

**United Group MC B.V.**

**Annual report 2022**

**Amsterdam, the Netherlands**

United Group MC B.V.  
Spicalaan 41  
2132 JG Hoofddorp  
The Netherlands  
Chamber of Commerce: 65337786

# **United Group MC B.V.**

## **Annual report 2022**

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**1. Directors' report**

# ***United Group MC B.V.***

## ***Annual report 2022***

### **1.1 Directors' report**

The management board (the "Management") of United Group MC B.V. (the "Company") herewith presents to the shareholder the annual report for the year 2022.

#### **1.1.1 Overview of activities**

During the financial year, the Company developed in line with expectations.

#### **1.1.2 Results**

The equity of the Company as at 31 December 2022 amounts to EUR 30,769,990 negative (2021: EUR 27,944,516 negative).

The result for the year 2022 amounts to a loss of EUR 1,068,169 (2021: EUR 16,488,091 loss).

#### **1.1.3 Future outlook**

Management has no current plans which would have a significant influence on expectations concerning future activities, investments, financing, staffing and profitability.

#### **1.1.4 Subsequent events**

Management is not aware of any other events that have occurred since the balance sheet date that were not included in the financial statements.

# United Group MC B.V. Annual report 2022

## 1.1 Directors' report

Hoofddorp, 25 October 2023



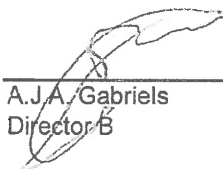
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J. Zivko  
Director A



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S. Cunder  
Director A



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A.J.A. Gabriels  
Director B



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M.D. Gbrissen  
Director B

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**2. Financial statements**

# United Group MC B.V.

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### 2.1 Balance sheet as of 31 December 2022

(Before result appropriation)

ASSETS	Note	31 December 2022		31 December 2021	
		EUR	EUR	EUR	EUR
<b>Fixed assets</b>					
<i>Tangible fixed assets</i>					
Equipment		<u>3,848</u>		<u>4,118</u>	
			3,848		4,118
<b>Current assets</b>					
	2.4.1				
Receivables from group companies		3,397,508		1,511,487	
Receivables from participants and companies		1,873,512		252,613	
Taxes and premiums social insurance		-		82,126	
Other prepayments and accrued income		<u>836,961</u>		<u>2,513,971</u>	
			6,107,981		4,360,197
<i>Cash at bank</i>			906,987		3,322,756
			<u>7,018,816</u>		<u>7,687,071</u>

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**2.1 Balance sheet as of 31 December 2022**

LIABILITIES	31 December 2022		31 December 2021	
	EUR	EUR	EUR	EUR
<b>Shareholder's equity</b>				
Issued and paid up share capital	2.4.2	1	1	
Other reserves		(29,701,822)	(11,456,426)	
Result financial year		<u>(1,068,169)</u>	<u>(16,488,091)</u>	
		(30,769,990)		(27,944,516)
<b>Current liabilities</b>				
Accounts payable		1,012,954	714,193	
Debts to group companies		-	12,114	
Taxes and premiums social insurance		(93,623)	-	
Other debts	2.4.3	34,703,269	34,144,290	
Accrued liabilities		<u>2,166,206</u>	<u>760,990</u>	
		37,788,806		35,631,587
			<u>7,018,816</u>	<u>7,687,071</u>



# United Group MC B.V.

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### 2.2 Profit and loss account 2022

		2022		2021	
		EUR	EUR	EUR	EUR
Net turnover	2.5.1		18,414,857		15,786,236
Cost of sales			<u>18,289,323</u>		<u>15,434,963</u>
<b>Gross margin</b>			125,534		351,273
Other operating income			-		36,725
<b>Gross operating result</b>			<u>125,534</u>		<u>387,998</u>
Depreciation tangible fixed assets		1,558		25,002	
Other personnel costs	2.5.2	171,893		82,800	
Housing costs		71,216		63,555	
Car costs		3,704		17,510	
General costs	2.5.3	<u>927,425</u>		<u>16,680,848</u>	
<b>Total operating costs</b>			1,175,796		16,869,715
<b>Operating result</b>			<u>(1,050,262)</u>		<u>(16,481,717)</u>
Interest and similar expenditure		<u>(17,907)</u>		<u>(6,244)</u>	
<b>Total financial income and expenditure</b>			(17,907)		(6,244)
<b>Result before taxation</b>			<u>(1,068,169)</u>		<u>(16,487,961)</u>
Taxation			-		-
<b>Result after taxation</b>			<u><u>(1,068,169)</u></u>		<u><u>(16,487,961)</u></u>

# **United Group MC B.V.**

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### **2.3 Notes to the financial statements**

#### **General notes**

##### **Company**

The Company was incorporated with limited liability under the laws of The Netherlands on 15 February 2016. The statutory seat of the Company is in Amsterdam, the Netherlands. The principal place of business is at Spicalaan 41, 2132 JG in Hoofddorp, the Netherlands. The Company is registered at the Dutch Chamber of Commerce under number 65337786.

##### **Going concern**

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The equity of the Company as at 31 December 2022 amounts to negative EUR 30,769,990.

Management has assessed this situation and has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

##### **Activities**

The principal objectives of the Company are among others to provide strategic and financial advisory services, including outsourcing of employees to businesses and companies with which the Company forms a group.

##### **Group structure**

The Company is wholly owned by United Group B.V., located in Hoofddorp, the Netherlands.

##### **Estimates**

The preparation of the financial statements requires management to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed.

##### **General accounting policies**

###### **General**

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. The financial statements are prepared under the historical cost convention and prepared in Euro ("EUR"), the Company's functional currency.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

The Company qualifies as a micro sized company. Therefore, based on article 395a Book 2 of the Dutch Civil Code, certain exemptions apply to the figures, presentation and disclosures in the Company's financial statements.

###### **Comparison previous year**

The accounting principles remained unchanged compared to the previous period.

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### **Foreign currency**

Assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions: gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary balance sheet items, which are valued at cost and resulting from transactions in foreign currencies, are translated at the rate prevailing on the date of the transaction.

### **Receivables**

Upon initial recognition, the receivables are valued at fair value and the valued at amortised cost.

### **Cash at banks**

Cash at banks represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks is carried at nominal value.

### **Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

## **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

### **General**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Profit or loss is determined taking into account the recognition of unrealised changes in fair value of investment property, securities included in current assets and derivative financial instruments not designated as hedging instruments.

### **Corporate income tax**

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes.

Corporate income tax expense comprises current tax. Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. Corporate income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity.

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### 2.4 Notes to the balance sheet

#### ASSETS

##### 2.4.1 CURRENT ASSETS

##### Receivables from group companies

Receivables from group companies can be detailed as follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
Due from Telemach d.o.o., Slovenia	116,957	164,429
Due from United Media S.à r.l., Luxembourg	1,623,450	-
Due from EON TV International Limited, Cyprus	8,373	6,089
Due from Serbia Broadband-Srpske, Kablovske Mreze d.o.o., Serbia	207,128	167,757
Due from Telemach d.o.o., Bosnia and Herzegovina	42,161	45,942
Due from Telemach Crna Gora d.o.o., Montenegro	7,605	9,444
Due from United Media Network A.G., Switzerland	(38,235)	483,718
Telemach Hrvatska d.o.o. za telekomunikacijske usluge, Croatia	295,093	109,574
Shoppster d.o.o., Serbia	5,008	6,074
United Group SI d.o.o., Slovenia	-	12,650
Adria News S.à r.l., Luxembourg	9,898	21,989
Adria News d.o.o., Croatia	68	1,121
United Media Production d.o.o., Serbia	1,650	2,242
United Media Production d.o.o., Slovenia	50	320
Bulgarian Telecommunications Company EAD, Bulgaria	459,488	318,849
Nova Telecommunications Single Member S.A., Greece	563,562	131,010
Shoppster, spletna trgovina d.o.o., Slovenia	125	11,174
Adria Cable B.V., the Netherlands	85,038	18,431
Slovenia Broadband S.à r.l., Luxembourg	10,089	674
	<u>3,397,508</u>	<u>1,511,487</u>
	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
<b>Receivables from participants and companies</b>		
Receivable from United Group B.V., the Netherlands	1,873,512	252,613
	<u>1,873,512</u>	<u>252,613</u>

Receivables from participants and companies relates to invoices issued to United Group B.V.

##### Taxes and premiums social insurance

Taxes and premiums social insurance relate to VAT receivable from the Dutch tax authorities. Part of this receivable is due from Summer BidCo B.V., the head of the fiscal unity, which received the refund on behalf of the Company.

##### Other prepayments and accrued income

Other prepayments and accrued income relates to prepaid fees and deferred revenue which will fall due within 12 months.

##### Cash at banks

Cash at banks is freely at the disposal of the Company.

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### **2.4 Notes to the balance sheet**

#### **LIABILITIES**

##### **2.4.2 SHAREHOLDER'S EQUITY**

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<b>Issued and paid up share capital</b>		
Value as of 1 January	1	1
Issuance of shares	-	-
Value as of 31 December	<u>1</u>	<u>1</u>

At balance sheet date the share capital of the Company amounts to EUR 0.01, divided into 1 ordinary share with a nominal value of EUR 0.01, which has been fully paid up.

	<u>2022</u>	<u>2021</u>
	EUR	EUR
<b>Other reserves</b>		
Value as of 1 January	(11,456,426)	(3,324,613)
Result prior period	(18,245,396)	(8,131,813)
Value as of 31 December	<u>(29,701,822)</u>	<u>(11,456,426)</u>

##### **Proposed appropriation of result for the financial year**

The board of directors proposes to the general meeting that the result for the 2022 financial year, amounting to a loss of EUR 1,068,169, should be transferred fully to other reserves and that no dividend should be paid.

This proposal has not yet been incorporated in the financial statements.

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### **2.4 Notes to the balance sheet**

#### **CURRENT LIABILITIES**

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
<b>2.4.3 Other debts</b>		
Due to Telemach AD Podgorica, Montenegro	90,604	6,250
Due to United Group RS, Serbia	1,195,299	901,458
Due to United Group SI, Serbia	1,287,206	836,582
Due to United Group B.V., the Netherlands	32,060,000	32,400,000
Due to Telemach Hrvatska d.o.o. za telekomunikacijske usluge, Croatia	70,160	-
	<u>34,703,269</u>	<u>34,144,290</u>

Other debts relate to account payables due to group companies. Due to United Group B.V. relates to an intercompany loan agreement between United Group B.V. as lender and the Company as borrower with a total commitment of EUR 40,000,000. The credit facility does not bear any interest and matures on 1 December 2030.

#### **2.4.4 Contingent liabilities**

##### *Fiscal unity for corporate income tax*

The Company forms part of the fiscal unity for corporate income tax with the following entities:

- Summer MidCo B.V.
- Summer BidCo B.V.
- Adria Topco B.V.
- Adria Cable B.V.
- Adria Midco B.V.
- Adria Serbia Holdco B.V.
- United Group B.V.

As a result, the Company is jointly and severally liable for the corporate income tax of the fiscal unity as a whole.

##### *Fiscal unity for value added tax*

The Company forms part of the fiscal unity for value added tax with Summer Bidco B.V. and United Group B.V. As a result, the Company is jointly and severally liable for the value added tax of the fiscal unity as a whole.

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### 2.5 Notes to the profit and loss account

#### 2.5.1 Net turnover

Net turnover relates to services that have been rendered to the group companies.

#### 2.5.2 Other personnel costs

Other personnel costs relate to recruitment fees.

#### 2.5.3 General costs

General costs can be detailed as follows:

	2022	2021
	EUR	EUR
Administrative costs	127,058	84,564
Consulting fee	-	15,987,214
Legal costs	3,500	11,705
Notary costs	-	143
Postal expenses	-	27
Bank charges	1,820	1,961
Management fees	469,192	516,430
Fiscal fees	325,373	50,445
Sponsorships	-	15,113
Other general costs	482	13,246
	<u>927,425</u>	<u>16,680,848</u>

#### 2.5.4 Staff numbers and employment costs

During the year under review, the Company employed 3 people (previous period: 3). The employee costs are included in the costs of sales.

### 2.6 Post-balance sheet events

Management is not aware of any events that took place after balance sheet date that could have a material effect on the financial position of the Company.

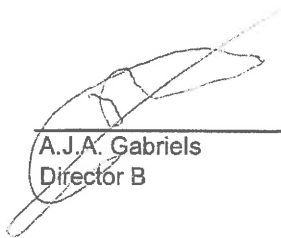
Hoofddorp, 25 October 2023



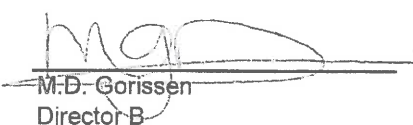
J. Zivko  
Director A



S. Cunder  
Director A



A.J.A. Gabriels  
Director B



M.D. Gorissen  
Director B