

ASSOCIATION CRTA, BELGRADE

**Financial Statements as of and for
the Year Ended 31 December 2025**

and

Independent Auditor's Report

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This is an English translation of Independent Auditor's Report and 2025 Financial Statements originally issued in the Serbian language

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INDEPENDENT AUDITOR'S REPORT

To the Management of the Association CRTA, Belgrade

Opinion

We have audited the financial statements of the Association CRTA (hereinafter "the Association"), which comprise the balance sheet as of 31 December 2025 and the income statement 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 Association as of 31 December 2025, and its financial performance for the year then ended in accordance with the accounting regulations prevailing in the Republic of Serbia and accounting policies disclosed in Note 3 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law on Audit and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements*. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Serbia, and we have fulfilled our other ethical responsibilities in accordance with these 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting regulations prevailing in the Republic of Serbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the Management of the Association CRTA, Belgrade (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Belgrade, 27 April 2026




Igor Radmanovic
Certified Auditor

To be filled by other legal entity

Company number: **17414054**

NACE code: **9499**

TIN: **102211181**

Name: **CRTA**

Address: **Beograd (Vračar), Bulevar kralja Aleksandra 70**

BALANCE SHEET

As of December 31st, 2025

- in RSD thousands-

Group accounts, account	ITEM	EDP	Note number	Total		
				Current year	Previous year	
					Final balance 2024	Initial balance 2024
1	2	3	4	5	6	7
	ASSETS					
	A. NON-CURRENT ASSETS (0002 + 0003 + 0009+ 0010 + 0011 + 0012)	0001		16,881	20,698	0
01	I. INTANGIBLE ASSETS	0002		0	0	0
02	II. PROPERTY, PLANT AND EQUIPMENT (0004 + 0005 + 0006 + 0007 + 0008)	0003		13,344	17,169	0
020, 021 and 022	1. Land and buildings	0004		0	0	0
023	2. Plant and equipment	0005	5	13,344	17,169	0
024	3. Investment property	0006		0	0	0
025 and 027	4. Other property, plant and equipment	0007		0	0	0
026 and 028	5. Property, plant and equipment in preparation and advances for property, plants and equipment	0008		0	0	0
03	III. BIOLOGICAL ASSETS	0009		0	0	0
04	IV. LONG-TERM FINANCIAL INVESTMENTS	0010		0		0
05	V. LONG-TERM RECEIVABLES	0011	6	3,537	3,529	0
28 (part)	VI. LONG-TERM PREPAYMENTS AND ACCRUED INCOME	0012				0
	B. OPERATING ASSETS (0014+0019+0020+0021+0022+0023)	0013		118,240	122,794	0

Class 1	I. INVENTORIES (0015+0016+0017+0018)	0014		513	479	0
10	1. Materials, spare parts, small tools and inventor	0015		0	0	0
11 and 12	2. Work in progress and services in progress, finished products	0016		0	0	0
13	3. Merchandise	0017		0	0	0
15	4. Advances paid for inventories and services	0018	7	513	479	0
20	II. RECEIVABLES FROM SALES	0019	8	3,997	2,111	0
22 and 27	III. OTHER RECEIVABLES	0020	9	4,712	6,500	0
23	IV. SHORT-TERM FINANCIAL INVESTMENTS	0021	9	300	2,000	0
24	V. CASH AND CASH EQUIVALENTS	0022	10	108,204	111,001	0
28 (part)	VI. SHORT-TERM PREPAYMENTS AND ACCRUED INCOME	0023	11	514	703	0
	B. TOTAL ASSETS (0001 + 0013)	0024		135,121	143,492	0
88	G. OFF-BALANCE SHEET ASSETS	0025		0	0	0
	LIABILITIES					
	A. CAPITAL (OWN SOURCES) (0402 + 0403 - 0404 + 0405 - 0408) ≥ 0	0401		51,187	65,404	0
30	I. CONTRIBUTIONS (OWN SOURCES) OF THE FOUNDERS AND OTHER PERSONS	0402		0	0	0
330 and demand balance 331	II. POSITIVE REVALUATION RESERVES AND UNREALISED PROFITS	0403		0	0	0
debt balance 331	III. UNREALISED LOSSES	0404		0	0	0
34	IV. RETAINED PROFIT (0406 + 0407)	0405	12	65,404	65,404	0
340	1. Retained profit from previous years	0406	12	65,404	47,742	0
341	2. Retained profit from current year	0407	12	0	17,662	0
35	V. RETAINED LOSS (0409 + 0410)	0408		14,217	0	0
350	1. Excess of expenditure over income of previous year	0409		0	0	0
351	2. Excess of expenditure over income of the current year	0410	12	14,217	0	0
	B. LONG-TERM PROVISIONS AND LIABILITIES (0412+0413)	0411		0	0	0
40	I. LONG-TERM PROVISIONS	0412		0	0	0
41	II. LONG-TERM LIABILITIES (0414+0415)	0413		0	0	0

413 and 414	1. Long-term loans	0414		0	0	
41, excl. 413 and 414	2. Other long-term liabilities	0415		0	0	0
495 (part)	V. LONG-TERM DEFERRED INCOME AND RECEIVED DONATIONS	0416			0	0
49 (part), excl. 495	D. LONG-TERM ACCRUALS AND DEFERRED INCOME	0417		0	0	0
	E. SHORT-TERM RESERVATIONS I SHORT-TERM LIABILITIES (0419 + 0420 + 0421 + 0422 + 0423 + 0424 + 0425)	0418		83,934	78,088	0
463	I.SHORT-TERM PROVISIONS	0419		0	0	0
42	II. SHORT-TERM FINANCIAL LIABILITIES	0420		0	0	0
43	III. LIABILITIES FROM BUSINESS OPERATIONS	0421	13	821	988	0
45, 46, excl. 463 and 47	IV. OTHER SHORT-TERM LIABILITIES	0422	14	352	84	0
48 excl. 481	VI. LIABILITIES FOR OTHER TAXES, CONTRIBUTIONS AND OTHER DUTIES	0423		0	0	0
481	VI. LIABILITIES FOR VALUE ADDED TAX	0424	14	0	3,117	0
49 (part)	VII. SHORT-TERM ACCRUALS AND DEFERRED INCOME	0425	15	82,761	73,899	0
	F. EXCESS OF EXPENDITURE OVER INCOME ABOVE THE AMOUNT OF CONTRIBUTIONS (OWN SOURCES) (0411 + 0416 + 0417 + 0418 - 0024) ≥ 0 = (0404 + 0408 - 0402 - 0403 - 0405) ≥ 0	0426		0	0	0
	G. TOTAL LIABILITIES (0401 + 0411 + 0416 + 0417 + 0418 - 0426)	0427		135,121	143,492	0
89	H. OFF-BALANCE SHEET LIABILITIES	0428		0	0	0

In Belgrade,
On 2026, March 18

Legal representative


Raša Nedeljkov

To be filled by other legal entity

Company number: 17414054

NACE code: 9499

TIN: 102211181

Name: CRTA

Address: Beograd (Vračar), Bulevar kralja Aleksandra 70

INCOME STATEMENT

For the period from January 1st till December 31st, 2025

- in RSD thousands-

Group accounts, account	ITEM	EDP	Note number	Total	
				Current year	Previous year
1	2	3	4	5	6
	A. OPERATING REVENUES (1002 + 1003 + 1004 + 1005 + 1006 + 1007 - 1008 + 1009)	1001	16	316,917	384,744
60	I. INCOME FROM THE SALE OF MERCHANDISE, PRODUCTS AND SERVICES	1002	16	50,631	27,863
630 and 631	II. INCOME FROM MEMBERSHIP AND MEMBERSHIP FEES CONTRIBUTION	1003		0	0
632 and 639	III. INCOME FROM SPECIAL BUDGET REGULATIONS AND OTHER SOURCES	1004		0	0
64	IV. INCOME FROM DONATIONS, PREMIUMS, SUBVENTIONS, ETC..	1005	16	266,286	356,881
65	V. OTHER OPERATING INCOME	1006		0	0
620	VI. INCREASE OF INVENTORY VALUE	1007		0	0
621	VII. DECREASE OF INVENTORY VALUE	1008		0	0
61	VIII. INCOME OF ACTIVATION OF GOODS, PRODUCTS AND SERVICE	1009		0	0
	B. OPERATING EXPENSES (1011 + 1012 + 1013 + 1014 + 1015 + 1016 + 1017 + 1018)	1010	17	331,161	364,651
50	I. PURCHASE PRICE OF MERCHANDISE SOLD	1011		0	0
51	II. COSTS OF MATERIAL AND ENERGY	1012	17	5,560	11,677

52	III. COSTS OF SALARIES, FRINGE BENEFITS AND OTHER PERSONAL EXPENSES	1013	17	135,484	179,931
53	IV. COST OF PRODUCTION SERVICES	1014	17	33,081	57,655
540	V. COSTS OF DEPRECIATION	1015	17	5,562	4,202
541	VI. COSTS OF PROVISIONS	1016		0	0
557	VII. COSTS OF DONATIONS	1017	17	93,521	30,717
55, excl. 557	VIII. NON-MATERIAL COSTS	1018	17	57,953	80,469
	C. OPERATING PROFIT (1001 - 1010) \geq 0	1019			20,093
	D. OPERATING LOSS (1010 - 1001) \geq 0	1020		14,244	0
66	E. FINANCIAL INCOME (1022 + 1023 + 1024 + 1025 + 1026)	1021	18	1,273	2,306
660	I. Financial income incurred with parent companies and subsidiaries	1022		0	0
661	F. INCOME FROM INTEREST	1023	18	269	208
662 and 663	III. FX GAINS AND POSITIVE EFFECTS OF CURRENCY CLAUSE AND OTHER EFFECTS OF RISK PROTECTION	1024	18	1,004	2,098
664	IV. Dividend income	1025		0	0
669	V. Other financial income	1026		0	0
56	II. FINANCIAL EXPENSES (1028 + 1029 + 1030 + 1031)	1027		4,414	2,258
560	I. Financial expenses incurred with parent companies and subsidiaries	1028		0	0
562	II. Costs of interest	1029	19	1	0
563, 564 and 566	III. Negative FX gains and negative effects of currency clause and other effects of risk protection	1030	19	4,413	2,258
569	IV. Other financial expenses	1031		0	0
	G. PROFIT FROM FINANCING (1021 - 1027)	1032			48
	H. LOSS FROM FINANCING (1027 - 1021)	1033		3,141	0
683 and 685	3. INCOME FROM VALUATION ADJUSTMENT OF LONG-TERM AND SHORT-TERM PLACEMENTS AND RECEIVABLES	1034		0	0

583 and 585	I. EXPENSES FROM VALUATION ADJUSTMENT OF LONG-TERM AND SHORT-TERM PLACEMENTS AND RECEIVABLES	1035		0	0
67 and 68, excl. 683 and 685	J. OTHER INCOME	1036	18	3,227	666
57 and 58, excl. 583 and 585	K. OTHER EXPENSES	1037	19	59	28
	L. TOTAL INCOME (1001 + 1021 + 1034 + 1036)	1038		321,417	387,716
	M. TOTAL EXPENSES (1010 + 1027 + 1035 + 1037)	1039		335,634	366,937
	N. EXCESS OF INCOME OVER EXPENSES FROM REGULAR BUSINESS BEFORE TAX (1038 - 1039) ≥ 0	1040			20,779
	O. EXCESS OF EXPENSES OVER INCOME FROM REGULAR BUSINESS BEFORE TAX (1039 - 1038) ≥ 0	1041	20	14,217	
69-59	P. NET INCOME FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ERRORS	1042		0	0
59-69	Q. NET EXPENSES FROM DISCONTINUED OPERATIONS, EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ERRORS	1043		0	0
	R. INCOME BEFORE TAXES (1040 - 1041 + 1042 - 1043) ≥ 0	1044	20		20,779
	S. EXPENSES BEFORE TAXES (1041 - 1040 + 1043 - 1042) ≥ 0	1045	20	14,217	
721	T. TAX EXPENDITURES FOR THE PERIOD	1046	20	0	3,117
	U. NET INCOME (1044 - 1045 - 1046) ≥ 0	1047	20		17,662
	V. NET EXPENSE (1045 - 1044 + 1046) ≥ 0	1048	20	14,217	

In Belgrade,
2026, March 18

Legal representative



Raša Nedeljkov

CRTA

Tax identification number: 102211181

Company registration number: 17414054

Place: Belgrade (Vračar)

Address: Bulevar kralja Aleksandara 70

**NOTES
TO THE FINANCIAL STATEMENTS
FOR THE YEAR 2025**

CRTA

NOTES TO THE FINANCIAL STATEMENT

December 31st, 2025

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- 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES
- 4 FINANCIAL STATEMENTS DISCLOSURES

1. GENERAL INFORMATION ABOUT THE ASSOCIATION

Association CRTA Belgrade (Vračar), Bulevar kralja Aleksandra 70 was founded on July 29th, 2002. and performs its activities in the Republic of Serbia in the form of an association.

Legal representatives of the Association are:

- Vukosava Crnjanski Šabović and
- Raša Nedeljkov.

Head office: Bulevar kralja Aleksandra 70, Beograd, Vračar

Register number: 17414054

Tax identification number: 102211181

The predominant activity: 9499 – Other organisations based on membership

The average number of employees in 2025 is 33, in 2024 37.

In the year 2025, the Association was classified as a small legal entity.

The Financial statement of the Association CRTA Belgrade (Vračar), Bulevar kralja Aleksandra 70 for the year that ended on December 31st, 2025 were approved for disclosure by the decision of the Association management on March 17th, 2026.

2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1. Basis of preparation and presentation of the financial statements and compliance with national regulations

Financial statements of the Association for the year 2025 have been prepared in accordance with the Law on Accounting ("Official Gazette of the RS", No. 73/2019 and 44/21) and other applicable accounting regulations in the Republic of Serbia.

Financial statements have been compiled in accordance with:

- The Law on Accounting ("Official Gazette of the RS", No. 73/19 and 44/21);
- The Rulebook on the method of recognition, valuation, presentation and disclosure of positions in individual financial reports of micro and other legal entities – hereinafter referred to as: the Rulebook ("Official Gazette of the RS" No. 89/20);
- The Rulebook on the Account Framework and the content of accounts in the Account Framework other legal entities ("Official Gazette of the RS", No. 89/20);
- The Rulebook on the content and form of the financial statement and contents and form of a statistical report for other legal entities ("Official Gazette of the RS", No. 89/20).

The attached financial statements are in all their parts harmonised with all relevant provisions of the Rulebook, as well as with by-laws.

In compiling the attached financial statements, the Association applied the accounting policies disclosed in Note 3 hereunder, which are based on the valid accounting and tax regulations of the Republic of Serbia. These policies have been applied consistently to all years presented, unless otherwise noted.

2.2. Comparative data

The comparative data in the financial statements for 2025 were taken from the financial statements for 2024.

2.3. Changes in accounting policies

There were no changes in accounting policies.

2.4. Going concern and subsequent events after the balance sheet date

The financial statements have been prepared under the assumption of the going concern of the Association, i.e. assuming that the Association will continue to operate for an indefinite period of time in the foreseeable future.

2.5. Official and functional reporting currency

Financial statements of the Association are expressed in thousands of dinars (RSD), which is the official currency in which financial reporting is performed in the Republic of Serbia. Unless otherwise stated, all amounts are expressed in thousands of dinars.

2.6. Accounting method

Financial statements have been prepared according to the original purchase value (historical cost) method, unless the Rulebook requires a different basis of valuation in the manner described in the accounting policies.

2.7. Valuation rules – basic assumptions

The financial statements have been prepared on the accrual basis of accounting (matching principle) and the going concern assumption.

Under the accrual basis of accounting, transactions and events are recognized when they occur and are recorded in the financial statements in the period to which they relate, regardless of the timing of the related cash receipts or payments.

The preparation of the financial statements required the management of the Association to make the best possible estimates and reasonable assumptions, which have an impact on the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of income and expenses for the reporting period. These estimates and assumptions are based on the information available as of the date the financial statements were authorized for issue. Actual results may differ from these estimates.

2.8. Recognition of financial statements elements

An asset is recognised in the balance sheet when it is probable that it will be all in flow to the Association on the basis of the use of the asset, and when the asset has acquisition value, or cost price or a reliably measurable value.

Liabilities are recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation, and the amount of the obligation can be measured reliably.

Income is recognised in the income statement when an increase in economic benefits is associated with an increase in assets or a decrease in liabilities that can be measured reliably, that is, revenue recognition occurs simultaneously with the recognition of an increase in assets or a decrease in liabilities.

Expenses are recognised in the income statement when the reductions in economic benefits associated with a decrease in assets or an increase in liabilities can be measured reliably, that is, the recognition of expenses occurs at the same time as the recognition of an increase in liabilities and by reducing funds.

2.9. Impairment of property value

At each balance sheet date, the Association reviews the book value of its tangible and intangible assets to determine whether there has been an impairment loss. If such indications exist, the recoverable amount of the asset is estimated in order to determine the eventual loss. If it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the money-generating unit to which the asset belongs.

The recoverable amount is the net selling price or the value in use, whichever is higher.

If the estimated recoverable amount of an asset (or cash-generating unit) is inferior to the carrying amount, then the book value of that asset is reduced to the recoverable amount. Impairment losses are immediately recognised as an expense.

2.10. Court disputes

When measuring and recognising provisions and determining the level of exposure to potential liabilities related to existing court cases, the management of the Association shall make certain estimations. These estimations are necessary to determine the likelihood of a negative outcome and to determine the amount necessary for a final court settlement. Due to the inherent uncertainty in the valuation process, actual losses may differ from the losses initially determined by the estimation. Therefore, estimates shall be corrected when the Association receives new information, mostly with the support of internal professional services or external advisors.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATIONS

3.1 Foreign currency translation and exchange rate treatment

Transactions denominated in foreign currencies are translated into dinars at the middle exchange rate determined at the interbank foreign exchange market in Serbia, which was in force at the date of the transaction.

Assets and liabilities denominated in foreign currency at the balance sheet date are translated into dinars at the middle exchange rate established on the interbank foreign exchange market for the day.

Assets and liabilities with a currency clause are valued at the agreed exchange rate of the foreign currency on the balance sheet date.

Net positive or negative exchange rate differences, as well as positive and negative effects of the currency clause, are reported within financial income and expenses in the income statement.

Non-monetary items that are measured at historical cost expressed in a foreign currency are translated using the historical rates of exchange at the date of the initial transaction.

The official middle exchange rates of the National Bank of Serbia used for the recalculation of balance sheet positions in foreign currencies or with a currency clause, for certain major currencies on the balance sheet date, were the following:

Currency	December 31 st , 2025	December 31 st , 2024
EUR	117,282	117,0149
USD	99,9156	112,4386
SEK	10,8453	10,2000
GBP	134,4515	141,1178

3.2 Intangible assets, Property, Plant and Equipment

Intangible assets, property, plant, and equipment are initially recognized at purchase cost, or cost value for assets constructed in-house. The purchase cost consists of the invoiced amount increased by all expenses that can be directly attributed to bringing these assets to a condition of functional readiness.

After initial recognition, intangible assets, property, plant and equipment are measured at cost less accumulated

depreciation and accumulated impairment losses, except for buildings and land, which are subsequently measured using the revaluation model.

Equipment is capitalized if its useful life exceeds one year and its individual value is greater than RSD 150,000.

Subsequent expenditures related to property, plant and equipment that aim to extend the useful life or increase capacity are added to the carrying amount of the asset.

Depreciation of intangible assets, property, plant and equipment is calculated on the cost of the asset, using the straight-line method over the estimated useful life of the asset, applying the following rates:

Intangible investments	10-20%
Motor vehicles	15%
Office equipment, other equipment	30%
Computers and IT equipment	30%
Other equipment	10-20%

Depreciation of non-current assets acquired from donations is calculated using the straight-line method, by applying a rate determined based on the duration of the project to which the acquisition relates, to a base comprising the cost of acquisition/cost of production reduced by the residual value.

Depreciation commences in the month following the month in which the asset is put into use.

No depreciation is charged on assets under construction until they are ready for their intended use.

An asset is derecognized from the records upon disposal or when no future economic benefits are expected from its use. Gains or losses on disposal or retirement of an asset (calculated as the difference between the net sale proceeds and the carrying amount) are recognized in the statement of profit or loss in the period in which the asset is derecognized.

3.3 Financial instruments

Classification of financial instruments

Financial instruments include long term financial placements, receivables, short term financial placements, cash and cash equivalents. The Association classifies financial instruments into one of the following categories: financial assets at fair value through the income statement, investments held to maturity, credits (loans), receivables and assets available for sale. Classification depends on intent for which the assets were acquired. The management of the Association determines classification of financial assets at initial recognition.

Financial liabilities include long-term financial liabilities, short-term financial liabilities, operating liabilities and other short-term liabilities.

Effective interest method

The effective interest method is a method of calculating the depreciated value of a financial asset or financial liabilities and the distribution of interest income and interest expense over a specified period. The effective interest rate is the interest rate that accurately discounts future cash payments or receipts during the expected life of the financial instrument or, where appropriate, during a shorter period to the net book value of the financial asset or financial liability.

Cash and cash equivalents

Cash and cash equivalents are cash on hands, funds at current and foreign currency accounts as well as short-term deposits of up to three months that are easily possible to convert to cash are subject to an insignificant risk of change in value.

Credits (loans), placements and receivables

Trade receivables, credits (loans) and other fixed or determinable payments that are not quoted in an active market

are classified as loans (short-term loans) and receivables.

Loans and receivables are measured at depreciated cost using the effective interest method, minus any impairment loss. Interest income is recognized using the effective interest method, except in the case of short-term receivables, where recognition of interest income would not be substantially significant.

Impairment of financial assets

At each balance sheet date, the Association assesses whether there is objective evidence that a financial asset or group of financial assets has been impaired (except for assets carried at fair value through the income sheet). Impairment of financial assets is made when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the assets will change.

Impairment (value adjustments) of receivables is made indirectly based on the management's assessment on the reality of collection of receivables, and directly if the inability to collect is certain and documented. Changes in the value adjustment account are recorded in favour or expense of the income statement. Written off receivables are recorded in the income statement as other income.

3.4 Inventories

Inventory is valued either at cost value, that is, cost price, or net sales value, depending on which of the two is lower.

Cost value includes invoice value from suppliers, import duties, transport expenses, and other variable procurement expenses. Cost price comprises direct material costs, direct labour cost and indirect cost of production. Expenses are included in cost price based on normal level of utilization of capacities, excluding interest costs and cost of period.

Net sales value is the value at which the supplies could normally be sold on the market, after deduction of selling expenses.

3.5 Receivables

Receivables include sales receivables (domestic and foreign customers), receivables from specific operations, and other receivables (such as interest receivables, receivables from employees, receivables from government authorities and organizations, receivables arising from overpaid taxes and contributions excluding income tax, as well as receivables from donors). Receivables are stated at the original invoiced amount, minus value corrections based on their impairments.

Write-off of short-term receivables where there is a probability of uncollectibility is done by indirect write-off, while in cases where the impossibility of collection is complete and documented write-off, in whole or in part, is done by direct write-off.

The probability of impossibility of collection is determined in each specific case based on documented reasons. Short-term receivables that have not been collected within 180 days from the expiry date for collection are indirectly written off in the amount of 100% of the nominal amount of the receivable.

Receivables in foreign currency are valued at the middle exchange rate of the National Bank of Serbia on the balance sheet date, and receivables with a currency clause are valued at the agreed exchange rate on the balance sheet date. Positive and negative exchange differences, as well as the effects of the currency clause, are recorded in favour of financial income and expenses. Definitely uncollectible receivables are directly written off against other expenses.

3.6 Receivables for overpaid income tax

They include overpaid income tax.

3.7 Prepayments and accrued income

Accruals include accrued expenses (expenses related to the future accounting period), receivables for uninvoiced income, accrued expenses based on obligations and other accruals.

3.8 Accrued costs and deferred revenues

In the scope of passive accruals, prepaid income and expenses of the current period for which no document has been received or when the payment obligation arises in the future period are reported.

Deferred revenues and donations received for the purpose determined by the contract are reported within the scope of deferred revenues.

3.9 Capital

Capital represents the remaining participation in the assets of the Association, after deducting all its liabilities. The capital of the Association includes the non-allocated profit of previous or current years.

3.10 Long-term and short-term financial liabilities

Long-term and short-term financial liabilities include loan liabilities and financial leasing liabilities.

Financial liabilities, including loan liabilities, are initially recognized at the fair value of funds received, minus transaction costs.

3.11 Business liability

They include received advances, deposits and sureties, suppliers, issued bills and checks to creditors and liabilities from specific businesses. Liabilities in dinars from business are reported in the unpaid amount. Liabilities in foreign currency are stated at the middle exchange rate on the balance sheet date, and liabilities with a currency clause are stated at the agreed exchange rate.

3.12 Other short-term liabilities

They include liabilities based on wages and salary benefits in the gross amount, liabilities based on interest and financing costs.

3.13 Employee benefits

Employee taxes and contributions for Social Security

Amounts of payments to employees are recognised as salary expenses in the income statement. The Association bears the costs of employees related to health insurance, pension insurance, unemployment insurance and the like. These amounts are reported in the income statement within salary expenses.

Costs of pensions and other benefits after retirement

Amounts of payment to employees are recognised as salary expense in the income statement.

All employees of the Association are part of the pension plan of the Republic of Serbia. All contributions that are mandatory under the Government's pension plan are reported as an expense in the period in which they are incurred. In the regular course of business, the Association makes tax payments and contributions on behalf of its employees. The Association is not involved in other forms of pension plans and has no obligations on these grounds.

Severance pay

Severance pay is paid upon termination of employment before the regular retirement date or when the employee accepts voluntary termination of employment as surplus labour in exchange for severance pay. In accordance with the provisions of the Labour Law, the Association has the obligation to pay the employee severance pay upon retirement in the amount of two average gross wages earned in the Republic of Serbia according to the last published data of the Statistical Office of the Republic of Serbia in the month preceding the month of retirement. Severance payments due in a period longer than 12 months after the balance sheet date are reduced to the present value.

3.14 Income tax

Income tax is the amount that is calculated and paid in accordance with the tax regulations of the Republic of Serbia. The final amount of the income tax liability is determined by applying a tax rate of 15% to the tax base set out in the Association's tax balance.

3.15 Revenues and expenses

Revenues from the sale of goods and services rendered are recognized in the income statement when all risks and rewards have passed to the customer. Sales revenues are recorded when the goods are delivered or the service is rendered. Revenues are recorded at invoiced value.

Revenues from services are recognised according to the degree of completion of the services. The estimation of the degree of completion is made on the basis of the ratio of incurred costs and total projected costs for the execution of those services.

Expenses are recognized based on the principle of causality (matching principle), meaning they are recorded in the same period as the revenues to which they relate.

In the business year, all revenues and expenses related to the business year are recognised, regardless of the date of their collection or payment.

4. FINANCIAL STATEMENTS DISCLOSURES

*all data are expressed in thousands of dinars (RSD).

5. Property, plants and equipment

		2025	2024
023	Plants and equipment	13344	17169

		TOTAL:	13344	17169
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6. Long-term investments

		2025	2024
054	Other non-current financial assets – deposits paid	3537	3529
	TOTAL:	3537	3529

7. Inventories

		2025	2024
150	Paid advances	513	479
	TOTAL:	513	479

8. Receivables from sales

		2025	2024
203	Foreign trade receivables	3997	2111
	TOTAL:	3997	2111

9. Other short-term receivables

		2025	2024
224	Receivables for other taxes and contributions prepaid	0	11
228	Other short-term receivables	4712	6489
231	Short-term loans	300	2000
	TOTAL:	5012	8500

10. Cash and cash equivalents

		2025	2024
241	Bank accounts - Dinars	21518	15128
244	Bank accounts - Foreign currency	86686	95873
	TOTAL:	108204	111001

11. VAT and prepayments and accrued income

		2025	2024
280	Prepaid costs	514	703
	TOTAL:	514	703

12. Capital (AOP0401)

		2025	2024
340	Retained profit from previous years	47742	47742
341	Retained profit from current year	17662	17662
351	Retained loss from current year	14217	0
	TOTAL:	51187	65404

13. Liabilities for received advances and payables to suppliers

		2025	2024
431	Trade payables - domestic	765	971
432	Trade payables - foreign	37	0
439	Other liabilities from business operations	19	17
	TOTAL:	821	988

14. Other short-term liabilities

		2025	2024
479	Liabilities for VAT on difference between calculated VAT and previous taxes	352	84
481	Liabilities for income tax	0	3117
	TOTAL:	352	3201

15. Accruals and deferred income

		2025	2024
495	Deferred grant income of the future periods	82761	73899
	TOTAL:	82761	73899

16. Revenues

		2025	2024
603	Revenues from sale of services	50631	27863
642	Income from donations from abroad	253424	306452
643	Income from donations from domestic legal entities	9796	50372
644	Income from donations from individuals	3066	57
	TOTAL:	316917	384744

17. Expenses

		2025	2024
512	Costs of other material (overhead)	3759	6973
513	Cost of fuel and energy	1437	1019
514	Write offs - inventory	364	3685
520	Costs of salaries and fringe benefits (gross)	77359	93077
521	Costs of taxes and contributions on salaries and fringe benefits charged to employer	11720	14083
522	Costs of remunerations according to temporary service contracts	1060	0

523	Costs of remunerations according to author's contracts	27837	39717
524	Costs of remunerations according to temporary and provisional contracts	6398	11099
525	Costs of remunerations to individuals under other contracts	497	0
529	Other personal expenses remunerations	10613	21955
530	Costs of services used in production process of own costs capitalized	3262	6435
531	Transport services costs	7156	8970
532	Maintenance costs	717	2035
533	Rental costs	16550	22017
535	Advertising costs	3788	13272
536	Costs of researching activities	1077	3705
539	Costs of other services	531	1221
540	Depreciation costs	5562	4202
550	Costs of non-production services	53164	69612
551	Representation costs	2849	9090
552	Costs of insurance premiums	891	696
553	Costs of payment operations	574	616
554	Costs of membership fees	82	269
555	Tax costs	391	91
557	Costs of donations	93521	30717
559	Other non material costs	2	96
	TOTAL:	331161	364651

18. Financial and other revenues

		2025	2024
661	Income from interest	269	208
663	FX Gains	1004	2098
670	Gains on disposals of Intangible assets and property, plants and equipment	0	666
679	Income from Refund of Donations Paid to Grantees	3227	0
	TOTAL:	4500	2972

19. Financial and other expenditures

		2025	2024
562	Interest Expenses	1	0
563	Foreign Exchange Losses	4413	2258
577	Expenses from Write-off of Inventories of Materials and Goods	0	3
579	Other Expenses	59	28
	TOTAL:	4473	2178

20. Operating Result

	2025	2024
1. Net operating result	-14217	20779
2. Income tax liabilities	0	3117

3. Current year's net income	0	17662
4. Net Loss for the Current Year	14217	0

In the process of calculating the income tax, the prescribed tax rate is applied to the difference between the income generated from market activities and the corresponding expenses.

21. POTENTIAL ASSETS AND LIABILITIES

In accordance with Article 22 of the Law on Accounting, the Association reconciled receivables with debtors. Reconciliation of receivables was carried out with the balance as of December 31st, 2025.

In accordance with Article 22 of the Law on Accounting, the Association reconciled its liabilities with creditors. Reconciliation of obligations was carried out with the balance as of December 31st, 2025.

In the process of reconciling with business partners, no unconsolidated receivables were identified.

The Association has no given guarantees nor any other potential liabilities.

On December 31th 2025 the Association appears as a defendant in two lawsuits with a total value of RSD 11000, excluding court costs and interest costs.

For ongoing disputes, the total value of which is RSD 11,000,000 the management expects a positive outcome, on that basis the Association has not made any reservations.

22. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There were no other significant events after the reporting date, including new legal proceedings, enforcement of mortgages or guarantees, status changes, or any other material events.

Belgrade (Vračar), March 18th, 2026

Legal representative



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