

Riga, June 2, 2025

**Hestio AS**

Reg. No. 40003972121;

Kleistu street 18A-2, Riga, LV-1067

**Consolidated annual report for year 2024**

This report is an English translation of the original Latvian

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### CONCERN INFORMATION

|                                  |  |                    |                                       |
|----------------------------------|--|--------------------|---------------------------------------|
| Name of the Concern              | Hestio AS  |                    |                                       |
| Legal status of the Concern      | Limited liability company  |                    |                                       |
| Registration No., place and date | 40003972121, Riga, 22.11.2007  |                    |                                       |
| Registered office                | Kleistu street 18A-2, Riga, LV-1067  |                    |                                       |
| Major shareholders               | "Bastions ZS" JSC (66.69 %), Reg. No. 40003218044,<br>Legal address: Zemgalu street 8, Riga, LV-1006<br><br>"Uzņēmumu vadība" Ltd (33.31%), Reg. No. 50103799391,<br>Legal address: Vienības street 186A-19, Riga, LV-1058 |                    |                                       |
| Members of the Board             | From 25.10.2023 - at the moment of approval of the financial statement   | Ivars Muzikants    | Chairman of the Board                 |
|                                  | From 06.06.2024 -at the moment of approval of the financial statement  | Toms Bergs         | Member of the Board                   |
|                                  | From 11.07.2023 - at the moment of approval of the financial statement   | Gustavs Dreimanis  | Member of the Board                   |
|                                  | From 15.02.2022 - 28.02.2025.  | Reinis Tutāns      | Member of the Board                   |
| Council members                  | From 25.10.2023 - at the moment of approval of the financial statement   |                    |                                       |
|                                  |  | Andris Laizāns     | Chairman of the Board                 |
|                                  |  | Artūrs Dombrovskis | Deputy Chairman of Council            |
|                                  |  | Andris Upmiņš      | Council member                        |
|                                  |  | Māra Zepa          | Council member                        |
|                                  |  | Atis Zvidriņš      | Council member                        |
| Annual report drawn up by        | Kristine Korpa   | –                  | Chief Accountant                      |
| Reporting year                   | from 01.01.2024  | to                 | 31.12.2024                            |
| Previous reporting year          | from 01.01.2023  | to                 | 31.12.2023                            |
| Type of company's activity       | Retail of office items and coffee machine rental   |                    |                                       |
| NACE classification code         | 47.12; 46.49; 47.91; 46.4; 46.39; 46.37; 46.36; 46.34  |                    |                                       |
| Auditors                         | KPMG Baltics SIA   |                    | Certified Auditor                     |
|                                  | Roberta Hirša str. 1<br>Riga, LV - 1045<br>License No. 55  |                    | Rihards Grasis<br>Certificate No. 227 |

## **MANAGEMENT REPORT**

### **Type of activity**

Retail of office items and coffee machine rental

### **Performance and Financial Situation of the Company**

In the past year, the Company continued its strategic development by implementing the previously initiated changes in Hestio's sales strategy. As a result of these measures, the Company successfully maintained stable revenue of EUR 12.9 million.

At the same time, the Company's sales costs have significantly increased due to substantial investments in the development of the facility cleaning business line and improvements in the quality of other services. A major impact on Hestio's consolidated financial performance was also caused by the sharp rise in coffee bean prices, which surged by approximately 80% in the global market compared to December 2023. Although the price increase has been passed on to end consumers, part of the cost increase has nevertheless affected Auron Coffee Roastery's profitability. Additionally, Auron Coffee Roastery entered the HORECA market, requiring further financial investments. As a result, Hestio's consolidated EBITDA for 2024 declined by 8% to EUR 0.8 million. As part of the Company's growth strategy, a new subsidiary, SIA Printero, was established in 2024, specialising in textile and other product printing, manufacturing, and customisation.

### **Financial risk management**

The main financial risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk.

Foreign currency risk

The Company have not Foreign currency risk, all deals mainly are in euro

Interest rate risk

The Company is exposed to interest rate risk mainly through its current borrowings. The Company's policy is to ensure that the majority of its borrowings are at a fixed rate.

Liquidity risk

The Company manages its liquidity risk by maintaining an adequate level of cash and cash equivalents or by arranging an adequate amount of committed credit facilities with banks.

Credit risk

The Company is exposed to credit risk through its trade receivables, issued current loans, as well as cash and cash equivalents. The Company manages its credit risk by continuously assessing the credit history of customers and assigning credit terms on an individual basis. In addition, receivable balances are monitored on an ongoing basis to ensure that the Company's exposure to bad debts is minimized.

### **Important events after the end of the report year**

In May 2025, a decision was made to sell the 85% shares owned by Hestio in the subsidiary Printero. This decision follows a comprehensive review of Printero's historical performance, which shows a significant insufficiency of sales volume and development progress compared to the planned. Updated future financial projections indicate that losses will substantially exceed initial forecasts. With the aim of preventing any further negative impact on the Group's overall financial results, it has been decided to divest the position.

**Future Development Plans**

The Company’s strategic focus moving forward is increasing e-commerce sales volumes and adapting operational processes to the specific requirements of the e-commerce business. These changes are aimed at improving profitability metrics and strengthening long-term competitiveness.

On behalf of the board:

Ivars Muzikants  
(Chairman of the Board) \_\_\_\_\_  
*signature*

Toms Bergs  
(Board member) \_\_\_\_\_  
*signature*

Gustavs Dreimanis  
(Board member) \_\_\_\_\_  
*signature*

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**CONSOLIDATED INCOME STATEMENT**  
(classified per function of expenditure)

|  | Note<br>number | 2024<br>EUR      | 2023<br>EUR      |
|--|----------------|------------------|------------------|
| Net turnover:  | 2              | 12 967 827       | 12 898 708       |
| <i>a) from other main activity types.</i>  |                | 12 967 827       | 12 898 708       |
| Production cost of goods sold, acquisition cost of goods sold or services provided | 3              | (7 194 971)      | (7 435 059)      |
| <b>Gross profit or loss</b>  |                | <b>5 772 856</b> | <b>5 463 649</b> |
| Selling expenses   | 4              | (5 100 545)      | (4 723 180)      |
| Administrative expenses  | 5              | (663 979)        | (628 867)        |
| Other operating income   | 6              | 63 684           | 55 089           |
| Other operating expenses   | 7              | (66 511)         | (42 924)         |
| Other interest and similar income:   |                | 4 177            | 22               |
| <i>a) from subsidiary companies,</i>   |                | 52               | -                |
| <i>b) from other persons.</i>  |                | 4 125            | 22               |
| Interest payments and similar expenses:  |                | (157 937)        | (152 624)        |
| <i>b) to other persons.</i>  |                | (157 937)        | (152 624)        |
| <b>Profit or loss before the corporate income tax</b>                              |                | <b>(148 254)</b> | <b>(28 835)</b>  |
| Corporate income tax for the reporting year  |                | (5 417)          | (427)            |
| <b>Profit or loss of the reporting year</b>  |                | <b>(153 671)</b> | <b>(29 262)</b>  |

Notes on pages 11 to 24 form an integral part of these financial statements.

On behalf of the board:

Ivars Muzikants  
(Chairman of the Board)

\_\_\_\_\_  
*signature*

Toms Bergs  
(Member of the Board)

\_\_\_\_\_  
*signature*

Gustavs Dreimanis  
(Council member)

\_\_\_\_\_  
*signature*

**Annual report drawn up by:**

Kristine Korpa  
(Chief Accountant)

\_\_\_\_\_  
*signature*

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**CONSOLIDATED BALANCE SHEET**

| <b>ASSETS</b>   | <b>Note<br/>number</b> | <b>31.12.2024<br/>EUR</b> | <b>31.12.2023<br/>EUR</b> |
|---|------------------------|---------------------------|---------------------------|
| <b>Long-term investments</b>                                  |                        |                           |                           |
| <b>Intangible assets</b>                                      |                        |                           |                           |
| Concessions, patents, licences, trademarks and similar rights |                        | 52 976                    | 38 549                    |
| Other intangible assets                                       |                        | 111 222                   | 115 340                   |
| Goodwill  |                        | 115 871                   | 168 625                   |
| <b>Total intangible assets</b>                                | 8                      | <b>280 069</b>            | <b>322 514</b>            |
| <b>Fixed assets</b>   |                        |                           |                           |
| Long-term investment in leased fixed assets                   |                        | 97 433                    | 133 281                   |
| Technology devices and equipment                              |                        | 228 351                   | 233 233                   |
| Other fixed assets and inventory                              |                        | 1 904 825                 | 1 915 733                 |
| <b>Total fixed assets</b>                                     | 9                      | <b>2 230 609</b>          | <b>2 282 247</b>          |
| <b>Total long-term investments</b>                            |                        | <b>2 510 678</b>          | <b>2 604 761</b>          |
| <b>Current assets</b>   |                        |                           |                           |
| <b>Inventories</b>  |                        |                           |                           |
| Raw materials, direct materials and auxiliary materials       |                        | 231 584                   | 82 153                    |
| Finished products and goods for sale                          |                        | 968 842                   | 964 711                   |
| Advance payments for inventories                              |                        | 12 628                    | 17 573                    |
| <b>Total inventories</b>                                      |                        | <b>1 213 054</b>          | <b>1 064 437</b>          |
| <b>Receivables</b>  |                        |                           |                           |
| Trade receivables   | 10                     | 1 024 751                 | 918 614                   |
| Amounts owed by related companies                             | 11                     | 183                       | -                         |
| Amounts owed by associated companies                          | 12                     | 18 000                    | -                         |
| Other receivables   | 13                     | 37 833                    | 44 394                    |
| Prepaid expenses  |                        | 32 978                    | 18 387                    |
| Accrued income  |                        | 14 287                    | 15 268                    |
| <b>Total receivables</b>                                      |                        | <b>1 128 032</b>          | <b>996 663</b>            |
| <b>Short-term financial investments</b>                       |                        |                           |                           |
| Shareholding in the capital of subsidiary companies           | 14                     | 2 380                     | -                         |
| <b>Total short-term financial investments</b>                 |                        | <b>2 380</b>              | <b>-</b>                  |
| <b>Cash and cash equivalents</b>                              | 15                     | <b>365 840</b>            | <b>561 303</b>            |
| <b>Total current assets</b>                                   |                        | <b>2 709 306</b>          | <b>2 622 403</b>          |
| <b>TOTAL ASSETS</b>   |                        | <b>5 219 984</b>          | <b>5 227 164</b>          |

Notes on pages 11 to 24 form an integral part of these financial statements.

**CONSOLIDATED BALANCE SHEET**

| LIABILITIES  | Note<br>number | 31.12.2024<br>EUR | 31.12.2023<br>EUR |
|--|----------------|-------------------|-------------------|
| <b>Equity capital</b>                                    |                |                   |                   |
| Share capital (equity capital)                           | 16             | 1 380 000         | 1 380 000         |
| Reserves:  |                | 28 676            | 29 726            |
| a) other reserves  |                | 28 676            | 29 726            |
| Retained earnings or uncovered losses of previous years  |                | 31 132            | 60 394            |
| Profit or loss of the reporting year                     |                | (153 671)         | (29 262)          |
| <b>Total equity capital</b>                              |                | <b>1 286 137</b>  | <b>1 440 858</b>  |
| <b>Creditors</b>   |                |                   |                   |
| <b>Long-term liabilities</b>                             |                |                   |                   |
| Loans to bonds   | 17             | 1 051 765         | 1 020 795         |
| Borrowings from credit institutions                      | 18             | 63 189            | 89 460            |
| Other borrowings   | 19             | 374 097           | 335 930           |
| <b>Total long-term liabilities</b>                       |                | <b>1 489 051</b>  | <b>1 446 185</b>  |
| <b>Short-term liabilities</b>                            |                |                   |                   |
| Borrowings from credit institutions                      | 19             | 170 270           | 168 876           |
| Other borrowings   | 20             | 367 262           | 364 629           |
| Trade payables   |                | 1 245 417         | 1 209 165         |
| Amounts owed to subsidiary companies                     | 20             | 23 646 -          |                   |
| Taxes and mandatory state social insurance contributions |                | 279 836           | 287 839           |
| Other liabilities  | 21             | 159 289           | 157 832           |
| Accrued liabilities                                      | 22             | 199 076           | 151 780           |
| <b>Total short-term liabilities</b>                      |                | <b>2 444 796</b>  | <b>2 340 121</b>  |
| <b>Total liabilities</b>                                 |                | <b>3 933 847</b>  | <b>3 786 306</b>  |
| <b>TOTAL LIABILITIES</b>                                 |                | <b>5 219 984</b>  | <b>5 227 164</b>  |

Notes on pages 11 to 24 form an integral part of these financial statements.

On behalf of the board:

Ivars Muzikants

(Chairman of the Board)

\_\_\_\_\_  
*signature*

Toms Bergs

(Member of the Board)

\_\_\_\_\_  
*signature*

Gustavs Dreimanis

(Council member)

\_\_\_\_\_  
*signature*

**Annual report drawn up by:**

Kristine Korpa

(Chief Accountant)

\_\_\_\_\_  
*signature*

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**CONSOLIDATED CASH FLOW STATEMENT**

(indirect method)

|   | Note<br>number | <b>2024</b><br>EUR | <b>2023</b><br>EUR |
|---|----------------|--------------------|--------------------|
| <b>Cash flow of principal activity</b>  |                |                    |                    |
| Profit or loss before enterprise income tax   |                | <b>(148 254)</b>   | <b>(28 835)</b>    |
| <b>Corrections:</b>   |                |                    |                    |
| Corrections of decrease in value of fixed assets  | 9              | 732 528            | 707 933            |
| Corrections of decrease in value of intangible assets   | 8              | 85 202             | 73 445             |
| Other revenue from interest and similar revenue   |                | (4 177) -          |                    |
| Interest payments and similar costs   |                | 157 937            | 132 181            |
| <b>Profit or loss before corrections of influence of changes in balances of current assets and short-term creditors</b> |                | <b>823 236</b>     | <b>884 724</b>     |
| <b>Corrections:</b>   |                |                    |                    |
| Increase or decrease in balances of debts of debtors  |                | (113 324)          | 131 017            |
| Increase or decrease in balances of stocks  |                | (143 457)          | 242 851            |
| Increase or decrease in balances of debts to be paid to suppliers, contractors, and other creditors                     |                | 220 653            | (253 928)          |
| <b>Gross cash flow of principal activity</b>  |                | <b>787 108</b>     | <b>1 004 664</b>   |
| <b>Expenses for interest payments</b>   |                | (126 967)          | (101 386)          |
| <b>Expenses for enterprise income tax payments</b>  |                | (4 760)            | (16 487)           |
| <b>Net cash flow of principal activity</b>  |                | <b>655 381</b>     | <b>886 791</b>     |
| <b>Investment activity cash flow</b>  |                |                    |                    |
| Acquisition of fixed assets and intangible assets   |                | (186 720)          | (395 840)          |
| Revenue from sale of fixed assets and intangible investments  | 6              | 48 826             | 21 300             |
| Interest received   |                | 4 132              | -                  |
| <b>Investment activity cash flow</b>  |                | <b>(151 762)</b>   | <b>(374 540)</b>   |
| <b>Financing activity cash flow</b>   |                |                    |                    |
| Expenses for purchase of leased fixed asset   |                | (674 206)          | (490 456)          |
| Expenses for repayment of loans   |                | (24 877)           | (340 000)          |
| <b>Financing activity cash flow</b>   |                | <b>(699 083)</b>   | <b>(830 456)</b>   |
| <b>Net cash flow of the reporting year</b>  |                | <b>(195 463)</b>   | <b>(318 205)</b>   |
| <b>Balance of cash and its equivalents at the beginning of the reporting year</b>                                       |                | <b>561 303</b>     | <b>783 293</b>     |
| <b>Balance of cash and its equivalents at the end of the reporting year</b>   | 15             | <b>365 840</b>     | <b>561 303</b>     |

Notes on pages 11 to 24 form an integral part of these financial statements.

On behalf of the board:

Ivars Muzikants  
(Chairman of the Board) *signature*

Toms Bergs  
(Board member) *signature*

Gustavs Dreimanis  
(Board member) *signature*

Annual report drawn up by:  
Kristine Korpa  
(Accountant) *signature*

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**STATEMENT OF CHANGES IN EQUITY**

|  |                   | Share capital    | Reserves      | Uncovered losses | Total equity     |
|--|-------------------|------------------|---------------|------------------|------------------|
|  |                   | EUR              | EUR           | EUR              | EUR              |
| <b>As at</b>                           | <b>31.12.2022</b> | <b>1 380 000</b> | <b>30 775</b> | <b>60 394</b>    | <b>1 471 169</b> |
| Increase / decrease in reserve balance | -                 | -                | (1 049) -     | -                | (1 049)          |
| Losses for the reporting year          |                   | -                | -             | (29 262)         | (29 262)         |
| <b>As at</b>                           | <b>31.12.2023</b> | <b>1 380 000</b> | <b>29 726</b> | <b>31 132</b>    | <b>1 440 858</b> |
| Increase / decrease in reserve balance | -                 | -                | (1 050) -     | -                | (1 050)          |
| Losses for the reporting year          |                   | -                | -             | (153 671)        | (153 671)        |
| <b>As at</b>                           | <b>31.12.2024</b> | <b>1 380 000</b> | <b>28 676</b> | <b>(122 539)</b> | <b>1 286 137</b> |

Notes on pages 11 to 24 form an integral part of these financial statements.

On behalf of the board:

Ivars Muzikants  
(Chairman of the Board) \_\_\_\_\_  
*signature*

Toms Bergs  
(Member of the Board) \_\_\_\_\_  
*signature*

Gustavs Dreimanis  
(Board member) \_\_\_\_\_  
*signature*

**Annual report drawn up by:**

Kristine Korpa  
(Chief Accountant) \_\_\_\_\_  
*signature*

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **(1) Significant accounting principles**

#### **Principles of preparation of financial statements**

The Annual Report has been prepared in accordance with the laws "On Accounting" and "Law On the Annual Financial Statements and Consolidated Financial Statements".

The income statement has been classified using function of expenditure method.

The consolidated cash flow statement is prepared using the indirect method.

#### **Consolidation**

The consolidated financial statements of the Group include:

| <b>Company name</b>   | <b>Registration number</b> | <b>Country of incorporation</b> | <b>Principal activities</b>                                       | <b>Controlled since</b> |
|---|----------------------------|---------------------------------|---|-------------------------|
| HESTIO, AS  | 40003972121                | Latvia                          | Holding company, Retail of office items and coffee machine rental | -                       |
| AURON COFFEE ROASTERY SIA;<br>Rīga Mellužu iela 13-11A,<br>LV-1067* | 40103391496                | Latvia                          | Coffee production   | 15.11.2021              |

\*The concern owns 100% - SIA AURON COFFEE shares.

The subsidiary company SIA Printero was established on October 21, 2024, and has recently started business operation. In accordance with Article 68, Paragraph 4 of the Law on Annual Reports and Consolidated Annual Reports, the financial information of SIA Printero is considered insignificant within the Group's consolidated financial statements and therefore is not consolidated. Additionally, in 2025, the Group management decided to sell the 85% shareholding in the subsidiary company Printero owned by Hestio.

Subsidiaries are the entities controlled by the Parent Company. Control is achieved when the Parent Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect its returns.

The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial report of the parent company of the group has been prepared separately.

#### **Reporting period**

|                                       |            |    |            |
|---------------------------------------|------------|----|------------|
| The reporting period is 12 months     | 01.01.2024 | to | 31.12.2024 |
| The previous period is 12 months from | 01.01.2023 | to | 31.12.2023 |

### **Accounting principles**

The financial statement has been drawn up assuming that the concern will continue its operations in the future, the recording and assessment methods are applied consistently compared with the previous financial year and assessments are performed with due caution.

- a) only the profit acquired till the balance sheet date has been included in the report;
- b) or all expected risk amounts and losses incurred in the reporting year, or in the previous years have been included, even if they have become known during the time period between the balance sheet date and the day when the annual report has been signed;
- c) all depreciation and amortisation amounts have been calculated and taken into account.

The amounts of Balance and Profit or Loss statement items are provided on an accrual basis, namely, income and expense items are provided taking into consideration their time of occurrence, and not the time of cash receipt or issue. The expenses are reconciled with the revenue in the respective reporting periods. Amounts indicated on balance sheet items at the beginning of each reporting year (opening balances) correspond to amounts on the same balance sheet items in the prior reporting year (closing balances) (except for in cases when error corrections are made).

The components of assets and liabilities were assessed separately. Set-off between the asset and liability items of the balance sheet, or between the income and expense items of the profit and loss statement is prohibited (except for excluding long-term investments). In the Balance Sheet and Profit or Loss Account items the amounts are provided taking into account the content and nature of the operating transactions, not just their legal form. The Balance Sheet and Profit and Loss Account items are assessed in accordance with the purchase costs or production costs. Acquisition cost is the purchase price of a good or service (including the received discounts), plus the additional costs related to the purchase. Production cost is the cost of acquiring raw materials, basic materials and auxiliary materials and other expenses directly related to the production of the relevant item. The production cost price may also include such parts of costs, that are indirectly related to the production of the object, if these costs can be referred to the same time period

### **Transactions in foreign currencies**

Financial reports are prepared in the single currency of the European Union, euro (EUR).

All transactions in foreign currencies are converted into euro according to the official currency exchange rate set by the European Central Bank on the respective day of transaction. All monetary assets and liabilities are converted into euro according to the exchange rate set by the European Central Bank on the last day of the financial year.

Profit or loss gained as a result of currency exchange rate fluctuations have been recognized in the income statement for the respective period.

### **Related parties**

A related party is a person or an entity that is related to the reporting Company.

A person or a close member of that person's family is related to the reporting Company if that person has control, joint control or significant influence over the reporting Company or is a member of the key management personnel of the reporting Company or of a parent of the reporting Company.

An entity is related to the reporting Company if they are members of the same group. Also an entity is related to the reporting Company if the entity is controlled, jointly controlled or significantly influenced by a related person of the reporting Company or this related person of the reporting Company is a member of the key management personnel of that entity or of a parent of that entity.

### **Intangible assets and fixed assets**

Fixed assets are displayed in their acquisition value less depreciation. The acquisition value of fixed assets consists of purchase price, import duties and non-refundable purchase taxes, other costs directly attributable to delivery of the assets to their location and getting in the working condition pursuant to the suggested use. Depreciation and amortisation is calculated over the useful life of the asset according to the linear method applying the following depreciation rates as the basis of calculation:

|                    |           |
|--------------------|-----------|
| Office equipment   | 3 years   |
| Computer hardware  | 3 years   |
| Motor vehicles     | 5 years   |
| Other fixed assets | 3-5 years |

If it is found that the fixed asset is no longer functional or is partially functional, it is disposed of, or its accounting value is reduced according to its actual market value and degree of depreciation.

Intangible assets are displayed in their acquisition value less depreciation. Depreciation has been calculated within the period of useful life of an asset according to the linear method, applying the following rates:

Gains or losses from sales of fixed assets are displayed in the income statement of the respective period. Repair or renovation expenses that increase the useful life of fixed assets or their value are capitalised and written off within the period of useful life of assets. Other repair or renovation expenses are recognised as the loss of the accounting period.

Expenses related to leasehold improvements are capitalised and displayed in the fixed assets. Depreciation is calculated over the lease period using the linear method. Loan issue expenses that are directly related to formation of fixed assets and construction in progress are capitalised, if such expenses are reasonably attributable and directly related. Loan issue expenses are capitalised before putting the fixed assets into operation.

### **Goodwill**

Goodwill represents the excess of the cost of a business combination over the fair value of the net identifiable assets acquired and contingent liabilities assumed by the Group at the acquisition date. Goodwill is initially measured at the fair value of the consideration received, including the recognised amount of non-controlling interest in the acquiree, less the net recognised amount (usually the fair value) of the identifiable assets acquired and liabilities assumed at the acquisition date. Goodwill is included in intangible assets.

Goodwill is allocated to cash-generating units and is stated at cost, less accumulated impairment losses, after initial recognition. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that its value may be impaired. The Company's goodwill is amortized over 5 years because it is not possible to reliably estimate its useful life.

### **Evaluation of inventories**

Cost price of inventories is determined using FIFO method. Inventories are evaluated according to the cost price or the lowest market values on the balance date.

If inventory units are damaged, have become partly or totally obsolete, or the expenses of production completion or selling increase substantially - corresponding inventory units has to be valued at the net sales price. (Net sales price is the forecasted sales price in ordinary business, less the calculated products completion and selling expenses).

### **Receivables**

Receivables are recognized according to the amount of initial invoices, less accruals for doubtful debts. Accruals are made if receipt of full amount of the debt is doubtful. Debts are written off if their recovery is considered as impossible.

#### *Provisions for bad and doubtful debtors*

Provisions for bad and doubtful debtors are estimated over the whole year based on expected budget created as for proportional income and expense flows. Accounts receivables can be written off from the provisions if their recovery is considered to be impossible. At the end of the year the Company evaluates all account receivables - bad debts are written off, but doubtful debts are

### **Cash**

Cash is cash in hand and non-cash in payment accounts and deposit accounts.

### **Financial leasing liabilities**

Lease is classified as a financial lease if in fact all risks and remunerations that are a characteristic of ownership are transferred to a tenant and if it corresponds to at least one of the following conditions:

- a) ownership to the leased asset will be transferred to the tenant upon expiration of the leasing term;
- b) the lease term includes the majority of the asset's time of useful use;
- c) the leased assets are so specific that only the tenant is entitled to use them without a significant modification.

The assets for financial lease are initially recognised as the Company's assets after their true value or after the current value of the minimum leasing payments if it is lower than the true value. Each of these values are determined on the date of acquiring the lease asset. Lease liabilities are included in the balance sheet as long-term and short-term liabilities of financial lease. Financial expenditure are reflected in the income statement on the relevant period so that a regular and periodic cost rate from the liability surplus would be provided for each reporting period.

### **Operative lease**

Costs of operating lease are charged to the income statement on a linear method basis over the period of the lease.

### **Loans and borrowings**

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement as interest income/ expense when the liabilities are derecognised through the amortisation process.

### **Sale and leaseback transactions**

The Group has Buyback leasing transactions. They are not included in the profit and loss account, and their net result is 0 EUR. Buyback leasing transactions are related to the sale of fixed assets owned by the Group, mainly new coffee machines, and their receipt back under finance lease from the lessor company. They are accounted for and presented as finance leases in the following.

### **Accrued liabilities**

#### *Provisions for unused vacation compensation*

The provision sum is established by multiplying the average wage for the last six months of the reporting period with the number of days of unused annual leaves on the end date of the reporting period, including also the mandatory state social insurance contributions made by the employer.

#### *Provision for not received expense invoices*

Accrued liabilities for unreceived invoices are clearly known trade liability sums for the goods or services received within the reporting year when a relevant payment document (an invoice) has failed to be received on the date of drawing up the balance sheet. The liability sums are calculated, based on the price, which is defined in the relevant agreement, and on the documents that approve actual receipt of the goods or services.

### **Recognition of income**

Revenue recognition from the sale of goods is recognised as soon as a significant portion of ownership and risks of goods are transferred to the customer, and the reward can be measured reliably. Revenue from rendering of services is recognised in proportion to the stage of completion of the order. Dividend income is recognised when the shareholder's right to receive payment is established. Interest income is recognised in the corresponding period of time.

### **Corporate income tax**

The corporate income tax for the reporting period consists of the calculated and deferred tax for such period. The corporate income tax is recognised in the profit or loss statement. The tax for the reporting period is calculated according to the provisions of the law "Enterprise Income Tax Law".

As of taxation year of 2018, corporate income tax will be calculated for distributed profit (dividends) and conditionally distributed profit by applying the rate of 20%. Corporate income tax will be recognised at the moment when the participants of the Company will make a decision on distribution of profit, or when the costs not promoting further development of the Company (conditionally distributed profit) will be recorded.

### **Application of assumptions**

To prepare the financial statements, the Company's management makes judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues, and expenses. Actual results may differ from these estimates.

Estimates and related assumptions are reviewed regularly. Changes to accounting estimates are recognized in the period in which the estimates are revised and in future periods.

The principal reasons for the inherent uncertainty in estimates are:

(i) The useful life of property, plant, and equipment (including intangible assets)

Management estimates the useful life of individual property, plant, and equipment and intangible assets (including intangible values) proportionally to the expected period of use (such as anticipated capacity or efficiency), based on historical experience with similar assets and intangible assets, as well as future plans.

(ii) The assessment of receivables from customers

The process of monitoring financial assets and determining impairment involves several significant risks and uncertainties. These risks and uncertainties include the possibility that the Company's assessment of the customer's ability to fulfill all contractual obligations may change in accordance with changes in the customer's credit rating, and the risk that the economic situation may deteriorate more than expected or impact customers more significantly.

Receivables from customers are valued in accordance with the prudence principle and are reported at net value in the balance sheet, deducting provisions for doubtful debts from the carrying amount.

### **Subsequent events**

Post-year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

**(2) Net turnover:**

Net turnover - proceeds from company's major activity - rendering of services without value added tax.

| Type of activity                | 2024<br>EUR       | 2023<br>EUR       |
|---------------------------------|-------------------|-------------------|
| Revenue from sales and services | 12 967 827        | 12 898 708        |
| <b>Total</b>                    | <b>12 967 827</b> | <b>12 898 708</b> |

**(3) Production cost of goods sold, acquisition cost of goods sold or services provided**

|                                     | 2024<br>EUR      | 2023<br>EUR      |
|-------------------------------------|------------------|------------------|
| Cost of goods purchased             | 6 660 770        | 6 775 613        |
| Costs of raw materials and supplies | 529 798          | 585 276          |
| Excise duties                       | 122 939          | 139 617          |
| Received discounts                  | (118 536)        | (65 447)         |
| <b>Total</b>                        | <b>7 194 971</b> | <b>7 435 059</b> |

**(4) Selling expenses**

|   | 2024<br>EUR      | 2023<br>EUR      |
|---|------------------|------------------|
| Staff costs                                 | 2 373 237        | 2 064 308        |
| Depreciation of fixed and intangible assets | 819 471          | 781 070          |
| Transport costs                             | 536 710          | 528 271          |
| Mandatory social insurance contributions    | 500 645          | 450 304          |
| Communication costs, IT costs               | 270 475          | 222 465          |
| Rentals                                     | 172 294          | 179 510          |
| Office expenses                             | 147 312          | 158 866          |
| Advertising and marketing expenses          | 83 638           | 103 302          |
| Employee Engagement and Sustainability      | 81 426           | 102 112          |
| Staff meals                                 | 42 877           | 39 490           |
| Packing material                            | 29 395           | 36 788           |
| Disposal of low-value inventory             | 8 608            | 10 498           |
| Business trip expenses                      | 6 587            | 2 629            |
| Other selling expenses                      | 27 870           | 43 567           |
| <b>Total</b>                                | <b>5 100 545</b> | <b>4 723 180</b> |

**(5) Administrative expenses**

|  | 2024<br>EUR    | 2023<br>EUR    |
|--|----------------|----------------|
| Personnel expenses                       | 380 896        | 409 866        |
| Professional services expenses           | 89 417         | 32 221         |
| Mandatory social insurance contributions | 89 774         | 96 687         |
| Communication expenses                   | 35 787         | 41 698         |
| Other administration expenses            | 68 105         | 48 395         |
| <b>Total</b>                             | <b>663 979</b> | <b>628 867</b> |



**(6) Other operating income**

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | EUR           | EUR           |
| Incomes from disposal of long-term investment objects* | 15 738        | 18 696        |
| Proceeds from sale of fixed assets                     | 8 539         | 7 372         |
| Revenue from rent                                      |               | 11 633        |
| Other income   | 39 407        | 17 388        |
| <b>Total</b>   | <b>63 684</b> | <b>55 089</b> |

**(7) Other operating expenses**

|                                       | <b>2024</b>   | <b>2023</b>   |
|---------------------------------------|---------------|---------------|
|                                       | EUR           | EUR           |
| Non-business costs                    | 21 282        | 1 563         |
| Cost of goods for own consumption     | 17 276        | 24 924        |
| Provisions for bad and doubtful debts | 3 478         | 4 923         |
| Nature conservation expenses          | 1 473         | 987           |
| Paid fines and penalties              | 240           | 4 815         |
| Other expenses                        | 22 762        | 5 712         |
| <b>Total</b>                          | <b>66 511</b> | <b>42 924</b> |

**\*Information on profit or loss from disposal of long-term investment objects**

| <b>Long-term investment object</b> | <b>Balance value at the moment of exclusion</b> | <b>Alienation income</b> | <b>Alienation expenses</b> | <b>Gross income or profit</b> | <b>Profit or loss from the object's alienation</b> |
|------------------------------------|---|--------------------------|----------------------------|-------------------------------|--|
|                                    | EUR   | EUR                      | EUR                        | EUR                           | EUR  |
| Other fixed assets and inventory   | 33 088  | 48 826                   | -                          | 15 738                        | 15 738   |
| <b>Total</b>                       | <b>33 088</b>                                   | <b>48 826</b>            | <b>-</b>                   | <b>15 738</b>                 | <b>15 738</b>                                      |

**(8) Intangible assets**

|   |                   | <b>Concessions,<br/>patents, licenses,<br/>trade marks and<br/>similar rights</b> | <b>Other<br/>intangible<br/>assets</b> | <b>Goodwill</b>  | <b>Advances for<br/>intangible<br/>assets</b> | <b>Total<br/>intangible assets</b> |
|---|-------------------|---|--|------------------|---|------------------------------------|
|   |                   | EUR   | EUR                                    | EUR              | EUR   | EUR                                |
| <b>Acquisition value</b>  | <b>31.12.2023</b> | <b>78 601</b>   | <b>172 460</b>                         | <b>263 770</b>   | <b>-</b>                                      | <b>514 831</b>                     |
| Additions   |                   | 4 234   | -                                      | -                | 38 523  | 42 757                             |
| Disposal  |                   | (2 539)   | -                                      | -                | -   | (2 539)                            |
| Reclassified  |                   | 12 523  | 26 000                                 | -                | (38 523)                                      | 0                                  |
| <b>Acquisition value</b>  | <b>31.12.2024</b> | <b>92 819</b>   | <b>198 460</b>                         | <b>263 770</b>   | <b>0</b>                                      | <b>555 049</b>                     |
| <b>Accumulated amortization</b>   | <b>31.12.2023</b> | <b>(40 052)</b>   | <b>(57 120)</b>                        | <b>(95 145)</b>  | <b>-</b>                                      | <b>(192 317)</b>                   |
| Amortization charge   |                   | (2 330)   | (30 118)                               | (52 754)         | -   | (85 202)                           |
| Amortization of intangible assets that have been liquidated or reclassified |                   | 2 539   | -                                      | -                | -   | 2 539                              |
| <b>Accumulated amortization</b>   | <b>31.12.2024</b> | <b>(39 843)</b>   | <b>(87 238)</b>                        | <b>(147 899)</b> | <b>-</b>                                      | <b>(274 980)</b>                   |
| <b>Net book value</b>   | <b>31.12.2023</b> | <b>38 549</b>   | <b>115 340</b>                         | <b>168 625</b>   | <b>-</b>                                      | <b>322 514</b>                     |
| <b>Net book value</b>   | <b>31.12.2024</b> | <b>52 976</b>   | <b>111 222</b>                         | <b>115 871</b>   | <b>0</b>                                      | <b>280 069</b>                     |

\* Goodwill was recognized as a result of the acquisition of a business in December 2021 and is being amortized on a straight-line basis over 5 years.

The Company's management has assessed that the acquired business is profitable, as a result of which no signs of impairment were identified as of 31 December 2024 and 31 December 2023.

**(9) Fixed assets**

|  |                   | Investments in<br>leasehold<br>improvements | Machinery<br>and<br>equipment | Other fixed assets<br>and inventory | Advances for<br>fixed assets | Total<br>fixed assets |
|--|-------------------|---|-------------------------------|-------------------------------------|------------------------------|-----------------------|
|  |                   | EUR   | EUR                           | EUR                                 | EUR                          | EUR                   |
| <b>Acquisition value</b>   | <b>31.12.2023</b> | <b>324 947</b>                              | <b>244 272</b>                | <b>3 962 939</b>                    | <b>-</b>                     | <b>4 532 158</b>      |
| Additions  |                   | 23 164                                      | 6 962                         | 668 249                             | 41 966                       | 740 341               |
| Reclassified   |                   |   |                               | 41 966                              | (41 966)                     | -                     |
| Disposal   | -                 | -   | -                             | (278 443)                           |                              | (278 443)             |
| <b>Acquisition value</b>   | <b>31.12.2024</b> | <b>348 111</b>                              | <b>251 234</b>                | <b>4 394 711</b>                    | <b>-</b>                     | <b>4 994 056</b>      |
| <b>Accumulated depreciation</b>  | <b>31.12.2023</b> | <b>(191 666)</b>                            | <b>(11 039)</b>               | <b>(2 047 206)</b>                  | <b>-</b>                     | <b>(2 249 911)</b>    |
| Calculated depreciation  |                   | (59 012)                                    | (11 844)                      | (677 410)                           | -                            | (748 266)             |
| Amortization of intangible assets that<br>have been liquidated or reclassified |                   | -   | -                             | 234 730                             | -                            | 234 730               |
| <b>Accumulated depreciation</b>  | <b>31.12.2024</b> | <b>(250 678)</b>                            | <b>(22 883)</b>               | <b>(2 489 886)</b>                  | <b>-</b>                     | <b>(2 763 447)</b>    |
| <b>Net book value</b>  | <b>31.12.2023</b> | <b>133 281</b>                              | <b>233 233</b>                | <b>1 915 733</b>                    | <b>-</b>                     | <b>2 282 247</b>      |
|  | <b>31.12.2024</b> | <b>97 433</b>                               | <b>228 351</b>                | <b>1 904 825</b>                    | <b>-</b>                     | <b>2 230 609</b>      |

**(10) Trade receivables**

|   | 31.12.2024       | 31.12.2023     |
|---|------------------|----------------|
|   | EUR              | EUR            |
| Trade receivables carrying amount       | 1 041 491        | 934 463        |
| Provisions for bad and doubtful debtors | (16 740)         | (15 849)       |
| <b>Total</b>                            | <b>1 024 751</b> | <b>918 614</b> |

**(11) Amounts owed by related companies**

|                                      | 31.12.2024 | 31.12.2023 |
|--------------------------------------|------------|------------|
|                                      | EUR        | EUR        |
| Carrying amount of trade receivables | 183        | -          |
| <b>Total</b>                         | <b>183</b> | <b>-</b>   |

**(12) Short term loans\***

|                               | Repayment period | Changes within the reporting period | 31.12.2024    | 31.12.2023 |
|-------------------------------|------------------|-------------------------------------|---------------|------------|
|                               | EUR              | EUR                                 | EUR           | EUR        |
| (no collateral received)      |                  |                                     |               |            |
| PRINTERO SIA                  | 23.11.2025       | -                                   | 12 000        | -          |
| PRINTERO SIA                  | 13.12.2025       | -                                   | 6 000         | -          |
| <b>Total short term loans</b> |                  | <b>-</b>                            | <b>18 000</b> | <b>-</b>   |

\* In May 2025, the share capital of SIA Printero was increased and paid up, from which all liabilities, including AS Hestio, were repaid. During the first half of the year, it is planned to sell the shares of SIA Printero owned by AS Hestio.

**(13) Other receivables**

|                                      | 31.12.2024    | 31.12.2023    |
|--------------------------------------|---------------|---------------|
|                                      | EUR           | EUR           |
| Security deposits                    | 32 146        | 35 676        |
| Supplier surplus                     | 5 687         | 8 549         |
| Corporate income tax advance payment | -             | 169           |
| <b>Total</b>                         | <b>37 833</b> | <b>44 394</b> |

**(14) Shareholding in the capital of subsidiary companies**

|   | 31.12.2024   | 31.12.2023 |
|---|--------------|------------|
|   | EUR          | EUR        |
| Investments in the beginning of period        | -            | -          |
| Acquisition (+)                               | 2 380        | -          |
| <b>Investments in the beginning of period</b> | <b>2 380</b> | <b>-</b>   |

**Company name**

|  | Owned shares, % | Acquisition value | Investment book value | Profit or loss               | Subsidiary company's equity value on 31.12.2024 |
|--|-----------------|-------------------|-----------------------|------------------------------|---|
|  |                 |                   |                       | Unaudited 2024 annual report | Unaudited 2024 annual report                    |
| PRINTERO SIA, Mellužu iela 13 - 11A, Rīga, LV-1067 | 85              | 2 380             | 2 380                 | (13 904)                     | (11 524)  |
|  |                 | <b>2 380</b>      | <b>2 380</b>          | <b>(13 904)</b>              | <b>(11 524)</b>                                 |

**(15) Cash and cash equivalents**

|                             | 31.12.2024     | 31.12.2023     |
|-----------------------------|----------------|----------------|
|                             | EUR            | EUR            |
| Cash in bank accounts (EUR) | 365 840        | 561 303        |
| <b>Total</b>                | <b>365 840</b> | <b>561 303</b> |

**(16) Share capital (equity capital)**

As of 31 December 2024 and 2023, the share capital is fully paid up. It consists of 1,380,000 capital shares with a nominal value of EUR 1.00.

|  | 31.12.2024 | 31.12.2023 |
|--|------------|------------|
|  | EUR        | EUR        |
|  | 1 380 000  | 1 380 000  |

**(17) Loans to bonds**

On December 20, 2022, Hestio AS issued bonds with a maturity date of September 1, 2027, yearly interest rate 4.5%, interest rate per period 1.125 %the nominal value of one bond is EUR 0.01, the total value is EUR 990,000.00, the coupon payment frequency is 4 times a year. ISIN: LV0000802650. The terms of the bonds provide for the fulfillment of certain financial covenants in 2023 - Net Debt/ Equity<3,5 and DSCR indicator >1,3. Indicators on 12.2024 were fulfilled, as an agreement was reached with the KS AIF Altum capital fund that in the future the DSCR threshold will be reduced from 1.5 to 1.3.

|                                  | 31.12.2024       | 31.12.2023       |
|----------------------------------|------------------|------------------|
|                                  | EUR              | EUR              |
| Loans to be paid in 1 to 5 years | 1 051 765        | 1 020 795        |
| <b>Total</b>                     | <b>1 051 765</b> | <b>1 020 795</b> |

**(18) Borrowings from credit institutions**

**Long-term borrowings (more than 5 years)**

(see note 20 for collateral information)

Attīstības finanšu institūcija ALTUM JSC

**Total**

| Date of payment | 31.12.2024    | 31.12.2023    |
|-----------------|---------------|---------------|
|                 | EUR           | EUR           |
| 15.05.2028      | 63 189        | 89 460        |
|                 | <b>63 189</b> | <b>89 460</b> |

**Short-term borrowings**

Attīstības finanšu institūcija ALTUM JSC

Swedbank JSC

**Total short-term borrowings**

| Atmaksas termiņš | 31.12.2024     | 31.12.2023     |
|------------------|----------------|----------------|
|                  | EUR            | EUR            |
| 15.05.2028       | 26 270         | 26 270         |
| 03.06.2025       | 144 000        | 142 606        |
|                  | <b>170 270</b> | <b>168 876</b> |

**(19) Other borrowings**

|  | 31.12.2024     | 31.12.2023     |
|--|----------------|----------------|
|  | EUR            | EUR            |
| <b>Long-term borrowings (more than 1 year)</b> |                |                |
| Swedbank Līzings Ltd.                          | 374 097        | 335 930        |
| <b>Total</b>                                   | <b>374 097</b> | <b>335 930</b> |
|  |                |                |
|  | 31.12.2024     | 31.12.2023     |
|  | EUR            | EUR            |
| <b>Short-term borrowings (up to 1 year)</b>    |                |                |
| Swedbank Līzings Ltd.                          | 367 262        | 364 629        |
| <b>Total</b>                                   | <b>367 262</b> | <b>364 629</b> |

*As of December 31, 2024 the company has 18 financial lease agreements for car leases for 5 years and 11 financial lease agreements for coffee machines and water equipment leases for 3 years.*

**(20) Amounts owed to subsidiary companies**

|  | 31.12.2024    | 31.12.2023 |
|--|---------------|------------|
|  | EUR           | EUR        |
| <b>Short-term liabilities</b>            |               |            |
| Expenses for Services Received and goods | 23 646        | -          |
| <b>Total short-term liabilities</b>      | <b>23 646</b> | <b>-</b>   |

**(21) Other liabilities**

|   | 31.12.2024     | 31.12.2023     |
|---|----------------|----------------|
|   | EUR            | EUR            |
| <b>Short-term other creditors</b>                       |                |                |
| Payments for wages                                      | 154 142        | 146 977        |
| Overpayments made by customers                          | -              | 3 191          |
| Security fee received from debtors                      | 4 736          | 7 434          |
| Settlement of claims against staff and short-term loans | 411            | 230            |
| <b>Total long-term other creditors</b>                  | <b>159 289</b> | <b>157 832</b> |

**(22) Accrued liabilities**

|  | 31.12.2024     | 31.12.2023     |
|--|----------------|----------------|
|  | EUR            | EUR            |
| Provisions for unused leave                          | 155 779        | 131 454        |
| Accrued commitments for services received and others | 43 297         | 20 326         |
| <b>Total</b>   | <b>199 076</b> | <b>151 780</b> |

**(23) Average number of employees**

|  | 2024       | 2023       |
|--|------------|------------|
| Members of the Board                                 | 6          | 2          |
| Members of the Supervisory Board                     | 3          | 3          |
| Other employees                                      | 155        | 146        |
| <b>Average number of employees of reporting year</b> | <b>164</b> | <b>151</b> |

**(24) Information on lease and rent agreements, that have important influence on company's activity**

Premises lease agreement No. Ī-22 from 30.05.2016 with ABAVA Ltd. until 31.12.2029.

**(25) Information on issued guarantees, warranties, and other possible liabilities and pledged assets**

In connection with the Credit Line Agreement No. 22-006265-KR concluded by the subsidiary AURON COFFEE ROASTERY SIA with Swedbank AS for the amount of EUR 100,000, Hestio has concluded a Guarantee Agreement No. 22-006265-KR/2. The objects of the commercial pledge are Hestio AS's fixed assets and their accessories, intangible assets, and inventories.

**(26) Reverse lease**

In 2024, the Group recorded Leaseback transactions for the total amount of EUR 545,047, which are not included in the profit and loss account, their net result is EUR 0. The leaseback is related to the sale of fixed assets owned by the Group to SIA "Swedbank Līzings" and their receipt back under lease. The receipt back is presented in the balance sheet as Finance lease, in 2023 the Group had Leaseback transactions for the total amount of EUR 362,253, their net result is EUR 0.

**(27) Important events after the end of the report year**

In May 2025, a decision was made to sell the 85% shares owned by Hestio in the subsidiary Printero. This decision follows a comprehensive review of Printero's historical performance, which shows a significant insufficiency of sales volume and development progress compared to the planned. Updated future financial projections indicate that losses will substantially exceed initial forecasts. With the aim of preventing any further negative impact on the Group's overall financial results, it has been decided to divest the position.

**(28) Financial risk management**

The main financial risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk.

Foreign currency risk

The Company have not Foreign currency risk, all deals mainly are in euro

Interest rate risk

The Company is exposed to interest rate risk mainly through its current borrowings. The Company's policy is to ensure that the majority of its borrowings are at a fixed rate.

Liquidity risk

The Company manages its liquidity risk by maintaining an adequate level of cash and cash equivalents or by arranging an adequate amount of committed credit facilities with banks.

Credit risk

The Company is exposed to credit risk through its trade receivables, issued current loans, as well as cash and cash equivalents. The Company manages its credit risk by continuously assessing the credit history of customers and assigning credit terms on an individual basis. In addition, receivable balances are monitored on an ongoing basis to ensure that the Company's exposure to bad debts is minimized.

**(29) Information on the payments for members of the council and the board**

The remuneration of members of the Supervisory Board and Board for fulfilment of their duties at the Supervisory Board and Board, as well as for performance of their work obligations is as follows:

| <b>Supervisory Board</b>                 | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | EUR           | EUR           |
| Wages                                    | 27 390        | 36 584        |
| Mandatory social insurance contributions | 6 382         | 8 630         |
| <b>Total</b>                             | <b>33 772</b> | <b>45 214</b> |

| <b>Board</b>                             | <b>2024</b>    | <b>2023</b>    |
|--|----------------|----------------|
|  | EUR            | EUR            |
| Wages                                    | 210 596        | 128 208        |
| Mandatory social insurance contributions | 51 968         | 30 244         |
| <b>Total</b>                             | <b>262 564</b> | <b>158 453</b> |

**(30) Personnel expenses**

|  |                  |                  |
|--|------------------|------------------|
|  | <b>2024</b>      | <b>2023</b>      |
|  | EUR              | EUR              |
| Wages  | 2 288 603        | 2 151 376        |
| Mandatory state social insurance contributions | 537 067          | 507 469          |
| <b>Other personnel expenses</b>                | <b>2 825 670</b> | <b>2 658 844</b> |

**(31) Proposal for Distribution of Profit or Covering of Loss**

The losses for 2024 will be covered from the expected profits of the following years.

On behalf of the board:

Ivars Muzikants  
(Chairman of the Board)

\_\_\_\_\_  
*signature*

Toms Bergs  
(Board member)

\_\_\_\_\_  
*signature*

Gustavs Dreimanis  
(Board member)

\_\_\_\_\_  
*signature*

**Annual report drawn up by:**

Kristine Korpa  
(Chief Accountant)

\_\_\_\_\_  
*signature*

THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A SECURE ELECTRONIC  
SIGNATURE AND CONTAINS A TIME STAMP