



## Akciju Sabiedrība ELKO GRUPA

Unaudited Consolidated Financial Statements  
For 3 months ended 31 March 2025

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## **Akciju Sabiedrība ELKO Grupa Management report on operational consolidated financial statements for 3 months period ended 31 March 2025**

### **Company profile**

Akciju Sabiedrība ELKO Grupa and its subsidiaries (hereinafter – the Company or ELKO), is one of the region's largest distributors and wholesalers of IT and consumer electronics products and solutions with more than 30 years of experience. ELKO represents 350 IT manufacturers and provides a wide range of products and distribution services to more than 12,000 retailers, local computer manufacturers, system integrators, and enterprises across various sectors in 13 countries in Central and Eastern Europe and the Nordics.

Top product groups by turnover: mobile communication (smartphones and tablets); personal computing (notebooks and PCs); components; home and office electronics and peripherals; small domestic appliances; mobility, hobby and leisure products; solutions and value-added services; software; power solutions.

Top 20 manufacturers by turnover in 2024: Apple, Roborock, DJI, Samsung, Asus, Lenovo, Xiaomi, Dell Technologies, Dreame, MSI, Oppo, Western Digital, Seagate, Acer, Gigabyte, LG, Hewlett-Packard Enterprise (HPE), Intel, HP, TP-Link.

Currently, ELKO employs more than 1080 people and is headquartered in Riga, Latvia.

### **Financial analysis**

Akciju Sabiedrība ELKO Grupa consolidated turnover during the 3 months of 2025 reached USD 253.2m (EUR 240.6m), a 0.8% increase over the corresponding period in 2024. While the total revenue compared to the previous period remained flat due to changes in remaining business mix towards divested Ukrainian business, our Q1 topline in other geographies demonstrated an average single-digit growth driven by personal computing, small domestic appliances and mobility segments. In 2025 Q1, gross profit reached USD 20.6m (EUR 19.6m), an increase of 7.54% year-on-year despite the pressure in a market where the anticipated growth was limited to specific market segments and was highly competitive. The Company's net profit reached USD 1.4m (EUR 1.3m). Despite the inflationary pressure, the Company maintained strong cost control to ensure operational expenses aligned with business development.

Geopolitics and high uncertainty about the future economic outlook put pressure on several of our markets in Q1 2025. While the Nordic region continued to be the main growth engine in ELKO Group, remaining strongly focused on small domestic appliances and consumer electronics, subdued customer sentiment, postponed budget allocations, and cautious investment decisions did not allow for reaching full growth potential. Continued investment and focus on selected markets ensured a relatively strong quarter for personal computing. Strong relationships and increasingly advanced marketing campaigns for fast-growing small domestic appliances and mobility brands allowed further growth in these segments to be secured. At the same time, the component segment remained flat, and it was a notably weaker quarter for the solution business, as a significant number of public and private enterprise projects got postponed further in the year. In the first quarter of 2025, ELKO Group took strategic moves to expand into specialised market segments through M&A. A circular economy specialist based in the Nordics, focused on delivering integrated services to telco and retail sectors, is now part of the ELKO Group. Additionally, a Share Purchase Agreement was signed with a Lithuanian white goods distributor, marking ELKO's strategic entry into the large domestic appliance segment. The transaction is expected to close by the end of May.

### **Prospects**

The Company's performance is and will be influenced by macroeconomic, competitive and political factors and the development of markets where the Company operates. The key factors driving the Company's growth in the future are a strong vendor pipeline and initiatives in expanding cooperation with current top vendors. Subject to integration activities, we also expect our recent M&A deals to yield growth in the coming quarters. Operational data from Q2 suggests that there is a solid recovery in the PC components segment, and relentless focus on select fast-growing small domestic appliance vendors will allow us to supersede Q1 growth rates in most of ELKO's geographies. Given occasional divergence between vendor expectations and consumer sentiment, cautious management of working capital remains among the top priorities for the management team of ELKO.

### **Akciju Sabiedrība ELKO Grupa structure**

Akciju Sabiedrība ELKO Grupa holds shareholdings in the following subsidiaries: ELKO Lietuva UAB, ELKOTEX d.o.o., ELKO Eesti OU, ELKO Polska Sp.z.o.o., ELKOTech Romania SRL, WESTech spol. s.r.o., WESTech CZ s.r.o., WESTech solutions s.r.o., ELKO Trading Switzerland A.G., ELKO Mobile Ltd., Gandalf Distribution AB, Arašid spol. s.r.o., Logicworks s.r.o., Westech HU Kft. (previous name: Game Distribution Kft.), SWISS spol. s.r.o., SWISS CZ s.r.o., ELKO Trading Kazakhstan LLP, ELKO Nordics Shared Services AB, EDN Webshop AB and Renewed AB (from 05.03.2025).

Akciju Sabiedrība ELKO Grupa holds a majority shareholding in all of the above subsidiaries except ELKOTEX d.o.o. with 49% of shares, WESTech solutions s.r.o. with 25% of shares, SWISS spol. s.r.o. with 26% of shares, SWISS CZ s.r.o. with 26% of shares, and Internet Patro CZ s.r.o. with 10% of shares (starting 04.09.2024).

**Management report (cont'd)****Financial risk management*****Multi-currency risk***

The Company operates internationally and is exposed to foreign exchange risks, primarily from the US dollar, euro, Romanian lei and Swedish krona. Foreign exchange risks arise from future multi-currency transactions and the recognition of assets, liabilities and long-term investments in various currencies.

The purchase of goods is predominantly in US dollars, but sales are conducted in different currencies. In the CIS region, the main currency is the US dollar, but in the Baltics, trade is conducted in euros. CEE countries Slovakia and Slovenia trade in euros, but Romania in its national currency – the Romanian lei. In the Nordic region, most sales are transacted in Swedish krona.

The Company has shareholdings in foreign currencies and is therefore exposed to foreign currency risk when financial assets and liabilities denominated in foreign currencies are translated into the presentation currency – the US dollar.

Currency risk is actively mitigated by using different tools. The Company has centrally developed and globally applied currency risk management policies and procedures.

***Interest-rate risk***

The Company utilises short-term borrowing for the partial financing of its current assets. All borrowings are at floating rates, thus exposing the Company to interest rate risks.

***Credit risk***

Credit risks arise from credit exposure to outstanding trade receivables. The Company has implemented procedures and control mechanisms to manage credit risks. Credit risk is partly minimised through credit risk insurance, but mainly, the risk is minimised by internally developed conservative credit-monitoring policies. Individual risk limits are set based on internal or external ratings in accordance with the credit policy. The utilisation of credit limits is regularly monitored.

***Inventories***

The Company determines the amount of inventories based on expected future demand and market saturation. Any changes in demand and/or rapid obsolescence of products or technological changes will result in excess stock and the accumulation of obsolete items. The Company makes centralised plans for the purchase and sale of products. Furthermore, upgrading the procedure for placing orders has helped decrease inventory days. Weekly inventory analysis minimises the need to establish provisions for obsolete items.

The risk related to product flow management is partially reduced through price-protection arrangements under the cooperation agreements with major vendors. The agreements provide the rights to claim compensation on pre-ordered goods in the warehouse in cases of a price reduction or decline in market prices.

***Liquidity risk***

Prudent liquidity-risk management includes maintaining sufficient cash and the availability of funding from a sufficient number of committed credit facilities. In the future, the Company's management plans to increase the liquidity reserve based on the expected cash flows by improving working capital management.

**Events after the balance sheet date**

On the 21st of February, 2025, ELKO Grupa AS (ELKO Group) signed a Sales and Purchase Agreement for the purchase of 100 percent of the shares in Deltaco Baltic UAB, a Lithuanian subsidiary of Aurdal Sweden AB, a part of DistIT Group, as part of its strategic expansion into major domestic appliance distribution. The sale price amounts to 3 MEUR. The transactions has been approved by local authorities in the beginning of May and it is planned to be closed by the end of May. Thus, Deltaco Baltic UAB will be consolidated into ELKO Grupa starting from June 2025. Otherwise, there have been no subsequent events after the last date of the reporting period that would have a significant effect on the Company's financial position as of 31 March 2025.



Egons Mednis  
Chairman of the Board

### **Statement of Directors' responsibility**

The Board of Akciju Sabiedrība ELKO Grupa confirms that based on the information available at the time of the preparation of the financial statements, the consolidated interim financial statements give a true and fair view in all material aspects of the financial position of the Company as of March 31, 2025, and of its financial operations for the period ended 31 March 2025. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. During the preparation of the financial statements the management has:

on consistent basis applied appropriate accounting methods;  
has provided well-grounded and prudent conclusions and evaluations;  
has followed the going concern principle.

The Board of Directors of Akciju Sabiedrība ELKO Grupa is responsible for the maintenance of proper accounting records so that at the appropriate moment the financial records would show a true and fair view of the financial position of the Company and would ensure the possibility for the management to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

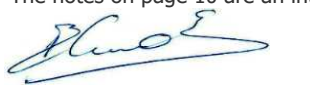


Egons Mednis  
Chairman of the Board

## Consolidated income statement

	Note	Jan-Mar 2025 USD'000	Jan-Mar 2024 USD'000	Jan-Mar 2025 EUR'000	Jan-Mar 2024 EUR'000
Revenue		253,221	251,223	240,628	231,342
Cost of sales		(232,634)	(232,080)	(221,064)	(213,714)
<b>Gross profit</b>		<b>20,587</b>	<b>19,143</b>	<b>19,564</b>	<b>17,628</b>
Distribution expenses		(1,584)	(1,866)	(1,505)	(1,719)
Administrative expenses		(14,720)	(14,200)	(13,989)	(13,076)
Other income		644	1,295	613	1,192
Other expenses		(1,564)	(124)	(1,487)	(115)
<b>Operating profit</b>		<b>3,363</b>	<b>4,248</b>	<b>3,196</b>	<b>3,910</b>
Finance income		166	419	158	386
Finance expenses		(1,825)	(2,021)	(1,734)	(1,861)
<b>Finance income/ (expenses) – net</b>		<b>(1,659)</b>	<b>(1,602)</b>	<b>(1,576)</b>	<b>(1,475)</b>
<b>Profit before income tax</b>		<b>1,704</b>	<b>2,646</b>	<b>1,620</b>	<b>2,435</b>
Income tax expense	4	(285)	(611)	(271)	(562)
<b>Profit for the period</b>		<b>1,419</b>	<b>2,035</b>	<b>1,349</b>	<b>1,873</b>
<b>Attributable to:</b>					
Equity holders of the Company		1,148	1,997	1,091	1,838
Non-controlling interest		271	38	258	35
		<b>1,419</b>	<b>2,035</b>	<b>1,349</b>	<b>1,873</b>
Earnings per share (basic and diluted) for profit attributable to the equity holders of the Company during the year (expressed in USD and EUR per share)	5	<b>0.12</b>	<b>0.20</b>	<b>0.11</b>	<b>0.19</b>
<b>Other comprehensive income to be reclassified to profit loss in subsequent periods</b>					
Exchange differences on translation of foreign operations		(36)	(3,681)	(4,971)	(688)
<b>Total comprehensive income to be reclassified to profit loss in subsequent periods for the year</b>		<b>1,383</b>	<b>(1,646)</b>	<b>(3,622)</b>	<b>1,185</b>
<b>Attributable to:</b>					
Equity holders of the Company		237	(1,238)	(4,059)	1,148
Non-controlling interest		1,146	(408)	437	37
		<b>1,383</b>	<b>(1,646)</b>	<b>(3,622)</b>	<b>1,185</b>

The notes on page 10 are an integral part of these consolidated financial statements.



Egons Mednis  
Chairman of the Board

## Consolidated balance sheet

	Note	31.03.2025 USD'000	31.12.2024 USD'000	31.03.2025 EUR'000	31.12.2024 EUR'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		6,864	6,460	6,346	6,218
Intangible assets		1,223	1,285	1,130	1,237
Right-of-use assets		16,073	15,642	14,861	15,056
Goodwill on acquisition of subsidiary		3,779	1,947	3,494	1,874
Investments in associates		4,167	3,862	3,853	3,718
Long term loans		36	536	35	516
		<b>32,142</b>	<b>29,732</b>	<b>29,719</b>	<b>28,619</b>
<b>Current assets</b>					
Inventories		172,561	128,982	159,557	124,153
Current income tax receivable		1,560	364	1,442	350
Short term loans		1,934	1,314	1,789	1,265
Other current financial investments		2,973	3,156	2,754	3,038
Trade and other receivables		167,588	169,864	154,960	163,504
Derivative financial instruments		8	221	7	213
Cash and cash equivalents		639	26,332	585	25,346
		<b>347,263</b>	<b>330,233</b>	<b>321,094</b>	<b>317,869</b>
<b>Total assets</b>		<b>379,405</b>	<b>359,965</b>	<b>350,813</b>	<b>346,488</b>
<b>EQUITY</b>					
Ordinary shares		11,251	11,251	9,901	9,901
Share premium		5,996	5,996	4,974	4,974
Translation reserve		(17,674)	(16,763)	2,460	7,610
Retained earnings		113,484	112,336	87,202	86,111
		<b>113,057</b>	<b>112,820</b>	<b>104,537</b>	<b>108,596</b>
<b>Non-controlling interest in equity</b>		<b>17,988</b>	<b>16,960</b>	<b>16,633</b>	<b>16,325</b>
<b>Total equity</b>	2	<b>131,045</b>	<b>129,780</b>	<b>121,170</b>	<b>124,921</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings		21,636	20,790	20,006	20,011
Interest-bearing loans from related		2,507	2,507	2,322	2,413
Lease liabilities		11,487	11,487	11,057	11,057
	3	<b>35,630</b>	<b>34,784</b>	<b>33,385</b>	<b>33,481</b>
<b>Current liabilities</b>					
Trade and other payables		111,758	110,841	103,336	106,692
Interest-bearing loans and borrowings	3	90,381	75,080	82,974	72,270
Lease liabilities	3	4,108	4,108	3,954	3,954
Income tax payable		1,595	982	1,474	945
Provisions		4,886	4,390	4,518	4,225
Derivative financial instruments		2	-	2	-
		<b>212,730</b>	<b>195,401</b>	<b>196,258</b>	<b>188,086</b>
<b>Total liabilities</b>		<b>248,360</b>	<b>230,185</b>	<b>229,643</b>	<b>221,567</b>
<b>Total equity and liabilities</b>		<b>379,405</b>	<b>359,965</b>	<b>350,813</b>	<b>346,488</b>

The notes on page 10 are an integral part of these consolidated financial statements.



Egons Mednis  
Chairman of the Board

## Consolidated statement of changes in equity

	Issued capital	Share premium	Retained earnings	Transla-tion reserve	Total	Non-controlling interest	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 January 2024</b>	<b>11,251</b>	<b>5,996</b>	<b>110,621</b>	<b>(10,301)</b>	<b>117,567</b>	<b>20,678</b>	<b>138,245</b>
Effect of adoption of new accounting standards	-	-	-	-	-	-	-
<b>Balance at 1 January 2024 (restated)</b>	<b>11,251</b>	<b>5,996</b>	<b>110,621</b>	<b>(10,301)</b>	<b>117,567</b>	<b>20,678</b>	<b>138,245</b>
Other comprehensive income	-	-	-	(6,462)	(6,462)	(2,213)	(8,675)
Profit for the period	-	-	11,892	-	11,892	2,231	14,123
<b>Total recognized income and expense for 2024</b>	<b>11,251</b>	<b>5,996</b>	<b>122,513</b>	<b>(16,763)</b>	<b>122,997</b>	<b>20,696</b>	<b>143,693</b>
Dividend relating to prior years	-	-	(10,177)	-	(10,177)	(3,736)	(13,913)
<b>Balance at 31 December 2024</b>	<b>11,251</b>	<b>5,996</b>	<b>112,336</b>	<b>(16,763)</b>	<b>112,820</b>	<b>16,960</b>	<b>129,780</b>
<b>Balance at 1 January 2025</b>	<b>11,251</b>	<b>5,996</b>	<b>112,336</b>	<b>(16,763)</b>	<b>112,820</b>	<b>16,960</b>	<b>129,780</b>
Other comprehensive income	-	-	-	(911)	(911)	875	(36)
Profit for the period	-	-	1,148	-	1,148	271	1,419
<b>Total recognized income and expense for 2025</b>	<b>-</b>	<b>-</b>	<b>1,148</b>	<b>(911)</b>	<b>237</b>	<b>1,146</b>	<b>1,383</b>
Dividend relating to prior years	-	-	-	-	-	(509)	(509)
Acquisition of a subsidiary	-	-	-	-	-	391	391
<b>Balance at 31 March 2025</b>	<b>11,251</b>	<b>5,996</b>	<b>113,484</b>	<b>(17,674)</b>	<b>113,057</b>	<b>17,988</b>	<b>131,045</b>

	Share capital	Share premium	Retained earnings	Transla-tion reserve	Total	Non-controlling interest	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
<b>Balance at 1 January 2024</b>	<b>9,901</b>	<b>4,974</b>	<b>84,543</b>	<b>6,978</b>	<b>106,396</b>	<b>18,713</b>	<b>125,109</b>
Effect of adoption of new accounting standards	-	-	-	-	-	-	-
<b>Balance at 1 January 2024 (restated)</b>	<b>9,901</b>	<b>4,974</b>	<b>84,543</b>	<b>6,978</b>	<b>106,396</b>	<b>18,713</b>	<b>125,109</b>
Other comprehensive income	-	-	-	632	632	(939)	(307)
Profit for the period	-	-	10,989	-	10,989	2,062	13,051
<b>Total recognized income and expense for 2024</b>	<b>-</b>	<b>-</b>	<b>10,989</b>	<b>632</b>	<b>11,621</b>	<b>1,123</b>	<b>12,744</b>
Dividend relating to prior years	-	-	(9,421)	-	(9,421)	(3,511)	(12,932)
<b>Balance at 31 December 2024</b>	<b>9,901</b>	<b>4,974</b>	<b>86,111</b>	<b>7,610</b>	<b>108,596</b>	<b>16,325</b>	<b>124,921</b>
<b>Balance at 1 January 2025</b>	<b>9,901</b>	<b>4,974</b>	<b>86,111</b>	<b>7,610</b>	<b>108,596</b>	<b>16,325</b>	<b>124,921</b>
Other comprehensive income	-	-	-	(5,150)	(5,150)	179	(4,971)
Profit for the period	-	-	1,091	-	1,091	258	1,349
<b>Total recognized income and expense for 2025</b>	<b>-</b>	<b>-</b>	<b>1,091</b>	<b>(5,150)</b>	<b>(4,059)</b>	<b>437</b>	<b>(3,622)</b>
Dividend relating to prior years	-	-	-	-	-	(490)	(490)
Acquisition of a subsidiary	-	-	-	-	-	361	361
<b>Balance at 31 March 2025</b>	<b>9,901</b>	<b>4,974</b>	<b>87,202</b>	<b>2,460</b>	<b>104,537</b>	<b>16,633</b>	<b>121,170</b>

The notes on page 10 are an integral part of these consolidated financial statements.



## Consolidated cash flows statement

	Jan-Mar 2025	Jan-Mar 2024	Jan-Mar 2025	Jan-Mar 2024
	USD'000	USD'000	EUR'000	EUR'000
<b>Cash flows from operating activities</b>				
Profit before tax	1,704	2,646	1,620	2,435
Adjustment to reconcile profit before tax to net cash flows				
Depreciation and amortization	692	702	657	646
Loss on disposal of property, plant and equipment	(39)	(96)	(37)	(88)
Interest income	(166)	(419)	(158)	(386)
Interest expenses	1,825	2,021	1,734	1,861
Fair value (gain)/losses on derivative financial instruments, net	(211)	(75)	(204)	(67)
Movements in provisions and allowances	548	(204)	342	(108)
Share of net profit of associate and a joint venture	(149)	(122)	(142)	(112)
Working capital adjustments:				
Decrease/(Increase) in trade and other receivables	1,306	10,637	7,646	6,470
Decrease/(Increase) in inventories	(44,513)	(17,930)	(36,268)	(19,151)
(Decrease)/ Increase in trade and other payables	6,413	(8,007)	(1,799)	(3,098)
Interest received	166	419	158	386
Interest paid	(1,825)	(2,021)	(1,734)	(1,861)
Income tax paid	(1,444)	(1,287)	(1,372)	(1,185)
Increase in other current financial investments	(183)	(10)	(176)	(9)
<b>Net cash flows used in operating activities</b>	<b>(35,876)</b>	<b>(13,746)</b>	<b>(29,733)</b>	<b>(14,267)</b>
<b>Cash flows from investing activities</b>				
Proceeds ( loss) from sale of property, plant and equipment	40	(96)	37	(89)
Purchases of property, plant and equipment and intangible assets	(755)	(771)	(717)	(710)
Acquisition of a subsidiary, net of cash acquired	(4,860)	-	(4,600)	-
<b>Net cash flows from / (used in) investing activities</b>	<b>(5,575)</b>	<b>(867)</b>	<b>(5,280)</b>	<b>(799)</b>
<b>Cash flows from financing activities</b>				
Proceeds from bank overdrafts, net	16,267	3,045	10,742	4,828
Dividends paid to equity holders of the parent	-	(4,000)	-	(3,641)
Dividends paid to the Minority shareholders	(509)	(165)	(490)	(153)
<b>Net cash flows (used in) / from financing activities</b>	<b>15,758</b>	<b>(1,120)</b>	<b>10,252</b>	<b>1,035</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(25,693)</b>	<b>(15,733)</b>	<b>(24,761)</b>	<b>(14,031)</b>
Cash and cash equivalents at beginning of the year	26,332	26,073	25,346	23,595
Exchange gains / (losses) on cash	-	-	-	-
<b>Cash and cash equivalents at end of the period</b>	<b>639</b>	<b>10,340</b>	<b>585</b>	<b>9,564</b>

The notes on page 10 are an integral part of these consolidated financial statements.

## Notes to the consolidated financial statements

### 1. General principles

These interim consolidated financial statements for 3 months ended 31 March 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS). The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

### 2. Share capital

The total authorised and issued number of ordinary shares is 9,785 thousand shares (2024: 9,785 thousand shares) with a value of USD 1.1358 per share (2024: USD 1.1358 per share) and with value of EUR 1.00 per share (2024: EUR 1.00 per share) and 115.99 thousand (2024: 115.99 shares) personal non voting shares with value of USD 1.1358 per share and with value of EUR 1.00 per share (2024: EUR 1.00 per share). All issued shares are fully paid. There are no share options in any of the years presented.

### 3. Borrowings

	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	USD'000	USD'000	EUR'000	EUR'000
<b>Non-current</b>				
Bonds*	21,630	20,778	20,000	20,000
Borrowings from shareholders	2,507	2,507	2,322	2,413
Lease liabilities IFRS16	11,487	11,487	11,057	11,057
Finance lease liabilities	6	12	6	11
	<b>35,630</b>	<b>34,784</b>	<b>33,385</b>	<b>33,481</b>
<b>Current</b>				
Bank borrowings	90,357	74,564	82,952	71,773
Lease liabilities IFRS16	4,108	4,108	3,954	3,954
Finance lease liabilities	24	516	22	497
	<b>94,489</b>	<b>79,188</b>	<b>86,928</b>	<b>76,224</b>
<b>Total borrowings</b>	<b>130,119</b>	<b>113,972</b>	<b>120,313</b>	<b>109,705</b>

\*Financial covenants set by bond program i) Consolidated ratio of Equity (Total Equity increased by outstanding subordinated loans) to Assets (Total Assets decreased by IFRS 16 influence) is 37%. Minimal requirement is 16%. Covenant is fulfilled. ii) Consolidated Interest Coverage Ratio (Earnings before interest payments and taxes (EBIT) to Interest expenses) is 2.8 times. Minimal requirement is 1.5 times. Covenant is fulfilled.

### 4. Taxes

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average tax rate for 3 months ended 31 March 2025 is 16.7 % (the estimated tax rate for 3 months ended 31 March 2024 was 23.1%). The difference is mainly due to differences in profitability in the Group's subsidiaries in the respective countries, as well as the Group's policy on recognizing deferred tax assets.

### 5. Earnings per share

The Company has no dilutive potential shares therefore diluted earnings per share are equal to basic earning per share.

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. There were no treasury shares.

	Jan-Mar 2025	Jan-Mar 2024	Jan-Mar 2025	Jan-Mar 2024
	USD'000	USD'000	EUR'000	EUR'000
Profit attributable to equity holders of the Company	1,148	1,997	1,091	1,838
Weighted average number of ordinary shares/employee in issue (thousands)	9,901	9,901	9,901	9,901
Basic earnings (USD and EUR per share)	0.12	0.20	0.11	0.19

### 6. Related party transactions

#### Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the quarter ended 31 March 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 7. Subsequent events

On the 21st of February, 2025, ELKO Grupa AS (ELKO Group) signed a Sales and Purchase Agreement for the purchase of 100 percent of the shares in Deltaco Baltic UAB, a Lithuanian subsidiary of Aurdal Sweden AB, a part of DistIT Group, as part of its strategic expansion into major domestic appliance distribution. The sale price amounts to 3 MEUR. The transactions has been approved by local authorities in the beginning of May and it is planned to be closed by the end of May. Thus, Deltaco Baltic UAB will be consolidated into ELKO Grupa starting from June 2025. Otherwise, there have been no subsequent events after the last date of the reporting period that would have a significant effect on the Company's financial position as of 31 March 2025.