35,072	35,072
ASA Asset Management d.o.o. Sarajevo	Management with investment funds	100.00%	1,490	1,490
AURIN Investment Group GmbH, Frankfurt	Fund	100.00%	633	633
			97,708	94,534

Financial information of subsidiaries can be presented as follows:

ASA Banka d.d. Sarajevo	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Net assets	400,099	366,371
Revenue	158,458	139,915
Financial result for the year	55,834	46,005

ASA Central Osiguranje d.d. Sarajevo	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Net assets	33,077	33,348
Revenue	108,506	91,822
Financial result for the year	6,528	5,313

ASA Asset Management d.o.o. Sarajevo	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Net assets	1,431	1,780
Revenue	836	805
Financial result for the year	251	241

14. INVESTMENTS IN ASSOCIATED COMPANIES

	Operating activity	Ownership in %	31 December 2024	31 December 2023
			(all amounts are presented in KM '000)	
Aurin Trinity Fund	Fund	10.09%	3,188	3,188
ZIF Prevent Invest d.d.	Investment fund	25.00%	1,857	1,857
			5,045	**5,045**

The financial information of an associates can be presented as follows:

Aurin Trinity Fund	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Net assets	1,472	938
Revenue	1,328	933
Financial result for the year	(252)	(786)

ZIF Prevent Invest	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Net assets	33,024	30,291
Revenue	3,594	1,742
Financial result for the year	2,583	706

15. FINANCIAL ASSETS ACCORDING TO FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Bosnalijek d.d. Sarajevo	4	5
BH Telecom d.d. Sarajevo	1	1
	5	**6**

Changes in financial assets at FV OCI can be presented as follows:

	2024	2023
	(all amounts are presented in KM '000)	
Balance as of 1 January	**6**	**1,113**
Selling of shares through the year	-	(1,107)
Changes in fair value	(1)	-
Balance as of 31 December	**5**	**6**

16. TRADE AND OTHER RECEIVABLES

	31 December 2024	31 December 2023
Trade receivables	*(all amounts are presented in KM '000)*	
Trade receivables - related parties	140	129
Trade receivables - foreign	21	
Trade receivables - domestic	3	-
Subtotal	*164*	*129*
Other receivables:		
Other receivables - related parties	31	31
Impairment of trade and other receivables	(21)	(3)
Subtotal	*10*	*28*
	174	**157**

Changes in impairment of bad and doubtful receivables can be presented as follows:

	2024	2023
	(all amounts are presented in KM '000)	
Balance as of 1 January	3	234
Net increase/decrease of impairment (Note 8)	18	(231)
Balance as of 31 December	21	3

Interest is not charged on overdue receivables from customers. The Company, in accordance with the Management's estimates, fully provides for the value of all receivables older than 365 days. In determining the collectability of trade receivables, the Company considers any change in the credit quality of trade receivables from the date the loan was initially granted to the reporting date. Concentration of credit risk is limited because the customer base is large and unrelated. Accordingly, Management believes that additional credit risk allowances are not necessary.

17. LOAN RECEIVABLES

(all amounts are presented in KM '000)	31 December 2024	31 December 2023
Portum d.o.o. (ASA Gradnja d.o.o.) Sarajevo, 4 contracts approved with an annual interest rate of 0% and a final maturity date of 1 November 2025.	10,451	10,880
Establish d.o.o. Sarajevo, 1 contract approved with an annual interest rate of 5.34% and a final maturity date of 30 June 2025.	190	190
Prevent Holding GmbH, Berlin, 1 contract approved with an annual interest rate of 4.50% and a final maturity date of 30 June 2025	29	674
Prevent Cabels doo Tomislavgrad, 1 contract approved with an annual interest rate of 5.34% and a final maturity date of 31 December 2025	21	21
Interest receivables	325	305
Impairment of loan and interest receivables	(1,750)	(1,772)
	9,266	**10,298**

As of 31 December 2024, and 2023, Company granted short-term loans to related entities. The purpose of funds was financing of working capital. Funds were approved without instruments to ensure proper repayment, and based on assessment and estimates of Management, there were no indicators for additional impairment due to problems in repayment of matured receivables.

17. LOAN RECEIVABLES (CONTINUED)

The movement in the adjustment of the value of receivables can be presented as follows:

	2024	2023
	(all amounts are presented in KM '000)	
Balance as of 1 January	1,772	103
Increase in impairment (Note 8)	24	3,902
Decrease in impairment (Note 5)	(46)	-
Write-offs	-	(2,233)
Balance as of 31 December	1,750	1,772

18. TERM DEPOSITS IN BANKS

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
ASA Banka d.d. Sarajevo, purpose interest free deposit without defined maturity date, in accordance with Contract on brokerage operations	-	148
	-	148

19. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Cash at bank accounts in KM	2,836	99
Cash at bank accounts in foreign currencies	644	1
	3,480	100

20. OWNER'S CAPITAL

The Company's share capital amounts to 28,600 thousand KM and is divided into 286,000 ordinary shares with a nominal value of 100 KM per share. The amount and ownership structure of the capital is confirmed by reviewing the Registration Decision from the court register of the Municipal Court in Sarajevo, number 065-Reg-23-001228 dated 18 April 2023. The 100% owner of the Company is ASA Invest d.o.o. Sarajevo.

21. LONG-TERM PROVISIONS

Changes in long-term provisions for employee severance can be presented as follows:

	2024	2023
	(all amounts are presented in KM '000)	
Balance as of 1 January	7	5
Additional provision, net (Note 8)	-	2
Reversal of provisions (Note 5)	(4)	-
Balance as of 31 December	3	7

22. LEASE LIABILITIES

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Long-term lease liabilities	103	-
Short-term lease liabilities	32	5
	135	**5**
Analysis of the current maturity of liabilities:		
Within one year	32	5
In the second year	33	-
In the third year	34	-
In the fourth year	36	-
	135	**5**

The lease agreement was signed for a period of up to 5 years. The Company used an incremental borrowing rate of 3.25% per annum.

23. ISSUED BONDS

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Liabilities from issued bonds	30,000	-
Interest on debt instruments	362	-
	30,362	**-**

According to contract number 152/15, the Company issued the ASFSOJP2 bond, with the issue date of 17 July 2024, maturity date of 4 July 2029, and an interest rate of 5.00%. The nominal value of the bond is 1,000.00 KM, and the total quantity of bonds issued is 30,000 pieces, which represents the Company's long-term liability to investors until the maturity date.

24. TRADE PAYABLES

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Trade payables - related parties	62	22
Trade payables - foreign	21	261
Trade payables - domestic	14	21
	97	**304**

Company did not issue any instruments as collateral to secure payments to suppliers.

25. SHORT-TERM BORROWINGS

	Interest rate in %	Maturity	31 December 2024	31 December 2023
			(all amounts are presented in KM '000)	
ASA Invest d.o.o.	4,008	7 March 2025	31,527	77,976
ASA Nekretnine d.o.o.	4.008%	9 October 2025	6,000	3.163
ASA Energija d.o.o.	4.503%-5.04%	31 December 2025	892	1,032
Bamcard d.d.	4.471%-5.042%	31 December 2024	852	762
Interest liabilities			3,008	2,426
			42,279	**85,359**

Short-term loans are approved with a repayment period of up to 12 months and with the purpose of financing current liquidity or new investment projects.

26. OTHER LIABILITIES

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Liabilities towards the employees	33	24
VAT liabilities	26	33
Liabilities towards the state	10	9
Accrued expenses	-	35
Other liabilities	26	20
	95	**121**

27. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties in balance sheet as of 31 December 2024 and 2023 and the income statement items for the year then ended are as follows:

(all amounts are presented in KM '000)	31 December 2024	31 December 2023
Assets		
Portum d.o.o. Sarajevo	8,913	13,144
ASA Banka d.d. Sarajevo	443	35
Prevent Group	384	1,190
ASA Central osiguranje d.d. Sarajevo	66	94
Aurin Investment Group GmbH	11	-
Asa Holding d.o.o. Sarajevo	1	-
	9,818	**14,463**

27. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(all amounts are presented in KM '000)	31 December 2024	31 December 2023
Liabilities		
ASA Invest d.o.o. Sarajevo	34,263	80,010
ASA Banka d.d. Sarajevo	30,744	-
ASA Nekretnine d.o.o. Sarajevo	6,246	3,422
ASA Energija d.o.o. Sarajevo	921	1,084
Bamcard d.d. Sarajevo	893	852
AURIN Investment Group GmbH	21	74
Prevent Group	8	148
ASA Rent d.o.o. Sarajevo	6	1
	73,102	85,591

(all amounts are presented in KM '000)	2024	2023
Revenue		
ASA Banka d.d. Sarajevo	19,848	14,412
ASA Central Osiguranje d.d. Sarajevo	4.141	1,773
ASA Asset Management d.o.o. Sarajevo	600	500
Prevent Group	42	129
AURIN Investment Group GmbH	18	-
ASA Gradnja d.o.o. Sarajevo	-	110
M plus BH d.o.o.	-	16
	24,649	16,940

Expenses	2024	2023
ASA Invest d.o.o. Sarajevo	2,297	3,498
Prevent Group	767	388
AURIN Investment Group GmbH	458	435
Asa Banka d.d. Sarajevo	412	6
Asa Nekretnine d.o.o. Sarajevo	169	199
Bamcard d.d. Sarajevo	42	53
ASA Energija d.o.o. Sarajevo	44	46
ASA Rent d.o.o. Sarajevo	42	9
ASA Central osiguranje d.d. Sarajevo	-	10
	4,231	4,644

27. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Management remunerations

Remuneration paid to the Management for the years ended on 31 December 2024 and 2023 can be presented as follows:

(all amounts are presented in KM '000)	2024	2023
Gross salaries	326	255
	326	255

28. POTENTIAL LIABILITIES

According to the Management, as of 31 December 2024, there were no court proceedings against the Company nor were there any other potential liabilities.

29. RISK MANAGEMENT

Capital risk management

The Company manages its capital to ensure that Company will be able to continue as a going concern through the optimization of the debt and equity balance, current assets and current liabilities in transactions with related parties.

Gearing (solvency) ratio

The Company reviews capital on the basis of the gearing ratio. This indicator is calculated as the ratio of net debt, liabilities for leases and the total equity. Net debt is calculated as total borrowings less cash and cash equivalents. The Management reviews the capital structure on a monthly basis. As part of this review, the Management considers the cost of capital and the risks associated with each class of capital. As at 31 December 2024 and 2023, Company used funds granted from related parties.

The gearing ratio at the end of the year can be shown as follows:

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Borrowings and lease liabilities (Notes 22 and 24)	72,776	85,364
Cash and cash equivalents	(3,480)	(100)
Net debt	**69,296**	**85,264**
Capital	42,845	24,500
Net debt to equity ratio	**1.62**	**3.48**

Significant accounting policies

Details of significant accounting policies and adopted methods, as well as criteria for recognition, based on performed measures and based on which income and expenses were recognized, with respect to each category of assets, financial liabilities and equity instruments are presented in Note 3 of these financial statements.

29. RISK MANAGEMENT (CONTINUED)

Categories of financial instruments

	31 December 2024	31 December 2023
	(all amounts are presented in KM '000)	
Financial assets		
Loans and receivables (including cash and cash equivalents)	3,644	10,703
Financial instruments (investments)	102,758	99,585
	106,402	*110,288*
Financial liabilities		
At amortized cost	72,861	85,692

Financial risk management objectives

Company's Management reviews and manages financial risk related to Company's operations through analysis of exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk exposures are supplemented by sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk management

The Management undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. In accordance with Management opinion, the sensibility analysis of foreign currency is not representative in matter of inherent risk whereas the Law upon Central bank of Bosnia and Herzegovina stat that BAM is tied with Euro. Changes in foreign currency would consider change of Law and adoption from Parliament of Bosnia and Herzegovina.

Interest rate risk management

Company is not exposed to interest rate risk, because operations are being financed from own intergroup funds granted at fixed interest rates.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where it proves necessary, as a means of mitigating the risk of financial loss.

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Management annually.

29. RISK MANAGEMENT (CONTINUED)

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, loans from banks and other sources, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Interest rate risk and liquidity risk tables

The following table details the Company's remaining contractual maturities for non-derivative financial liabilities. The table is prepared based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Company can be required to pay.

Maturity of non-derivative financial liabilities

(all amounts are presented in KM '000))	**Weighted average interest rate**	***Up to 6 months***	***6 -12 months***	***1 - 5 year***	***Over 5 years***	***Total***
	%					
31 December 2024						
Interest-free	-	95	-	-	-	**95**
Fixed rate	4.45	36,522	7,760	1,254	33,744	79,280
		36,617	**7,760**	**1,254**	**33,744**	**79,375**
	%					
31 December 2023						
Interest-free	-	2,759	-	-	-	2,759
Fixed rate	3.73%	82,222	779	-	-	83,001
		84,981	**779**	-	-	**85,760**

The following table details the Company's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets:

Maturity of non-derivative financial assets

(all amounts are presented in KM '000)	**Weighted average interest rate**	***Up to 6 months***	***6 -12 months***	***1 - 5 year***	***Over 5 years***	***Total***
	%					
31 December 2024						
Interest-free	-	3,644	10,450	-	102,753	116,847
Fixed rate	5.24	332	246	-	-	578
		3,976	**10,696**	**-**	**102,753**	**117,425**
31 December 2023						
Interest-free		854	3,710	-	99,585	104,149
Fixed rate	**3.86%**	826	3,391	-	-	4,217
		1,680	**7.101**	**-**	**99,585**	**108,366**

30. EVENTS AFTER THE BALANCE SHEET DATE

According to the statement of the Management, there were no other events or transactions that would significantly affect the financial statements of the Company as of 31 December 2024.

31. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed for issuance by the Board on 27 February 2025.

DIONIČKO DRUŠTVO ZA EKONOMSKI I PRAVNI KONSALTING
ASA FINANCE d.d. SARAJEVO 1

Haris Moro

Director

Annual business report for 2024

In accordance with the provisions of Articles 42 and 43 of the Law on Accounting and Auditing in the Federation of BiH (Official Gazette of the Federation of BiH, No. 15/21), we present the following data that completes an objective presentation of the financial position and operations of ASA Finance d.d. Sarajevo.

Significant post-balance sheet events occurring in the period from 31 December 2024 until the date of submission of financial statements for 2024

In the period from 31 December 2024 until the date of adoption of the financial statements for 2024, there were no significant post-balance sheet events within the meaning of IAS 10.

Assessment of expected future development

The company plans to grow revenue by 10% next year, while total expenses should grow more slowly, which would lead to an increase in profit. The planned growth in revenue and expenses is shown below:

The amounts are in KM '000	in 2024	Plan for 2025
Total income	24,699	27,170
Total expenses	(6,353)	6,862
Profit	18,346	20,307

RESEARCH AND DEVELOPMENT ACTIVITIES

In the course of 2024, there are no recorded research and development activities in terms of IAS 38.

INFORMATION ON ACQUISITION OF OWN SHARES EQUITY INTERESTS

During 2024, there were no acquisitions of treasury shares or stakes.

BUSINESS SEGMENTS

During 2024, there are no special business segments.

USE OF FINANCIAL INSTRUMENTS SIGNIFICANT FOR ASSESSING FINANCIAL POSITION AND PERFORMANCE

No financial instruments of significance for assessing the financial position and business performance were used.

GOALS AND POLICIES FOR MANAGING FINANCIAL RISKS (PRICE, CREDIT, MARKET, CURRENCY, LIQUIDITY, AND OTHER RISKS)

Not defined.

EXPOSURE TO PRICE, CREDIT, MARKET, CURRENCY, AND LIQUIDITY RISKS

Risk management in the Company is focused on minimizing financial risks in the event of unforeseen business events. Market risk is present and is managed through adequate pricing and other policies. The risk of exchange rate fluctuations arises when the Company operates internationally and is exposed to exchange rate risk because it operates in different currencies. The Company does not have significant concentrations of credit risk. It carefully manages liquidity risk by maintaining a sufficient amount of cash, as well as ensuring adequate sources of financing.

ENVIRONMENTAL PROTECTION MEASURES

The company carries out all activities that are legally required regarding environmental protection.