

ASBISC ENTERPRISES PLC

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

ASBISC ENTERPRISES PLC

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ASBISC ENTERPRISES PLC

OFFICERS AND PROFESSIONAL ADVISERS

Board of Directors	Siarhei Kostevitch (Cypriot) Chairman and Chief Executive Officer
	Marios Christou (Cypriot) Chief Financial Officer
	Constantinos Tziamalis (Cypriot) Deputy Chief Executive Officer
	Julia Prihodko (Ukrainian) Chief Human Relations Officer
	Hanna Kaplan (Cypriot) Financial Manager
	Tasos A.Panteli (Cypriot) Non-Executive Director
	Maria Petridou (Cypriot) Non-Executive Director
	Constantinos Petrides (Cypriot) Non-Executive Director
Secretary	Alfo Secretarial Limited Limassol, Cyprus
Registered office	Iapetou 1, Ayios Athanasios, 4101, Limassol, Cyprus
Independent auditors	KPMG Limited Limassol, Cyprus
Legal adviser	Costas Tsirides & Co. Law Office Limassol, Cyprus
Bankers	Všeobecná Uverová Banka a.s. Tatrabanka a.s. Raiffeisen Bank International AG Bank of Cyprus Public Company Ltd Global Supply Chain Finance Ltd Tascombank JSC JSC Halyk Bank JSC Bank Centercredit Ceskoslovenska Obchodni Banka, A.S Société Générale Group National Bank of Fujairah Emirates Islamic Bank PJSC First Ukrainian International bank Joint-stock Company OTP Bank Unicredit Group Abu Dhabi Commercial Bank (ADCB) Bank Pekao S.A Credit Agricole Group Erste Group TBC Bank Citibank N.A.

ASBISC ENTERPRISES PLC

DECLARATION BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE DRAFTING OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

(In accordance with the provisions of Law 190(I)/2007 on Transparency Requirements)

In accordance with Article 9, sections (3c) and (7), of the Transparency Requirements (Traded Securities in a Regulated Market) Law 190(I)/2007, as amended from time to time (the "Law"), we, the members of the Board of Directors and the Financial Controller responsible for the drafting of the consolidated financial statements of Asbisc Enterprises Plc (the "Company") and its subsidiaries (the "Group") and the Company's separate financial statements for the year ended 31 December 2025, confirm to the best of our knowledge that:

a) the consolidated financial statements of the Group and the Company's separate financial statements for the year ended 31 December 2025 which are presented on pages 14 to 80:

- (i) have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and the provisions of subsection (4) of Article 9 of the Law, and
- (ii) give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company, and

b) the management report provides a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that they face.

Members of the Board of Directors

Siarhei Kostevitch
Chairman and Chief Executive Officer

Marios Christou
Executive Director

Constantinos Tziamalis
Executive Director

Julia Prihodko
Executive Director

Hanna Kaplan
Executive Director

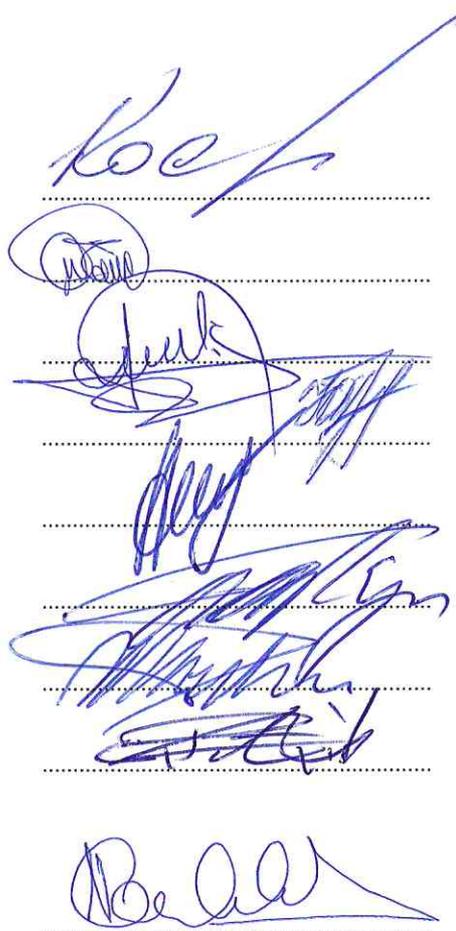
Tasos A.Panteli
Non-Executive Director

Maria Petridou
Non-Executive Director

Constantinos Petrides
Non-Executive Director

Financial Controller

Loizos Papavassiliou



The image shows seven handwritten signatures in blue ink, each placed above a horizontal dotted line. The signatures correspond to the names listed on the left: Siarhei Kostevitch, Marios Christou, Constantinos Tziamalis, Julia Prihodko, Hanna Kaplan, Tasos A.Panteli, Maria Petridou, Constantinos Petrides, and Loizos Papavassiliou.

Limassol, 24 March 2026

ASBISC ENTERPRISES PLC

MANAGEMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their annual report on the affairs of Asbisc Enterprises Plc (the "Company" or the "parent Company") and its subsidiaries (together with the Company, the "Group") together with the Group's and the Company's audited financial statements for the year ended 31 December 2025.

Principal activity

The principal activity of the Group and the Company continues to be the worldwide trading and distribution of computer hardware and software.

Group financial statements

The consolidated financial statements include the financial statements of the Company and those of its subsidiary companies. The names and more details about the subsidiaries are shown in note 11 to the financial statements.

Review of the development, financial performance and current position of the Group and the Company and the description of its major risks and uncertainties

The Group's and the Company's development to date, financial results and position are presented in the financial statements on pages 14 to 80.

The key performance and financial position figures are as follows:

(in thousands of US\$)

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Revenue	3,862,999	3,008,503	2,700,583	2,176,393
Gross profit	278,721	240,164	82,949	67,312
Profit before tax	76,701	65,012	42,132	45,829
Taxation	(16,458)	(10,839)	(5,781)	(6,185)
Profit for the year	<u>60,243</u>	<u>54,173</u>	<u>36,351</u>	<u>39,644</u>
Earnings per share (US\$ cents)	<u>109.26</u>	<u>98.09</u>	<u>N/A</u>	<u>N/A</u>
Total equity	<u>338,073</u>	<u>298,315</u>	<u>191,534</u>	<u>182,935</u>
Average number of employees during the year	<u>2,734</u>	<u>2,779</u>	<u>285</u>	<u>308</u>

In the year ended December 31, 2025, the Group delivered a record-breaking year of rapid growth, driven primarily by surging demand for AI server components, data-center infrastructure, and smartphones. We supported multiple customers across the supply chain in an expanding number of countries, contributing to ongoing data-center upgrades. We expect large-scale investment in cloud and AI infrastructure to remain a key growth driver in 2026 and beyond. The year also marked our expansion into new markets in Africa and the US, the formation of new strategic partnerships, and the launch of additional own-brand products, further strengthening our position as a leading value-add distributor in EMEA.

The Group and the Company face the following major risks and uncertainties:

- competitive pressures in the marketplace it operates that may significantly affect gross and net margins
- technological changes and other market trends
- financial and other risks as described in notes 35 and 36.

The Group has systems and procedures in place to maintain its expertise and keep it aware of changes in its marketplace to help mitigate market risks. It also has rigorous controls to help mitigate financial and other risks. These are described in notes 35 and 36 to the financial statements.

Significant events after the end of the financial year

There are no significant events after the reporting date that require disclosure in or adjustment to the financial statements.

Existence of branches

The Company also operates through a warehouse in the Czech Republic.

Sustainability statement

The sustainability statement which is integral part of the management report is presented as a Part III of the annual report.

ASBISC ENTERPRISES PLC

MANAGEMENT REPORT (continued)

Expected future developments of the Group and the Company

The Group and the Company acquired a network of 13 stationary Samsung Brand Store outlets in Poland. The purchase price was US\$ 11,746,000. The acquisition was financed from its own ASBIS funds. The above-mentioned acquisition of the Samsung Brand Store chain is an element of the ASBIS Group's strategy, i.e. development of a network of premium stores.

Employees

During 2025 we have employed an average number of 2,734 employees, of whom 285 were employed by the Company and the remainder in the rest of the Group's offices worldwide. The split of employees by area of activity is as follows:

	As at 31 December	
	2025	2024
Sales and Marketing	1,503	1,540
Administration and IT	407	433
Finance	233	225
Logistics	<u>591</u>	<u>581</u>
Total	<u>2,734</u>	<u>2,779</u>

Research and Development

In 2025, the Group spent US\$ 1,096,669 (2024: US\$ 1,850,804) on Research and Development, focusing on development of tablets, small home appliances and other product lines that are sold under the Aeno, Canyon, Lorgar, and Prestigio Solutions own brands in all regions of the Company's operations. The Group will continue to have research and development expenditures to support the design and development of own brand products to maintain and enhance its competitive position.

Dividends

Our dividend policy is to pay dividends at levels consistent with our growth and development plans, while maintaining a reasonable level of liquidity. During the year, the following dividends were declared and paid by the Company:

- A final dividend of US\$ 0.30 per share for the year 2024, amounting to US\$ 16,650,000
- An interim dividend of US\$ 0.20 per share for the year 2025, amounting to US\$ 11,100,000

The Board of Directors also proposes the payment of a final dividend of US\$ 0.35 per share for the year 2025, amounting to US\$ 19,425,000.

Share Capital

On 31 December 2025 the issued and fully paid-up share capital of the Company consisted of 55,500,000 ordinary shares of US\$ 0.20 each. There were no changes in the share capital of the Company during the year and up to the date of these financial statements.

Board of Directors

The members of the Board of Directors at 31 December 2025 and at the date of this report are set out on page 1. In accordance with the Company's Articles of Association, Mr. Sjarhei Kostevitch, Mr. Constantinos Tziamalis and Mrs. Iuliia Prykhodko had retired and were re-elected during the annual general meeting of the Company held at its registered address on 7 May 2025. There were no significant changes in the assignment of the responsibilities of the members of the Board of Directors. The remuneration of the members of the Board of Directors is disclosed in notes 5 and 31 to the financial statements.

In accordance with the Company's Articles of Association, Mrs. Hanna Kaplan, Mr. Marios Christou and Konstantinos Petrides who are subject to retirement by rotation, will retire at the next annual general meeting of the Company and being eligible, will offer themselves for re-election.

Corporate Governance

The Directors of the Company recognize the importance of corporate governance policies, practices and procedures. Being listed on the Warsaw Stock Exchange in Poland, the Company follows the provisions of Corporate Governance of the Warsaw Stock Exchange Code of Best Practices, to the extent practicable and appropriate for a public company of the size of the Company. Those rules, information on their application and any deviation can be found on the Company's internet site for investors at <http://investor.asbis.com> and <http://inwestor.asbis.pl>.

ASBISC ENTERPRISES PLC

MANAGEMENT REPORT (continued)

The Board of the Company has two committees:

- the Audit Committee and
- the Remuneration Committee

The Remuneration Committee consists of the three non-executive Directors together with the Chairman. The Audit Committee consists of the three non-executive Directors. More information on the composition and functions of the committees is given in the corporate governance statement.

Main shareholders

The following table presents shareholders possessing directly or indirectly more than 5% of the Company's shares and shares held by the Company under the share buyback program as at 31 December 2025:

Name	Number of votes/shares	Votes/share capital %
Siarhei Kostevitch and KS Holdings Ltd	20,448,127	36.84
Free float	<u>35,051,873</u>	<u>63.16</u>
	<u>55,500,000</u>	<u>100.00</u>

Auditors

The independent auditors of the Company, Messrs KPMG Limited, have expressed their willingness to continue in office and a resolution authorizing the Board of Directors to fix their remuneration will be submitted at the forthcoming annual general meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Director



.....

Limassol, 24 March 2026



KPMG Limited
Chartered Accountants
11, June 16th 1943 Street, 3022 Limassol, Cyprus
P.O.Box 50161, 3601 Limassol, Cyprus
T: +357 25 869000, F: +357 25 363842

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
ASBISC ENTERPRISES PLC**

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the accompanying consolidated and separate financial statements of **Asbisc Enterprises PLC** (the "Company") and its subsidiaries (the "Group"), which are presented on pages 14 to 80 and comprise the consolidated and the separate statement of financial position as at 31 December 2025, and the consolidated and the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and the separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements and the separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and the requirements of the Cyprus Companies Law, Cap. 113 (the "Companies Law, Cap.113").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated and the separate financial statements*" section of our report. We remained independent of the Group and the Company throughout the period of our appointment in accordance with the International Code of Ethics (Including International Independence Standards) for Professional Accountants of the International Ethics Standards Board for Accountants ("IESBA Code") together with the ethical requirements in Cyprus that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud

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

Key audit matter 1 – valuation of inventory	
Refer to notes 2 and 16 of the financial statements	
Key audit matter	How the matter was addressed in our audit
There is an increased need to hold inventory to serve as a buffer in anticipation of customer needs. Given that the IT industry is characterized by rapid changes in technology and short product shelf lives, inventory may rapidly become obsolete. Significant judgment is required in determining the appropriate carrying amount of inventories.	Our audit procedures included among other: <ul style="list-style-type: none">- understanding and evaluating the process applied by the Company and the Group in the determination of the impairment provision;- assessing the compliance and the consistency of the accounting methods applied with the IFRS-EU;- testing the accuracy of the inventory ageing report and assessing the ageing of inventory, inventory levels; comparing year on year key indicators, including stock turnover and gross profit margins;- verifying on a sampling basis that the inventory held as at year end was recorded on the lower of cost and net realizable value;- participating the year end count and performing independent count test;- reviewing disclosures to the financial statements to ensure compliance with requirements of relevant IFRS-EU.



Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud (continued)

Key audit matter 2 – valuation of trade receivables	
Refer to notes 2 and 17 of the financial statements	
Key audit matter	How the matter was addressed in our audit
<p>The Company and the Group have significant trade receivables as at the year end. Despite the fact that a large portion of these is credit insured, credit insurance companies are becoming more risk averse in granting credit limits to customers. Given the size of trade receivables and the risk that some of them may not be recoverable, significant judgment is required to estimate the level of the allowance required to reflect the risk.</p> <p>In addition, application of requirements of IFRS 9 “Financial Instruments” could increase the risk of misstatement as it is a complex accounting standard which requires considerable judgments to be made. Specifically, a model has been developed by management to calculate expected credit losses by applying judgement in a number of significant areas.</p>	<p>Our audit procedures included among other:</p> <ul style="list-style-type: none"> - understanding and evaluating the process applied by the Company and the Group in the determination of the impairment provision; - assessing the compliance and the consistency of the accounting methods applied with the IFRS-EU; - discussing with the responsible credit officers and the responsible Company’s director the recoverability and the procedures followed for the collection of significant overdue balances and evaluate the assessment made by them; - assessing on sample basis the recoverability of overdue amounts by reference to subsequent receipts from customers or, where there were no subsequent receipts, to sales and payment track records, we inspected relevant correspondence with customers and legal advisors, as applicable, and inspected insurance documents for the insured customers; - recalculation of expected credit loss provision and comparison the management’s calculation of expected credit loss; - reviewing disclosures to the financial statements to ensure compliance with requirements of relevant IFRS-EU.



Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud (continued)

Key audit matter 3 – Revenue recognition	
Refer to notes 2 and 3 of the financial statements	
Key audit matter	How the matter was addressed in our audit
<p>The vast majority of the Group's and the Company's revenue is generated from the sales of IT equipment, services and licenses.</p> <p>The Group and the Company generally recognize revenue in accordance with the terms and conditions of sale, which vary and may affect the timing of revenue recognition.</p> <p>We have identified revenue recognition as a key audit matter because of revenue is one of the Group's and the Company's performance indicators giving rise to an inherent risk that revenue could be subject to overstatement to meet targets or expectations.</p>	<p>Our audit procedures included among other:</p> <ul style="list-style-type: none"> - understanding and evaluating the process applied by the Company and the Group which govern the revenue recognition process; - assessing the compliance and the consistency of the accounting methods applied with the IFRS-EU; - evaluating key contractual arrangements with customers to assess revenue recognition as per required standards; - testing sample of sales transactions closer to the year end and subsequent to the year end to assess that the revenue is recorded in the correct period; - testing sample of sales transactions throughout the year to assess the existence of revenue - performing analytical procedures based on the historical data, comparing year on year key indicators; - reviewing disclosures to the financial statements to ensure compliance with requirements of relevant IFRS-EU.

Reporting on Other information

The Board of Directors is responsible for the other information. The other information comprises the annual report (excluding the financial statements and the auditor's report thereon) and the Remuneration report.

Our opinion on the consolidated and the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as required by the Companies Law, Cap.113.

In connection with our audit of the consolidated and the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

With regards to the annual report, the Remuneration report and the sustainability statement, which is part of the Management report, we have nothing to report.

With regards to the Management report, excluding the sustainability statement, our report is presented in the "Report on other legal and regulatory requirements" section.

Responsibilities of the Board of Directors and those charged with governance for the consolidated and separate financial statements

The Board of Directors is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS-EU and the requirements of the Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.



Responsibilities of the Board of Directors and those charged with governance for the consolidated and separate financial statements (continued)

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

The Board of Directors and those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated and the separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Parent to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



Auditors' responsibilities for the audit of the consolidated and separate financial statements (continued)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Report on other regulatory and legal requirements

Other regulatory requirements

Pursuant to the requirements of Article 10(2) of European Union (EU) Regulation 537/2014 we provide the following information in our Independent Auditors' Report, which is required in addition to the requirements of ISAs.

Date of appointment and period of engagement

We were appointed auditors on 26 November 2025 by Board of Directors Meeting to audit the consolidated and separate financial statements of the Group for the year ended 31 December 2025. Our total uninterrupted period of engagement, is 14 years covering the periods ending 30 June 2012 to 31 December 2025.

Consistency of auditors' report to the additional report to the Audit Committee

We confirm that our audit opinion on the consolidated and separate financial statements expressed in this report is consistent with the additional report presented to the Audit Committee of the Company, which is dated 24 March 2026, in accordance with Article 11 of the EU Regulation 537/2014.

Provision of Non-audit Services ('NAS')

We have not provided any prohibited NAS referred to in Article 5 of EU Regulation 537/2014 as applied by Section 72 of the Auditors Law of 2017 ("Law L53 (I)/2017").

European Single Electronic Format

We have examined the digital files of the European Single Electronic Format (ESEF) of Asbisc Enterprises PLC for the year ended 31 December 2025 comprising an XHTML file which includes the consolidated and separate financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated statement of financial position as at 31 December 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and all disclosures made in the consolidated financial statements or made by cross-reference therein to other parts of the annual financial report for the year ended 31 December 2025 that correspond to the elements of Annex II of the EU Delegated Regulation 2019/815 of 17 December 2018 of the European Commission, as amended from time to time (the "ESEF Regulation") (the "digital files").



European Single Electronic Format (continued)

The Board of Directors of Asbisc Enterprises PLC is responsible for preparing and submitting the consolidated and separate financial statements for the year ended 31 December 2025 in accordance with the requirements set out in the ESEF Regulation.

Our responsibility is to examine the digital files prepared by the Board of Directors of Asbisc Enterprises PLC. According to the Audit Guidelines issued by the Institute of Certified Public Accountants of Cyprus (the "Audit Guidelines"), we are required to plan and perform our audit procedures in order to examine whether the content of the consolidated financial statements included in the digital files correspond to the consolidated financial statements we have audited, and whether the format and marking up included in the digital files have been prepared in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined correspond to the consolidated financial statements, and the consolidated financial statements included in the digital files, are presented and marked-up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Other legal requirements

Pursuant to the additional requirements of law L.53(I)/2017, and based on the work undertaken in the course of our audit, we report the following:

- In our opinion, the management report, the preparation of which is the responsibility of the Board of Directors, has been prepared in accordance with the requirements of the Companies Law, Cap 113, excluding the sustainability reporting requirements set out in article 151A, and the information given is consistent with the consolidated and the separate financial statements.
- In the light of the knowledge and understanding of the business and the Group's and Company's environment obtained in the course of the audit, we have not identified material misstatements in the consolidated management report.
- In our opinion, based on the work undertaken in the course of our audit, the information included in the corporate governance statement in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Companies Law, Cap. 113, and which is also published in full on the Company's website, have been prepared in accordance with the requirements of the Companies Law, Cap, 113, and is consistent with the consolidated and separate financial statements.
- In light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the corporate governance statement in relation to the information disclosed for items (iv) and (v) of the subparagraph 2(a) of Article 151 of the Companies Law, Cap. 113. We have not identified any material misstatements in this respect.
- In our opinion, based on the work undertaken in the course of our audit, the corporate governance statement includes all information referred to in subparagraphs (i), (ii), (iii), (vi) and (vii) of paragraph 2(a) of Article 151 of the Companies Law, Cap.113.



Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of Law L.53(I)/2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditors' report is John C. Nicolaou.

A handwritten signature in blue ink, appearing to read 'John C. Nicolaou', written over a blue circular stamp or seal.

John C. Nicolaou, CPA
Certified Public Accountant and Registered Auditor

for and on behalf of

KPMG Limited
Certified Public Accountants and Registered Auditors

11, June 16th 1943 Street
3022 Limassol
Cyprus

Limassol, 24 March 2026

ASBISC ENTERPRISES PLC

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

	Note	2025 US\$	2024 US\$
Revenue	3	3,862,999	3,008,503
Cost of sales		<u>(3,584,278)</u>	<u>(2,768,339)</u>
Gross profit		278,721	240,164
Selling expenses		(99,260)	(86,172)
Administrative expenses		<u>(68,475)</u>	<u>(59,682)</u>
Profit from operations		110,986	94,310
Financial income	6	2,564	1,631
Financial expenses	6	<u>(37,486)</u>	<u>(31,333)</u>
Net finance costs		<u>(34,922)</u>	<u>(29,702)</u>
Other gains and losses	4	1,315	764
Share of loss of equity-accounted investees	12	<u>(678)</u>	<u>(360)</u>
Profit before tax	5	76,701	65,012
Taxation	7	<u>(16,458)</u>	<u>(10,839)</u>
Profit for the year		<u>60,243</u>	<u>54,173</u>
Attributable to:			
Equity holders of the parent		60,639	54,441
Non-controlling interests		<u>(396)</u>	<u>(268)</u>
		<u>60,243</u>	<u>54,173</u>
		US\$ cents	US\$ cents
Earnings per share			
Basic and diluted from continuing operations (expressed in US\$)	13	<u>1.09</u>	<u>0.98</u>
Other comprehensive income/(loss):			
Exchange difference on the translation of foreign operations		8,860	(9,527)
Reclassification adjustments relating to foreign operations liquidated and disposed of in the year		<u>(627)</u>	<u>168</u>
Other comprehensive income/(loss) for the year		<u>8,233</u>	<u>(9,359)</u>
Total comprehensive income for the year		<u>68,476</u>	<u>44,814</u>
Total comprehensive income attributable to:			
Equity holders of the parent		68,813	45,141
Non-controlling interests		<u>(337)</u>	<u>(327)</u>
		<u>68,476</u>	<u>44,814</u>

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

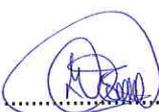
ASBISC ENTERPRISES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (in thousands of US\$)

	Notes	2025 US\$	2024 US\$
ASSETS			
Non-current assets			
Property, plant and equipment	8	106,826	72,628
Intangible assets	9	4,429	2,838
Investment property	10	3,491	3,527
Equity-accounted investees	12	4,844	5,055
Goodwill	34	2,315	582
Other investments	14	4,075	3,304
Deferred tax assets	24	1,172	221
Total non-current assets		<u>127,152</u>	<u>88,155</u>
Current assets			
Inventories	16	545,144	516,788
Trade receivables and other contract assets	17	528,812	396,930
Other current assets	18	40,734	41,206
Derivative financial assets	29	67	1,575
Current taxation	7	287	1,123
Cash at bank and in hand	30	257,612	155,034
Total current assets		<u>1,372,656</u>	<u>1,112,656</u>
Total assets		<u>1,499,808</u>	<u>1,200,811</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	19	11,100	11,100
Share premium		23,906	23,906
Retained earnings and other components of equity		304,266	263,192
Equity attributable to owners of the parent		339,272	298,198
Non-controlling interests		(1,199)	117
Total equity		<u>338,073</u>	<u>298,315</u>
Non-current liabilities			
Long-term borrowings	21	45,390	26,123
Other long-term liabilities	22	1,046	936
Deferred tax liabilities	24	188	159
Total non-current liabilities		<u>46,624</u>	<u>27,218</u>
Current liabilities			
Trade payables and contract liabilities	26	651,076	510,166
Trade payables factoring facilities	15	82,291	52,660
Other current liabilities	25	126,809	86,602
Short-term borrowings	20	244,722	222,342
Derivative financial liabilities	28	2,004	100
Current taxation	7	8,209	3,408
Total current liabilities		<u>1,115,111</u>	<u>875,278</u>
Total liabilities		<u>1,161,735</u>	<u>902,496</u>
Total equity and liabilities		<u>1,499,808</u>	<u>1,200,811</u>

Signed on behalf of the Board of Directors on the 24th of March, 2026


Constantinos Tziamalis
Director


Marios Christou
Director

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

	Attributable to the owners of the parent					
	Share capital US\$	Share premium US\$	Translation of foreign operations US\$	Retained earnings US\$	Non-controlling interests US\$	Total US\$
Balance at 1 January 2024	11,100	23,872	(7,994)	253,790	444	281,212
<i>Total comprehensive income</i>	-	-	-	54,441	(268)	54,173
Profit for the year	-	-	(9,300)	-	(59)	(9,359)
Other comprehensive loss for the year	-	-	-	-	-	-
<i>Transactions with owners of the Company</i>	-	34	-	-	-	34
Contributions and distributions	-	-	-	(27,745)	-	(27,745)
Treasury shares sold	-	-	-	-	-	-
Payment of interim and final dividend (Note 37)	-	-	-	-	-	-
Balance at 31 December 2024	11,100	23,906	(17,294)	280,486	117	298,315
<i>Total comprehensive income</i>	-	-	-	60,639	(396)	60,243
Profit/(loss) for the year	-	-	8,174	-	59	8,233
Other comprehensive income for the year	-	-	-	-	-	-
<i>Transactions with owners of the Company</i>	-	-	-	-	-	-
Changes in ownership interests	-	-	-	139	(187)	(48)
Disposal/(acquisition) of non-controlling interest without a change in control	-	-	-	-	177	177
Increase of share capital with non-controlling interest	-	-	-	-	-	-
Acquisition of subsidiary with non-controlling interest	-	-	-	(128)	(969)	(1,097)
Contributions and distributions	-	-	-	-	-	-
Payment of interim and final dividend (Note 37)	-	-	-	(27,750)	-	(27,750)
Balance at 31 December 2025	11,100	23,906	(9,120)	313,386	(1,199)	338,073

The retained earnings shown above at 31 December 2025 were readily distributable up to the amount of US\$ 156,530 which represents the retained earnings of the Company. The remaining amount in retained earnings of US\$ 147,738 represents the earnings retained in the subsidiary companies of the Group. Share premium represents the difference between the issue price of the shares of the Company and their nominal value. The share premium can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law, Cap. 113 on reduction of share capital. The translation reserve comprises all foreign currency differences from the translation of the financial statements of foreign operations.

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

	Note	2025 US\$	2024 US\$
Profit for the year before tax and non-controlling interest		74,914	65,012
Adjustments for:			
Exchange difference arising on consolidation		6,490	(6,391)
Depreciation of property, plant and equipment	8	9,368	8,159
Amortization of intangible assets	9	424	418
Depreciation of investment property	10	36	36
Provision/(reversal of provision) for slow moving and obsolete stock	16	3,438	(849)
Impairment loss on goodwill	4	467	5
Share of loss of equity-accounted investees	12	678	360
Loss from disposal of property, plant and equipment and intangible assets	4	109	243
Gain on remeasurement of previously held interest	4	(467)	-
Impairment losses on trade receivables	17	2,210	1,164
Interest received	6	(920)	(613)
Interest paid		16,452	14,469
Operating profit before working capital changes		113,199	82,013
Increase in inventories		(31,132)	(102,164)
Increase in trade receivables		(133,273)	(51,969)
Decrease/(increase) in other current assets		4,377	(13,261)
Increase in trade payables and contract liabilities		140,365	160,483
Increase in trade payables factoring facilities		29,631	10,838
Increase/(decrease) in other current liabilities		38,857	(36,195)
Increase in other non-current liabilities		110	2
Increase in factoring creditors		20,743	2,075
Cash inflows from operations		182,877	51,822
Interest paid	6	(14,927)	(13,160)
Taxation paid, net	7	(13,132)	(11,950)
Net cash inflows from operating activities		154,818	26,712
Cash flows from investing activities			
Purchase of intangible assets		(1,095)	(1,665)
Purchase of property, plant and equipment		(19,211)	(17,218)
Proceeds from disposal of property, plant and equipment and intangible assets		111	3,238
Net cash acquired from acquisition of subsidiaries		1,002	-
Payments for purchase of investments in subsidiaries		(1,539)	(5)
Payments for purchase of investments in associates		-	(340)
Net payment from acquisition of financial assets at fair value through profit and loss		(771)	(400)
Payments of loans made to associates		(1,586)	(2,305)
Interest received	6	920	613
Net cash outflows from investing activities		(22,169)	(18,082)
Cash flows from financing activities			
Disposal of treasury shares		-	34
Payment of interim and final dividend		(27,750)	(27,745)
Proceeds of long-term loans and long-term obligations under finance lease		61	7,957
(Repayments)/proceeds of short-term borrowings and short-term obligations under finance lease		(3,854)	8,218
Net cash outflows from financing activities		(31,543)	(11,536)
Net increase/(decrease) in cash and cash equivalents		101,106	(2,906)
Cash and cash equivalents at the beginning of the year		105,400	108,306
Cash and cash equivalents at the end of the year	30	206,506	105,400

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

	Note	2025 US\$	2024 US\$
Revenue	3	2,700,583	2,176,393
Cost of sales		<u>(2,617,634)</u>	<u>(2,109,081)</u>
Gross profit		82,949	67,312
Selling expenses		(3,736)	(3,580)
Administrative expenses		<u>(30,741)</u>	<u>(31,375)</u>
Profit from operations		48,472	32,357
Financial income	6	799	2,686
Financial expenses	6	<u>(13,914)</u>	<u>(7,601)</u>
Net finance costs		(13,115)	(4,915)
Other gains and losses	4	7,453	18,747
Share of loss of equity-accounted investees	12	<u>(678)</u>	<u>(360)</u>
Profit before tax	5	42,132	45,829
Taxation	7	<u>(5,781)</u>	<u>(6,185)</u>
Profit for the year		36,351	39,644
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>36,351</u>	<u>39,644</u>

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

PARENT COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (in thousands of US\$)

	Notes	2025 US\$	2024 US\$
ASSETS			
Non-current assets			
Property, plant and equipment	8	23,233	23,621
Intangible assets	9	1,691	1,555
Investment property	10	3,491	3,527
Investment in subsidiary companies	11	24,284	22,245
Other investments	14	4,075	3,304
Equity-accounted investees	12	4,844	5,055
Long-term loans to subsidiary company	31	4,420	2,705
Total non-current assets		<u>66,038</u>	<u>62,012</u>
Current assets			
Inventories	16	249,979	217,425
Trade receivables and contract assets	17	136,248	90,611
Other current assets	18	263,675	247,441
Derivative financial assets	29	32	1,522
Cash at bank and in hand	30	116,176	50,803
Total current assets		<u>766,110</u>	<u>607,802</u>
Total assets		<u>832,148</u>	<u>669,814</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	19	11,100	11,100
Share premium		23,906	23,906
Retained earnings and other components of equity		156,528	147,929
Total equity		<u>191,534</u>	<u>182,935</u>
Non-current liabilities			
Long-term borrowings	21	17,368	16,260
Deferred tax liabilities	24	185	156
Total non-current liabilities		<u>17,553</u>	<u>16,416</u>
Current liabilities			
Trade payables and contract liabilities	26	445,937	332,527
Trade payables factoring facilities	15	68,419	52,660
Other current liabilities	25	56,217	49,873
Short-term borrowings	20	47,708	33,043
Derivative financial liability	28	2,004	87
Current taxation	7	2,776	2,273
Total current liabilities		<u>623,061</u>	<u>470,463</u>
Total liabilities		<u>640,614</u>	<u>486,879</u>
Total equity and liabilities		<u>832,148</u>	<u>669,814</u>

The financial statements were approved by the Board on the 24th of March, 2026



Constantinos Tziamalis
Director



Marios Christou
Director

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

	Share capital US\$	Share premium US\$	Retained earnings US\$	Total US\$
Balance at 1 January 2024	11,100	23,872	136,030	171,002
<i>Total comprehensive income</i>				
Profit for the year	-	-	39,644	39,644
<i>Transactions with owners of the Company</i>				
Contributions and distributions				
Payment of interim and final dividend (Note 37)	-	-	(27,745)	(27,745)
Acquisition of treasury shares	-	34	-	34
Balance at 31 December 2024	<u>11,100</u>	<u>23,906</u>	<u>147,929</u>	<u>182,935</u>
<i>Total comprehensive income</i>				
Profit for the year	-	-	36,351	36,351
<i>Transactions with owners of the Company</i>				
Contributions and distributions				
Payment of interim and final dividend (Note 37)	-	-	(27,750)	(27,750)
Balance at 31 December 2025	<u>11,100</u>	<u>23,906</u>	<u>156,530</u>	<u>191,536</u>

The retained earnings shown above at 31 December 2025 were readily distributable up to the amount of US\$ 156,530 which represents the retained earnings of the Company. Share premium represents the difference between the issue price of the shares and their nominal value. The share premium can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law, Cap. 113 on reduction of share capital.

Companies which do not distribute 70% of their profits after tax, as defined by the relevant Cyprus tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% is payable on such deemed dividends to the extent that the ultimate shareholders (physical persons) are Cyprus domiciled tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

Dividends paid to non-Cyprus tax resident shareholders are not subject to withholding tax in Cyprus. Dividends paid to Cyprus tax resident domiciled physical persons are subject to withholding tax at the above rates.

ASBISC ENTERPRISES PLC

PARENT COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

	Note	2025 US\$	2024 US\$
Profit for the year before tax and non-controlling interest		42,132	45,829
Adjustments for:			
Depreciation of property, plant and equipment	8	2,076	2,138
Amortization of intangible assets	9	214	188
Depreciation of investment property	10	36	36
Profit from the sale of property, plant and equipment and intangible assets	4	(16)	(12)
Impairment/(reversal of impairment) losses on trade receivables	17	225	(497)
Provision for slow moving and obsolete stock	16	3,205	(577)
Share of loss of equity-accounted investees		678	360
Dividend income	4	(5,000)	(15,044)
Interest received	6	(791)	(389)
Interest paid		1,764	1,429
Operating profit before working capital changes		44,523	33,461
Increase in inventories		(35,759)	(12,995)
Increase trade receivables		(45,862)	(33,566)
Increase in other current assets		(11,602)	(88,328)
Increase in other non-current assets		(1,715)	(2,376)
Increase in trade payables and contract liabilities		113,410	108,784
Increase in trade payables factoring facilities		15,759	10,838
Increase/(decrease) in other current liabilities		8,260	(24,433)
Increase in factoring creditors		16,429	905
Cash inflows/(outflows) from operations		103,443	(7,710)
Interest paid	6	(1,428)	(1,068)
Taxation paid, net	7	(5,250)	(6,290)
Net cash inflows/(outflows) from operating activities		96,765	(15,068)
Cash flows from investing activities			
Purchase of intangible assets	9	(350)	(817)
Purchase of property, plant and equipment		(1,212)	(994)
Proceeds from sale of property, plant and equipment and intangible assets		16	12
Payments of loans made to associate		(1,586)	-
Interest received		791	389
Dividends received	4	5,000	15,044
Net payment from acquisition of financial assets at fair value through profit and loss		(771)	(400)
Payments for purchase of investments in associates		-	(340)
Payments of loans made to subsidiaries		(2,523)	(329)
Net increase in investment in subsidiary companies		(1,539)	(931)
Net cash inflows from investing activities		(2,174)	11,634
Cash flows from financing activities			
Payment of interim and final dividend	37	(27,750)	(27,745)
Proceeds of long-term loans and long-term obligations under finance lease		390	10,959
Disposal of treasury shares		-	34
Proceeds of short-term borrowings and short-term obligations under finance lease		1,683	4,434
Net cash outflows from financing activities		(25,677)	(12,318)
Net decrease in cash and cash equivalents		68,914	(15,752)
Cash and cash equivalents at the beginning of the year		36,640	52,392
Cash and cash equivalents at the end of the year	30	105,554	36,640

The notes on pages 22 to 80 form an integral part of these consolidated financial statements.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

1. Incorporation and principal activities

Asbisc Enterprises Plc (the "Company or "the parent Company") was incorporated in Cyprus on 9 November 1995 with limited liability. The Group's and the Company's principal activity is the trading and distribution of computer hardware and software in a number of geographical regions as disclosed in note 27. The main shareholder of the Company is K.S. Holdings Limited, a Company incorporated in Cyprus. The details of the Company's registered office are disclosed on page 1.

The Company is listed on the Warsaw Stock Exchange since 30 October 2007.

2. Material accounting policies

Changes in material accounting policies

The accounting policies adopted for the preparation of these consolidated and separate financial statements for the twelve months ended 31 December 2025 are consistent with those followed for the preparation of the annual financial statements for the year 2024.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and the requirements of the Cyprus Companies Law, Cap.113.

The financial statements were approved by the Board of Directors and authorized for issue on the 24th of March 2026.

Basis of preparation

The financial statements which are expressed in United States Dollars, the Group's presentation and the Company's presentation and functional currency, have been prepared under the historical cost convention except for certain financial instruments that are measured at fair value, as explained in the accounting policies below.

The financial statements are presented in US dollars (US\$), and all values are presented in US\$ thousand unless otherwise stated.

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS-EU requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Group's and the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis; revisions to estimates are recognized prospectively.

Information about judgments made in applying accounting policies and the estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed in note 2 on pages 36 and 37.

Adoption of new and revised IFRSs and interpretations by the European Union (EU)

As from 1 January 2025, the Group and the Company adopted all changes to International Financial Reporting Standards (IFRS) as adopted by the EU, which are relevant to its operations. This adoption did not have a material effect on the financial statements of the Group and the Company.

The following new or amended accounting standards and interpretations have been issued by International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") but are not yet effective for annual periods beginning on 1 January 2025. Those which may be relevant to the Group and the Company are set out below. The Group and the Company do not plan to adopt these Standards early.

(i) New or amended IFRS Accounting Standards and interpretations adopted by the EU

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)
- Annual Improvements to IFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

(ii) New or amended IFRS Accounting Standards and interpretations not adopted by the EU

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments): Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)
- IFRS 10 Consolidated Financial Statements (Amendments) and IAS 28 Investments in Associates and Joint Ventures (Amendments): Sale or Contribution of Assets between an Investor and

The Board of Directors expects that the adoption of these standards or interpretations in future periods will not have a material effect on the financial statements of the Group and the Company.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Unrealized gains arising from transactions from equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration of each acquisition is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognized in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognized.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share based payment awards are measured in accordance with IFRS 2 Share based payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. The profit or loss on disposal is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiary and associates

In the individual accounts of the Company, investments in subsidiary, associate and jointly controlled companies are presented at cost less provision for impairment. The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Interest in associates is accounted for using the equity method and is recognized initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Financial assets at fair value through other comprehensive income (FVOCI)

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- They are held under a business model whose objective it is "hold to collect" the associated cash flows and sell, and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognized in other comprehensive income will be transfer to profit and loss upon derecognition of the asset.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Financial assets at fair value through profit and loss (FVPL)

The Group accounts for financial assets at FVPL if the assets meet the following conditions:

- Debt investments that do not qualify for measurement at either amortized cost or FVOCI
- Equity investments that are held for trading, and
- Equity investments for which the Group has not elected to recognize fair value gains and losses through OCI.

Goodwill

Goodwill arising in a business combination is recognized as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Segmental reporting

The Group is organized by geographical segments and this is the primary format for segmental reporting. Each geographical segment is subject to risks and returns that are different from those of other segments.

Revenue recognition

The Group recognizes revenue mainly from the following major sources:

- Sale of goods
- Sale of optional warranties related to the aforementioned products
- Sale of software licenses
- Rendering of services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer. The Group recognizes revenue when it transfers control of a product to a customer.

Sale of goods

The Group sells IT components and finished products mainly to small-medium businesses and retail market. Revenue represents amounts invoiced to customers in respect of sales of goods during the year and is stated net of trade discounts, rebates, customer returns and other similar allowances. Based on historical data and using the "most likely amount" method, the expected returns for the year were of insignificant value. Therefore, a significant reversal of revenue was not expected, and the effect of the returns was recorded as occurred.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Revenue from the sale of goods is recognized when the control of the product is transferred to the customer. The point in time at which the control is transferred and the performance obligation is considered as satisfied, is decided based on the incoterms of each sale of goods and also by considering the following indicators:

- the entity has a present right to payment for the asset
- the customer has legal title to the asset
- the entity has transferred physical possession of the asset
- the customer has the significant risks and rewards related to the ownership of the asset and
- the customer has accepted the asset.

More specifically, for each of the most used incoterms, revenue is recognized at the following point in time:

- Ex-works (EXW) - when the goods become available to the buyer
- Carriage-paid-to (CPT) – when the goods have been delivered to the carrier
- Carriage-and-insurance-paid-to (CIP) - when the goods have been delivered to the carrier
- Free carrier (FCA) - when the goods have been delivered to the carrier at the named place or point

Sale of optional warranties

The Group sells optional warranties only when the vendor offers this option. The Group enters into agreements with purchasers of its goods to perform necessary repairs falling outside of the products standard warranty period. The performance obligation is considered satisfied upon sale and the related revenue is recognized immediately

Sale of software licenses

The Group sells licenses only for software created by third parties. Software licenses are neither customized nor subject to significant integration services by the Group. Since the Group only acts just as the distributor of the licenses, the performance obligation is considered satisfied upon sale and the related revenue is recognized immediately.

Rendering of services

For Value-Added Distributor (VAD) maintenance services, the Group is responsible for providing the maintenance service to the customer, even when third-party vendors support the delivery of certain service elements. The Group controls the maintenance service before it is transferred to the customer and remains primarily responsible for fulfilling all related performance obligations.

Management therefore concludes that control of the service is transferred to the customer at the point of sale, as the Group has no further obligations after the sale is completed. Accordingly, revenue from VAD maintenance services is recognized at a point in time, and advance payments received from customers do not give rise to contract liabilities.

Dividend and interest income

Dividend income from investments is recognized when the Company's right to receive payment has been established.

Interest income is recognized when it is probable that the economic benefits will flow to the Group and the Company and the amount of revenue can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Borrowing costs

All borrowing costs are recognized in the income statement in the period in which they are incurred using the effective interest method.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Employee benefits

Defined contribution pension plans

A defined contribution plan, the Employee Provident Fund, is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company operates a defined contribution scheme, the assets of which are held in a separate trustee-administered fund. Obligations for contributions to defined contribution pension plans are recognized as staff costs in the statement of comprehensive income in the year during which services are rendered by employees.

Contributions to the Government Social Insurance Fund

The Group/Company and the employees contribute to the Government Social Insurance Fund at the prevailing statutory rate which is applied on employees' salaries. The scheme is funded by payments from employees and by the Group/Company. The Group's/Company's contributions are expensed as incurred and are included in staff costs. The Group/Company has no further payment obligations once the contributions have been paid. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payment transactions

The grant-date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in United States Dollars (US\$), which is the functional currency of the Company and the presentation currency for both the consolidated and separate financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency and are not retranslated.

Exchange differences are recognized in the profit and loss in the period in which they arise. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in United States Dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are reclassified to other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized in other comprehensive income, in which case the tax is also recognized in equity.

Dividend distribution

Dividend distribution to the shareholders is recognized in the financial statements in the year in which dividends are declared.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, are carried at cost less any recognized impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and are ready for their intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of property, plant and equipment (other than freehold land and properties under construction) on a straight-line basis over their estimated useful economic lives as follows:

Leasehold property	Over the remaining period of the right for usage of the land
Buildings	46 - 100 years
Computer hardware	5 years
Warehouse machinery	3 - 5 years
Motor vehicles	5 years
Furniture, fittings and office equipment	10 years

No depreciation is provided on land.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss when the asset is disposed.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets

Intangible assets consist of computer software, patents and licenses which are stated at cost less accumulated amortization and accumulated impairment losses. Amortization is provided at rates calculated to write off the cost less the estimated residual value of the assets using the straight-line method as follows:

Computer software	3 - 10 years
Patents and licenses	3 years

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Repairs and maintenance

Expenditure for repairs and maintenance of property, plant and equipment and costs associated with maintenance of computer software programs are recognized as an expense as incurred.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, the Group and the Company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent basis of allocation is identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimated of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

(1) *Classification and subsequent measurement*

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income – debt investment; Fair Value through Other Comprehensive Income – equity investment; or Fair value through profit or loss.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

- *Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

- *Financial assets at FVOCI*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in other comprehensive income. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

- *Financial assets at amortized cost*

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss. Financial assets at amortized cost comprise of the following:

Trade receivables including factored trade receivables

The Group enters into various invoice discounting agreements with factoring companies from which a percentage of approved invoices are collected in advance. The invoices which are given for collection in advance are with recourse and included within trade receivables, whereas the amount collected from the factoring Company is presented in the statement of financial position under current liabilities until the date of settlement by the debtors. Factoring expenses are charged to the statement of comprehensive income.

Loans granted

Loans granted by the Company to the borrower are categorized as loans. All loans are recognized when cash is advanced to the borrower.

Cash and cash equivalents

The Group considers all short-term highly liquid instruments with maturities of 3 months or less which are subject to insignificant risk of changes in value to be cash equivalents.

- *Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

- *Equity investments at FVOCI*

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

(ii) Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

(i) Classification and subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company/Group are accounted for and measured initially at their fair values, and subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and
- the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies as set out below.

As at each reporting date presented in these financial statements, the Company participates in financial guarantee contracts and provides financial guarantees to its subsidiaries.

To be classified as a financial guarantee contract, a contract needs to comply with all of the following conditions:

- The reference obligation is a debt instrument.
- The holder is compensated only for a loss that it incurs.
- The contract does not compensate the holder for more than the actual loss that it incurs.

Financial guarantee contract in the scope of IFRS 9 is initially recognized at fair value. If the financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, then its fair value at inception is considered to be equal to the premium received unless there is evidence to the contrary.

In the case of a guarantee provided by the Company over the liability of a subsidiary, when no consideration is or will be received, the Company recognize a liability in its financial statements for the fair value of the guarantee at the date of granting the financial guarantee and the respective increase in the cost of the investment in subsidiary.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

2. Material accounting policies (continued)

Subsequently, all financial guarantee contracts mentioned above are measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9 over the loan balance as at reporting date; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15.

Fee income recognized in accordance with the principles of IFRS 15 is posted within "finance income" caption of statement of profit and loss and other comprehensive income.

Any gain or loss caused by remeasurement of guarantee liabilities is posted through respective "finance income" and "finance expenses" captions of statement of profit and loss and other comprehensive income.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

(ii) *Derecognition*

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

Inventories

Inventories comprise of:

- IT products (components and finished products) which are stated at the lower of cost and net realizable value. Cost is determined on the basis of standard cost method for the price protected stock items and on the weighted average cost method for the non-price protected stock items and comprises the cost of acquisition plus any other costs that are incurred to bring the stock items to their present location and condition. Net realizable value represents the estimated selling price for inventories less all cost necessary to make the sale.
- Land under development which is carried at cost.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Provisions

A provision is recognized in the statement of financial position when the Company/Group has a legal or constructive present obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty are recognized at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Company's/Group's obligations.

Marketing

Provisions for the expected cost of marketing activities are recognized based on purchase of products, cost of goods sold and other various vendors rebates depending on turnover and marketing strategy. Marketing provisions are mainly used to support promotional and advertising related activities.

Impairment

Financial assets

The Group uses 'expected credit loss' (ECL) model. This impairment model applies to financial assets measured at amortized cost, contract assets and debt instruments at FVOCI but not to investments in equity instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group recognizes loss allowances for ECLs on financial assets measured at amortized cost.

ECLs are recognized in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL) due.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. An impairment loss is recognized if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. Goodwill is tested annually for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Leases

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group and the Company elected not to separate components and will instead account for the lease and non-lease components as a single lease component.

The Group and the Company leases land and buildings and motor vehicles. As a lessee, the Group and the Company previously classified leases as operating or finance leased based on its assessment of whether the lease transferred substantially all the risks and rewards of ownership. Under IFRS 16, the Group and the Company recognizes right-of-use assets and lease liabilities for most leases – i.e. these leases are on balance sheet. The Group and the Company presents lease liabilities in 'long-term borrowings' and 'short-term borrowings' in the statements of financial position.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group/Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group/Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

2. Material accounting policies (continued)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group/Company is reasonably certain to exercise, lease payments in an optional renewal period if the Group/Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group/Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group/Company's estimate of the amount expected to be payable under a residual value guarantee, if the Group/Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Non-recoverable VAT is excluded from lease accounting as VAT payments are not made to the lessor in exchange for the right to use an underlying asset. Instead, they are levies imposed by the government and are in the scope of IFRIC 21 (Levies) and are recognized when they are due under the tax law (when the invoice is issued). They are expensed in Statement of profit or loss and other comprehensive income immediately at the moment they are recognized.

Short-term leases and leases of low-value assets

The Group/Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group/Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Critical judgements in applying the entity's accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

2. Material accounting policies (continued)

Credit-impaired

The Company/Group reviews its trade and other receivables for evidence of their recoverability. Such evidence includes the customer's payment record, the customer's overall financial position and expected recovery from credit insurance. If indications of non-recoverability exist, the recoverable amount is estimated and a respective provision for bad and doubtful debts is made. The amount of the provision is charged through the income statement. The review of credit risk is continuous, and the methodology and assumptions used for estimating the provision are reviewed regularly and adjusted accordingly.

Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. Loss rates are calculated separately for exposures in different segments which share common credit risk characteristics and are based on actual credit loss experience over the past four years. Significant customers, if any, are assessed individually.

Provision for obsolete and slow-moving inventory

The Company/Group reviews its inventory records for evidence regarding the salability of inventory and its net realizable value on disposal less costs to sell. The provision for obsolete and slow-moving inventory is based on management's past experience, taking into consideration arrangements with suppliers for price protection and for returning defective stock; the value of inventory as well as the movement and the level of stock of each category of inventory.

Any change in the amount of provision is recognized in the income statement. The review of the net realizable value of the inventory is continuous and the methodology and assumptions used for estimating the provision for obsolete and slow-moving inventory are reviewed regularly and adjusted accordingly.

Trade payables factoring facilities

Significant judgment is required in determining the appropriate presentation of supply-chain factoring facilities in the statement of financial position and statement of cash flow. The Group and the Company disclose the amounts factored by suppliers separately from trade payables because the nature and function of the financial liabilities is sufficiently different from a trade payable that a separate presentation is appropriate. The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating – i.e. payments for the purchase of goods and services.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

3. Revenue

3.1 Disaggregation of revenue from contracts with customers

Analysis of revenue by category under revenue from contracts with customers is disaggregated by products and service lines:

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Sales of goods	3,830,813	2,989,265	2,682,642	2,167,069
Sales of licenses	19,273	13,146	17,793	9,237
Rendering of services	12,041	5,158	-	-
Sales of optional warranty	872	934	148	87
Total revenue from contracts with customers	<u>3,862,999</u>	<u>3,008,503</u>	<u>2,700,583</u>	<u>2,176,393</u>

Revenue analysis by geographical market

The Group and the Company

The Group operates as a trader and distributor of computer hardware and software in a number of geographical regions. The following table shows an analysis of the Group's sales by geographical market, irrespective of the origin of the goods.

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Former Soviet Union	1,407,542	1,266,470	988,205	948,785
Central Eastern Europe	1,110,015	868,811	895,488	691,327
Middle East & Africa	681,010	490,424	469,087	356,371
Western Europe	471,889	319,976	182,187	120,215
Other	192,543	62,822	165,616	59,695
Total revenue from contracts with customers	<u>3,862,999</u>	<u>3,008,503</u>	<u>2,700,583</u>	<u>2,176,393</u>

Timing of revenue recognition

Goods transferred at a point in time	3,850,086	3,002,561	2,700,583	2,176,393
Services transferred at a point in time	12,913	5,942	-	-
Total revenue from contracts with customers	<u>3,862,999</u>	<u>3,008,503</u>	<u>2,700,583</u>	<u>2,176,393</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

3. Revenue (continued)

Revenue analysis by currency

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
US Dollar	1,096,327	663,643	2,603,642	1,818,185
Euro	827,836	663,427	95,167	356,765
Kazakhstan Tenge	476,224	441,747	-	-
Ukraine Hryvnia	416,661	388,987	-	-
United Arab Emirates Dirham	383,869	369,088	-	-
Polish Zloty	153,055	104,422	-	-
Czech Koruna	85,632	63,672	-	-
South African Rand	76,650	38,158	-	-
Romanian New Lei	72,712	63,621	-	-
Bulgarian Lev	55,953	48,296	-	-
Georgian Lari	49,080	39,229	-	-
Uzbekistani Som	43,918	14,733	-	-
Bosnian Mark	28,800	24,885	-	-
Hungarian Forint	17,336	9,291	-	-
Other	78,946	75,304	1,774	1,443
	<u>3,862,999</u>	<u>3,008,503</u>	<u>2,700,583</u>	<u>2,176,393</u>

3.2 Contract balances

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trade and other receivables	<u>528,812</u>	<u>396,930</u>	<u>136,248</u>	<u>90,611</u>

The Group

Trade receivables are non-interest bearing. On 31 December 2025, US\$ 9,561 (2024: US\$ 7,091) was recognized as provision for impairment of trade receivables (note 17).

Contract assets are initially recognized for revenue earned from provision of services as receipt of consideration is conditional on successful completion of these services. Upon completion of the services and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade receivables.

Contract liabilities arise when the Group receives consideration before satisfying its performance obligations. For the Group's main revenue streams—sale of goods, sale of optional warranties, sale of software licences and VAD maintenance services—performance obligations are satisfied at a point in time, and therefore no contract liabilities existed at the reporting date.

The Company

Trade receivables are non-interest bearing. On 31 December 2025, US\$ 4,207 (2024: US\$ 3,982) was recognized as provision for expected credit losses on trade receivables (note 17).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

3. Revenue (continued)

Contract liabilities primarily relate to the advance consideration received from customers for delivery of series of services for which revenue is recognized over time. During 2025 and 2024, the impact of contract liabilities was not material at the Company level.

4. Other gains and losses

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Dividend received	-	-	5,000	15,044
(Loss)/profit on disposal of property, plant and equipment	(109)	(243)	16	12
Gain on remeasurement of previously held interest	467	-	-	-
Net loss from disposal of subsidiaries (Note 34)	-	-	(693)	(373)
Other net income	1,128	780	3,071	4,011
Rental income	296	232	59	53
Impairment loss on goodwill (Note 34)	(467)	(5)	-	-
	<u>1,315</u>	<u>764</u>	<u>7,453</u>	<u>18,747</u>

5. Profit before tax

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Profit before tax is stated after charging:				
(a) Amortization of intangible assets (Note 9)	424	418	214	188
(b) Depreciation (Note 8)	9,368	8,159	2,076	2,138
(c) Depreciation of investment property (Note 10)	36	36	36	36
(c) Auditors' remuneration – audit fees	717	800	301	505
(d) Directors' remuneration – executive (Note 31)	1,498	1,348	1,498	1,348
(e) Directors' remuneration – non-executive (Note 31)	<u>75</u>	<u>71</u>	<u>75</u>	<u>71</u>

The remuneration for non-audit services provided by the auditor of the Group financial statements amounts to US\$ 14 (2024: US\$ 24) and is included within administrative expenses.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

6. Financial expense, net

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Financial income				
Interest income	920	613	256	130
Interest income from loans to subsidiary companies (Note 31)	-	-	535	259
Other financial income	1,644	1,018	8	107
Net exchange gain	-	-	-	2,190
	<u>2,564</u>	<u>1,631</u>	<u>799</u>	<u>2,686</u>
Financial expense				
Bank interest	14,927	13,160	1,428	1,068
Bank charges	7,669	6,375	1,287	1,364
Derivative charges	553	500	495	432
Interest on lease liabilities	1,525	1,309	336	361
Factoring interest	5,497	6,117	1,428	988
Factoring charges	517	389	214	135
Other financial expenses	124	155	6	15
Other interest	3,755	3,243	3,615	3,238
Net exchange loss	2,919	85	5,105	-
	<u>37,486</u>	<u>31,333</u>	<u>13,914</u>	<u>7,601</u>
Net	<u>(34,922)</u>	<u>(29,702)</u>	<u>(13,115)</u>	<u>(4,915)</u>

7. Tax

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Payables balance 1 January	2,285	3,631	2,273	2,419
Provision for the year:				
- Corporate income tax	15,770	8,665	5,457	4,405
- Global minimum top-up tax	1,515	1,838	296	1,722
Under/(over) provision of prior year	37	64	-	17
Exchange difference on retranslation	1,447	37	-	-
Amounts paid, net	<u>(13,132)</u>	<u>(11,950)</u>	<u>(5,250)</u>	<u>(6,290)</u>
Net payable balance 31 December	<u>7,922</u>	<u>2,285</u>	<u>2,776</u>	<u>2,273</u>

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Tax receivable	(287)	(1,123)	-	-
Tax payable	<u>8,209</u>	<u>3,408</u>	<u>2,776</u>	<u>2,273</u>
Net	<u>7,922</u>	<u>2,285</u>	<u>2,776</u>	<u>2,273</u>

The taxation charge of the Group comprises corporation tax charge in Cyprus on the taxable profits of the Company and those of its subsidiaries which are subject to tax in Cyprus and corporation tax in other jurisdictions on the taxable results of the foreign subsidiary companies.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

7. Tax (continued)

The Company and all Cyprus resident companies of the Group are subject to corporation tax at the rate of 12.5% (2024: 12.5%). The tax rates of subsidiaries in foreign jurisdictions range between 0% and 30%.

Dividends received by the Cyprus companies of the Group are exempt from corporation tax and they are also exempt from defence tax.

Bank interest received by the Company and all Cyprus resident companies of the Group is subject to defence tax of 30% (2024: 30%).

Tax charge for the year

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Provisions and withholding tax for the year:				
- Corporate income tax	15,770	8,665	5,457	4,405
- Global minimum top-up tax	1,515	1,838	296	1,722
Under provision of prior year	37	64	-	17
Deferred tax charge (Note 24)	(864)	272	28	41
Net	<u>16,458</u>	<u>10,839</u>	<u>5,781</u>	<u>6,185</u>

The charge for taxation is based on the Group's/Company's profits for the year as adjusted for tax purposes. The reconciliation of the charge for the year is as follows:

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Profit before tax	65,012	65,012	42,132	45,829
Corporation tax thereon at the applicable tax rates	12,376	11,267	5,267	5,729
Global minimum top-up tax	1,515	1,838	296	1,722
Tax on income not taxable in determining taxable profit	(1,935)	(3,776)	(1,056)	(2,413)
Effect of using tax losses brought forward	(48)	8	-	-
Effect of unused current year tax losses	1,256	-	-	-
Temporary differences	(766)	(366)	23	576
Tax charges and penalties	8	1	-	-
Tax on non-allowable expenses	4,877	1,498	1,221	480
	<u>17,283</u>	<u>10,470</u>	<u>5,751</u>	<u>6,094</u>
Special contribution to defence fund	2	33	2	33
Over provision of prior years	37	64	-	17
Deferred tax charge	(864)	272	28	41
Tax charge	<u>16,458</u>	<u>10,839</u>	<u>5,781</u>	<u>6,185</u>

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Cyprus, the jurisdiction in which the Company is incorporated and has come into effect from 1 January 2024.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. Based on available information, the Group anticipates that its effective tax rate exceeds 15% in most jurisdictions in which it operates, except for Bosnia, Bulgaria, Cyprus, Georgia, Latvia, Serbia, and the United Arab Emirates. This assessment may be subject to change as further jurisdictional data for the current year becomes available.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

8. Property, plant and equipment

The Group

Cost	Land and buildings US\$	Assets under construction US\$	Computer hardware US\$	Warehouse machinery US\$	Motor vehicles US\$	Furniture and fittings US\$	Office equipment US\$	Total US\$
At 1 January 2024	60,866	984	7,891	1,089	5,126	5,394	8,279	89,629
Additions	8,342	7,234	1,717	233	827	927	1,844	21,124
Disposals/write-offs	(7,695)	-	(788)	(6)	(398)	(187)	(296)	(9,370)
Foreign exchange difference on retranslation	(1,968)	-	(386)	-	(204)	(510)	(578)	(3,646)
At 31 December 2024	59,545	8,218	8,434	1,316	5,351	5,624	9,249	97,737
Additions	36,299	-	1,060	102	1,311	936	2,019	41,727
Disposals/write-offs	(764)	-	(763)	(5)	(944)	(648)	(1,348)	(4,472)
Foreign exchange difference on retranslation	2,611	-	478	44	170	526	560	4,389
At 31 December 2025	97,691	8,218	9,209	1,457	5,888	6,438	10,480	139,381
Accumulated depreciation								
At 1 January 2024	9,901	-	4,075	662	2,757	2,214	3,087	22,696
Charge for the year	3,937	-	1,439	120	776	676	1,211	8,159
Disposals/write-offs	(3,520)	-	(562)	(6)	(353)	(130)	(292)	(4,863)
Foreign exchange difference on retranslation	(275)	-	(181)	10	(58)	(205)	(174)	(883)
At 31 December 2024	10,043	-	4,771	786	3,122	2,555	3,832	25,109
Charge for the year	4,884	-	1,472	122	784	674	1,432	9,368
Disposals/write-offs	(212)	-	(679)	(2)	(867)	(621)	(986)	(3,367)
Foreign exchange difference on retranslation	155	-	306	6	87	408	483	1,445
At 31 December 2025	14,870	-	5,870	912	3,126	3,016	4,761	32,555
Net book value								
At 31 December 2025	82,821	8,218	3,339	545	2,762	3,422	5,719	106,826
At 31 December 2024	49,502	8,218	3,663	530	2,229	3,069	5,417	72,628

Land and buildings are mortgaged for financing purposes. The cost of fully depreciated assets of the Group that are still in use amounted to US\$ 6,101 (2024: US\$ 5,473).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

8. Property, plant and equipment (continued)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

The Group

	Land and buildings US\$	Warehouse machinery US\$	Motor vehicles US\$	Total US\$
Balance at 1 January 2024	18,385	-	809	19,194
Depreciation charge for the year	(3,061)	(1)	(396)	(3,458)
Additions to right of use assets	4,498	8	575	5,081
Derecognition of right of use assets	(1,173)	-	(2)	(1,175)
Foreign exchange difference on retranslation	(916)	-	(87)	(1,003)
Balance at 31 December 2024	17,733	7	899	18,639
Depreciation charge for the year	(3,997)	(3)	(439)	(4,439)
Additions to right of use assets	21,894	-	716	22,610
Derecognition of right of use assets	(286)	-	(16)	(302)
Foreign exchange difference on retranslation	1,580	1	132	1,713
Balance at 31 December 2025	36,924	5	1,292	38,221

The Group leases offices, warehouses and stores in various locations throughout the countries of operation. In addition, the Group leases motor vehicles for business use and employee commuting, as well as some warehouse machinery for warehouse operations.

During the year, the Group entered into new long-term lease contracts, including agreements with terms exceeding five years.

The total cash outflows for the leases related to the above right-of-use assets were US\$ 4,972 (2024: US\$ 4,480).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

8. Property, plant and equipment (continued)

The Company

Cost	Land and buildings US\$	Assets under construction US\$	Computer hardware US\$	Warehouse machinery US\$	Motor vehicles US\$	Furniture and fittings US\$	Office equipment US\$	Total US\$
At 1 January 2024	22,574	194	2,360	369	790	930	2,440	29,657
Additions	350	-	410	4	195	41	133	1,133
Disposals/write-offs	-	-	(5)	-	(12)	-	(5)	(22)
At 31 December 2024	22,924	194	2,765	373	973	971	2,568	30,768
Additions	904	-	173	24	151	2	434	1,688
Disposals/write-offs	-	-	(5)	-	(102)	-	(4)	(111)
At 31 December 2025	23,828	194	2,933	397	1,022	973	2,998	32,346
Accumulated depreciation								
At 1 January 2024	2,754	-	1,263	126	368	156	364	5,031
Charge for the year	1,194	-	380	65	163	92	244	2,138
Disposals/write-offs	-	-	(5)	-	(12)	-	(5)	(22)
At 31 December 2024	3,948	-	1,638	191	519	248	603	7,147
Charge for the year	1,132	-	377	64	145	93	265	2,076
Disposals/write-offs	-	-	(5)	-	(102)	-	(4)	(111)
At 31 December 2025	5,080	-	2,010	255	562	341	864	9,112
Net book value								
At 31 December 2025	18,748	194	923	142	460	632	2,134	23,233
At 31 December 2024	18,976	194	1,127	182	454	723	1,965	23,621

The land and buildings have been mortgaged as securities for financing purposes. The cost of fully depreciated assets of the Company that are still in use amounted to US\$ 1,224 (2024: US\$ 971).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

8. Property, plant and equipment (continued)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

The Company

	Land and buildings US\$	Total US\$
Balance at 1 January 2024	8,156	8,156
Depreciation charge for the year	(957)	(957)
Additions to right of use assets	141	141
Balance at 31 December 2024	7,340	7,340
Depreciation charge for the year	(894)	(894)
Additions to right of use assets	504	504
Derecognition of right of use assets	(28)	(28)
Foreign exchange difference on retranslation	(3)	(3)
Balance at 31 December 2025	6,919	6,919

The Company leases the distribution center in Prague, Czech Republic and a 9,990 square meters land in Cyprus.

The total cash outflows for the leases related to the above right-of-use assets were US\$ 1,278 (2024: US\$ 1,038).

9. Intangible assets

The Group

	Computer software US\$	Patents and licenses US\$	Total US\$
Cost at 1 January 2024	9,321	2,581	11,902
Additions	427	1,238	1,665
Disposals/write-offs	(36)	(314)	(350)
Foreign exchange difference on retranslation	(80)	(10)	(90)
At 31 December 2024	9,632	3,495	13,127
Additions	289	1,890	2,179
Disposals/write-offs	(199)	(168)	(367)
Foreign exchange difference on retranslation	145	92	237
At 31 December 2025	9,867	5,309	15,176
Accumulated amortization			
At 1 January 2024	9,006	1,196	10,202
Charge for the year	222	196	418
Disposals/write-offs	(35)	(305)	(340)
Foreign exchange difference on retranslation	22	(13)	9
At 31 December 2024	9,215	1,074	10,289
Charge for the year	151	273	424
Disposals/write-offs	(111)	(106)	(217)
Foreign exchange difference on retranslation	231	20	251
At 31 December 2025	9,486	1,261	10,747
Net book value			
At 31 December 2025	381	4,048	4,429
At 31 December 2024	417	2,421	2,838

The cost of fully amortized intangibles of the Group that are still in use amounted to US\$ 8,828 (2024: US\$ 8,543).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

9. Intangible assets (continued)

The Company	Computer software US\$	Patents and licenses US\$	Total US\$
Cost at 1 January 2024	8,288	1,341	9,629
Additions	188	629	817
Disposals/write-offs	(2)	(139)	(141)
At 31 December 2024	<u>8,474</u>	<u>1,831</u>	<u>10,305</u>
Additions	127	223	350
At 31 December 2025	<u>8,601</u>	<u>2,054</u>	<u>10,655</u>
Accumulated amortization			
At 1 January 2024	8,056	647	8,703
Charge for the year	93	95	188
Disposals/write-offs	(2)	(139)	(141)
At 31 December 2024	<u>8,147</u>	<u>603</u>	<u>8,750</u>
Charge for the year	100	114	214
At 31 December 2025	<u>8,247</u>	<u>717</u>	<u>8,964</u>
Net book value			
At 31 December 2025	<u>354</u>	<u>1,337</u>	<u>1,691</u>
At 31 December 2024	<u>327</u>	<u>1,228</u>	<u>1,555</u>

The cost of fully amortized intangibles of the Company that are still in use amounted to US\$ 7,480 (2024: US\$ 7,416).

10. Investment Property

The Group	Land and buildings US\$
Cost at 1 January 2024	4,191
Disposals	(8)
At 31 December 2024	<u>4,183</u>
At 31 December 2025	<u>4,183</u>
Accumulated amortization	
At 1 January 2024	620
Charge for the year	36
At 31 December 2024	<u>656</u>
Charge for the year	36
At 31 December 2025	<u>692</u>
Net book value	
At 31 December 2025	<u>3,491</u>
At 31 December 2024	<u>3,527</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

10. Investment Property (continued)

The Company

	Land and buildings US\$
Cost at 1 January 2024	4,191
Disposals	<u>(8)</u>
At 31 December 2024	<u>4,183</u>
At 31 December 2025	<u>4,183</u>
Accumulated amortization	
At 1 January 2024	620
Charge for the year	<u>36</u>
At 31 December 2024	656
Charge for the year	<u>36</u>
At 31 December 2025	<u>692</u>
Net book value	
At 31 December 2025	<u>3,491</u>
At 31 December 2024	<u>3,527</u>

Rental income recognized by the Company during 2025 was US\$ 59 (2024: US\$ 53) and was included in 'other gains and losses' (Note 4).

Amounts recognized in profit or loss

	The Group		The Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Rental Income	296	232	59	53
Depreciation on investment Property	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>
Net income	<u>260</u>	<u>196</u>	<u>23</u>	<u>17</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

11. Investment in subsidiary companies

The Company

	2025 US\$	2024 US\$
Cost		
At 1 January	23,903	23,003
Increase in investments (i), (ii), (iv), (vii), (viii), (ix), (x)	2,399	521
Liquidation/disposal of investments (iii), (v), (vi)	(2,199)	(3)
Increase in fair value of financial guarantees to subsidiaries (xi)	<u>181</u>	<u>382</u>
At 31 December	<u>24,284</u>	<u>23,903</u>
Accumulated impairment		
At 1 January	(1,658)	(1,689)
Impairment of investments	-	-
Disposals during the year (iii)	<u>1,658</u>	<u>31</u>
At 31 December	<u>-</u>	<u>(1,658)</u>
Carrying amount of investment in subsidiary companies	<u>24,284</u>	<u>22,245</u>

- (i) In January 2025, the Company incorporated E-Vision CA LLC (Uzbekistan) and holds 100% shares in this subsidiary, being equal to the share capital of US\$ 1.
- (ii) In May 2025, the Company increased its investment in its 82.30% subsidiary Breezy Trade-In Ltd (Cyprus) for the amount of US\$ 1,583.
- (iii) In May 2025, the Company liquidated the company ASBIS Hungary Commercial Ltd (Hungary).
- (iv) In October 2025, the Company acquired 52.07% in Clevertura Ltd (Cyprus), for the consideration of US\$ 815.
- (v) In December 2025 the Company disposed of "E-VISION" Unitary Enterprise (Belarus) and ASBC F.P.U.E. (Belarus).
- (vi) In January 2024 and June 2024, the Company liquidated ASBIS DE GmbH (Germany) and Asbis Vilnius UAB (Vilnius, Lithuania) respectively.
- (vii) In January 2024, the Company incorporated Breezy Azerbaijan (Azerbaijan) and holds 100% shares in this subsidiary, being equal to the share capital of US\$ 1.
- (viii) In July 2024, the Company incorporated AROS ENGINEERING SINGLE MEMBER S.A (Greece) and ASBC ITALIA S.R.L (Italy) and holds 100% in these subsidiaries, being the equal to share capital of US\$ 108 and US\$ 300 respectively.
- (ix) In August 2024, the Company acquired 100% of the shares of ASBC Inc. (U.S.A.) and holds 100% share in this subsidiary.
- (x) In September 2024, the Company incorporated E-VISION UKRAINE (Ukraine) and holds 100% of the shares in this subsidiary, being equal to the share capital of US\$ 15.
- (xi) During 2025 the Company increased its financial guarantees provided to subsidiaries for the amount of US\$ 181 (2024: increase US\$ 382).

All subsidiaries are involved in the trading and distribution of computer hardware and software apart from Entoliva Ltd which is involved in land development.

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

11. Investment in subsidiary companies (continued)

Based on the results of the impairment assessment performed as at 31 December 2025, the management decided no impairment is required for the investment in subsidiaries. Based on the results of the impairment assessment performed as at 31 December 2024, the management decided no impairment is required for the investment in subsidiaries.

At the year end the Company held a participation in the following subsidiaries:

Subsidiary Company	Country of incorporation	Percentage of participation	
		2025 %	2024 %
ASBIS UKRAINE LTD	Ukraine	100	100
ASBIS KAZAKHSTAN LLP	Kazakhstan	100	100
ASBIS POLAND SP. Z.O.O	Poland	100	100
S.C. ASBIS ROMANIA SRL	Romania	100	100
ASBISC-CR D.O.O.	Croatia	100	100
ASBIS D.O.O.	Serbia	100	100
ASBIS HUNGARY COMMERCIAL LTD (xiiv)	Hungary	-	100
ASBIS BULGARIA LTD	Bulgaria	100	100
ASBIS CZ, SPOL S.R.O.	Czech Republic	100	100
ASBIS D.O.O.	Slovenia	100	100
ASBIS ME FZE	United Arab Emirates	100	100
ASBIS SK SPOL S.R.O.	Slovakia	100	100
ASBC F.P.U.E. (xiiv)	Belarus	-	100
E.M. EURO-MALL LTD	Cyprus	100	100
ASBIS MOROCCO SARL – dormant	Morocco	100	100
ASBIS BALTICS SIA	Latvia	100	100
ASBIS KYPROS LIMITED	Cyprus	100	100
PRESTIGIO PLAZA LTD (ii)	Cyprus	100	100
PERENIO IoT SPOL S.R.O. (v)	Czech Republic	100	100
EURO-MALL SRO (xii)	Slovakia	100	100
ASBIS CHINA CORP.	China	100	100
EUROMALL BULGARIA EOOD – dormant (ii)	Bulgaria	100	100
ASBIS D.O.O.	Bosnia Herzegovina	90	90
"E-VISION" UNITARY ENTERPRISE (xiiv)	Belarus	-	100
ASBIS IT Solutions Hungary Kft	Hungary	100	100
I ON LLC (ii)	Ukraine	100	100
ASBC MMC (ii)	Azerbaijan	65.85	65.85
iSupport LTD (vii)	Ukraine	100	100
ASBC KAZAKHSTAN LLP (ii)	Kazakhstan	100	100
Atlantech LTD (vi) - dormant	United Arab Emirates	100	100
ASBC LLC (ii)	Georgia	100	100
i-Care LLC (ix)	Kazakhstan	100	100
Real Scientists Ltd	United Kingdom	55	55
MakSolutions LLC (xiiv)	Belarus	-	100
Breezy LLC (xiiv)	Belarus	-	100
Breezy Kazakhstan TOO (xi)	Kazakhstan	100	100
Breezy LLC (xi)	Ukraine	100	100
JOULE TECHNOLOGIES LTD (former I.O.N. Clinical Trading Ltd)	Cyprus	100	100

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

11. Investment in subsidiary companies (continued)

Subsidiary Company	Country of incorporation	Percentage of participation	
		2025	2024
		%	%
R.SC. Real Scientists Cyprus Ltd	Cyprus	85	85
Breezy Trade-In Ltd	Cyprus	82.30	91.15
ASBIS CA LLC	Uzbekistan	100	100
Breezy Service LLC (x)	Ukraine	100	100
Joule Production SIA (xiiv)	Latvia	-	100
ASBC LLC (ii)	Armenia	100	100
Breezy Georgia LLC (xi)	Georgia	100	100
ASBC Entity OOO (ii)	Uzbekistan	100	100
ASBC POLAND Sp. z o.o (former ACEAN.PL Sp. z o.o) (ii)	Poland	100	100
Entoliva Ltd	Cyprus	100	100
ASBIS HELLAS SINGLE MEMBER S.A.	Greece	100	100
Prestigio Plaza Kft (ii)	Hungary	100	100
ASBC SRL (ii)	Moldova	100	100
Breezy-M SRL (xi)	Moldova	100	100
Breezy Poland Sp. Z.o.o. (xi)	Poland	100	100
ASBIS AM LLC	Armenia	100	100
ASBIS Georgia LLC	Georgia	100	100
ASBIS AZ LLC (vi)	Azerbaijan	100	100
ASBIS s.r.l.	Moldova	100	100
Asbis Africa Pty Ltd	South Africa	100	100
ASBC Morocco s.a.r.l.	Morocco	100	100
Sarovita Ltd	Cyprus	100	100
ASBC South Africa (Pty) Ltd (ii)	South Africa	100	100
Breezy Azerbaijan MMC (iv),(xi)	Azerbaijan	100	100
AROS ENGINEERING SINGLE MEMBER S.A (iv) - dormant	Greece	100	100
ASBC ITALIA S.R.L. (ii), (iv)	Italy	100	100
ASBC Inc. (Delaware, U.S.A.) (ii), (iv)	U.S.A	100	100
E-VISION UKRAINE LLC (iv)	Ukraine	100	100
E-VISION CA LLC (iii)	Uzbekistan	100	-
ASBIS Lietuva UAB (iii),(viii)	Lithuania	100	-
ASBIS ME TRADING LLC (iii),(vi)	United Arab Emirates	100	-
CPT Praha spol. s.r.o. (iii),(xiii)	Czech Republic	100	-
AROS ROBOSHOPS TRADING LLC (ii),(iii)	United Arab Emirates	100	-
Clevetura Ltd (iii)	Cyprus	52.07	40
Clevetura Devices LLC (iii),(xiv)	U.S.A.	100	-

(i) Liquidation during 2024

(ii) Held by E.M. Euro-Mall Ltd – Cyprus

(iii) Established/acquired during 2025

(iv) Established/acquired during 2024

(v) Held by Prestigio Plaza Ltd

(vi) Held by Asbis Middle East FZE

(vii) Held by Asbis Ukraine Ltd

(viii) Held by Asbis Baltics Ltd

(ix) Held by ASBC Kazakhstan LLC

(x) Held by Breezy LLC

(xi) Held by Breezy Trade-In Ltd

(xii) Held by Sarovita Ltd

(xiii) Held by ASBIS CZ spol. s.r.o.

(xiv) Held by Clevetura LTD

(xiiv) Liquidation during 2025

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

12. Equity-accounted investees

The Group and the Company

	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Cost		
At 1 January	5,855	5,515
Additions (i),(ii),(iii),(iv)	815	340
Full acquisition of equity-accounted investee (i)	<u>(815)</u>	<u>-</u>
At 31 December	<u>5,855</u>	<u>5,855</u>
Accumulated share of loss from equity-accounted investees		
At 1 January	(800)	(440)
Share of loss from equity-accounted investees during the year	(678)	(360)
Derecognition of accumulated losses on obtaining control of former associate	<u>467</u>	<u>-</u>
At 31 December	<u>(1,011)</u>	<u>(800)</u>
Carrying amount of equity-accounted investees	<u>4,844</u>	<u>5,055</u>

- (i) In October 2025, the Company acquired an additional 6.22% shareholding in Clevetura Ltd (Cyprus), for the consideration of US\$ 347. By this acquisition Clevetura Ltd (Cyprus) became a subsidiary.
- (ii) In September 2025, the Company acquired an additional 5.85% shareholding in Clevetura Ltd (Cyprus), for the consideration of US\$ 468.
- (iii) In November 2024, the Company acquired an additional 0.95% shareholding in SK Embio Diagnostics Ltd (Cyprus), for the consideration of US\$ 318.
- (iv) In March 2024, the Company acquired 40% shareholding in Clevetura Ltd (Cyprus), for the consideration of US\$ 22.

13. Earnings per share

	2025 US\$	2024 US\$
Profit for the year attributable to members	<u>60,243</u>	<u>54,173</u>
Weighted average number of shares for the purposes of basic and diluted earnings per share	<u>55,500,000</u>	<u>55,500,000</u>
	US\$ cents	US\$ cents
Basic and diluted from continuing operations (expressed in US\$)	<u>1.09</u>	<u>0.98</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

14. Other investments

	The Group		The Company	
	As at 31 December 2025 US\$	As at 31 December 2024 US\$	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Financial assets at fair value through other comprehensive income (i)	2,376	2,376	2,376	2,376
Financial assets at fair value through profit and loss (ii)	1,699	928	1,699	928
	<u>4,075</u>	<u>3,304</u>	<u>4,075</u>	<u>3,304</u>

(i) Financial assets at fair value through other comprehensive income

Name	Country of incorporation	Participation %	Cost US\$	Impairment US\$	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Promed Bioscience Ltd	Cyprus	16%	808	-	808	808
RSL Revolutionary Labs Ltd	Cyprus	15.5%	707	-	707	707
Theramir Ltd	Cyprus	4.5%	861	-	861	861
			<u>2,376</u>	<u>-</u>	<u>2,376</u>	<u>2,376</u>

The Group has recognized the above as investment at FVOCI as the Group intends to hold for the long term for strategic purposes. The fair value cannot be reliably measured due to the lack of an active market or observable inputs. Consequently, these assets are carried at cost, which represents the best estimate of their fair value.

(ii) Financial assets at fair value through profit and loss

Name	Country of incorporation	Participation %	Cost US\$	Impairment US\$	As at 31 December 2025 US\$	As at 31 December 2024 US\$
KV Kinisis Ventures fund Raif V.V.I.V PLC (ii)	Cyprus	-	699	-	699	528
Robotifai Inc. (i),(iii)	U.S.A	-	1,000	-	1,000	400
			<u>1,699</u>	<u>-</u>	<u>1,699</u>	<u>928</u>

(i) In August, October and December 2025, the Group increased its contribution in RobotiFai Inc, for the consideration of US\$ 100, US\$ 200, and US\$ 300 respectively.

(ii) In June 2025, the Group increased its contribution in KV Kinisis Ventures Fund Raif V.V.I.V PLC for the consideration of US\$ 171.

(iii) In October 2024, the Group contributed to RobotiFai Inc, for the development of a computer software for the consideration of US\$ 400.

15. Trade payables factoring facilities

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trade payables factoring facilities	<u>82,291</u>	<u>52,660</u>	<u>68,419</u>	<u>52,660</u>

The Group and the Company participate in trade payables factoring facilities (or "supply chain financing facilities" - "SCFs") programs which enable the Group and the Company to obtain extended payment terms for pre-approved suppliers. The Group incurs additional interest towards the SCFs on the amounts entitled to extension. The Company may elect to have any of its SCFs pay its suppliers either on the discount date or on the due date and then obtain extended payment terms from them.

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(in thousands of US\$)

15. Trade payables factoring facilities (continued)

The Group discloses the amounts factored by suppliers separately from trade payables because the nature and function of the financial liabilities is sufficiently different from a trade payable that a separate presentation is appropriate. The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating – i.e. payments for the purchase of goods and services.

As at 31 December 2025, Group had trade payables factoring facilities of US\$ 82,291 (2024: US\$ 53,000), while the Company had facilities of US\$ 68,444 (2024: US\$ 53,000).

16. Inventories

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trading goods (i)	540,793	514,810	249,979	217,425
Land development (ii)	4,351	1,978	-	-
	<u>545,144</u>	<u>516,788</u>	<u>249,979</u>	<u>217,425</u>

(i) Trading goods

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Goods held for resale	450,992	432,068	175,609	169,379
Goods in transit	101,923	91,259	84,185	54,656
Provision for slow moving and obsolete stock	(12,122)	(8,517)	(9,815)	(6,610)
	<u>540,793</u>	<u>514,810</u>	<u>249,979</u>	<u>217,425</u>

The Group

As at 31 December 2025, inventories pledged as security for financing purposes amounted to US\$ 116,894 (2024: US\$ 94,046).

The Company

As at 31 December 2025, inventories pledged as security for financing purposes amounted to US\$ 11,500 (2024: US\$ 11,500).

Movement in provision for slow moving and obsolete stock

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
On 1 January	8,517	9,605	6,610	7,187
Provisions during the year	3,745	428	3,122	(35)
Provided stock written off	(307)	(1,277)	83	(542)
Exchange difference	167	(239)	-	-
On 31 December	<u>12,122</u>	<u>8,517</u>	<u>9,815</u>	<u>6,610</u>

(ii) Land development

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Land - Not under development yet	1,703	1,509	-	-
Land – Work in progress	1	1	-	-
Buildings - work in progress	2,647	468	-	-
	<u>4,351</u>	<u>1,978</u>	<u>-</u>	<u>-</u>

The Group owns three plots of land in Cyprus for a housing complex development. As at 31 December 2025, the project is in progress.

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

17. Trade receivables and contract assets

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trade receivables	529,634	395,110	134,235	88,362
Contract assets	8,739	8,911	6,220	6,231
Allowance for doubtful debts	(9,561)	(7,091)	(4,207)	(3,982)
	<u>528,812</u>	<u>396,930</u>	<u>136,248</u>	<u>90,611</u>

The Group

As at 31 December 2025, receivables of the Group that have been assigned as security for financing purposes amounted to US\$ 213,486 (2024: US\$ 112,019).

The Company

As at 31 December 2025, receivables of the Company that have been assigned as security for financing purposes amounted to US\$ 76,321 (2024: US\$ 18,151).

Movement in provision for doubtful debts:

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
On 1 January	7,091	6,064	3,982	4,479
Provisions during the year	5,268	1,296	611	(489)
Amount written-off as uncollectible	(3,058)	(132)	(386)	(8)
Exchange difference	260	(137)	-	-
On 31 December	<u>9,561</u>	<u>7,091</u>	<u>4,207</u>	<u>3,982</u>

The Group

As at 31 December 2025, specific provision amounted to US\$ 7,633 (2024: US\$ 5,163) and loss allowance to US\$ 1,928 (2024: US\$ 1,928).

The Company

As at 31 December 2025, specific provision amounted to US\$ 2,728 (2024: US\$ 2,503) and loss allowance to US\$ 5,269 (2024: US\$ 1,479).

18. Other current assets

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
VAT and other taxes refundable	12,672	22,970	182	791
Deposits and advances to service providers	1,233	327	46	40
Employee floats	436	379	298	216
Other debtors and prepayments	23,400	13,947	6,007	5,998
Amount due from subsidiary companies (Note 31)	-	-	245,009	233,899
Allowance for doubtful debts from subsidiary companies	-	-	(3,790)	(3,790)
Loans due from subsidiary companies (Note 31)	-	-	12,930	6,704
Loans due from associate companies (Note 32)	<u>2,993</u>	<u>3,583</u>	<u>2,993</u>	<u>3,583</u>
	<u>40,734</u>	<u>41,206</u>	<u>263,675</u>	<u>247,441</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

19. Share capital

(for the purposes of this note the amounts are stated in full)

	2025 US\$	2024 US\$
Authorized		
63,000,000 (2024: 63,000,000) shares of US\$ 0.20 each	<u>12,600,000</u>	<u>12,600,000</u>
Issued and fully paid		
55,500,000 (2024: 55,500,000) ordinary shares of US\$ 0.20 each	<u>11,100,000</u>	<u>11,100,000</u>

20. Short-term borrowings

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Current borrowings				
Bank overdrafts (Note 30)	51,106	49,634	10,622	14,163
Current portion of long-term loans	1,482	287	1,482	-
Bank short-term loans	110,265	114,268	4,653	4,503
Current lease liabilities (Note 23)	<u>6,257</u>	<u>3,284</u>	<u>945</u>	<u>800</u>
Total short-term debt	<u>169,110</u>	<u>167,473</u>	<u>17,702</u>	<u>19,466</u>
Factoring creditors	<u>75,612</u>	<u>54,869</u>	<u>30,006</u>	<u>13,577</u>
	<u>244,722</u>	<u>222,342</u>	<u>47,708</u>	<u>33,043</u>

Summary of borrowings and overdraft arrangements

The Group

As at 31 December 2025 the Group had factoring facilities of US\$ 145,372 (2024: US\$ 119,103).

In addition, the Group as at 31 December 2025 had the following financing facilities with banks in the countries that the Company and its subsidiaries operate:

- overdraft lines of US\$ 133,520 (2024: US\$ 107,699)
- short-term loans/revolving facilities of US\$ 162,690 (2024: US\$ 137,590)
- bank guarantees and letters of credit of US\$ 49,708 (2024: US\$ 48,073)

The Group had for the year ended 31 December 2025 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the year is 8.5% (2024: 9.9%).

The factoring, overdraft and revolving facilities as well as the loans granted to the Company and its subsidiaries by their bankers are secured by:

- Floating charges over all assets of the Group is US\$ 78,371 (2024: US\$ 58,726)
- Mortgage on land and buildings that the Group owns in Cyprus, Slovakia and Ukraine
- Charge over receivables and inventories
- Corporate guarantees
- Assignment of insurance policies
- Pledged deposits of US\$ 23,249 (2024: US\$ 20,338)

The Group and the Company was in full compliance with all financial and non-financial covenants attached to its borrowing arrangements throughout the year and as at the reporting date. No breaches or events of default occurred during the year.

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20. Short-term borrowings (continued)

The Company

As at 31 December 2025 the Company enjoyed factoring facilities of US\$ 30,000 (2024: US\$ 18,000).

In addition, the Company, as at 31 December 2025 had the following financing facilities with banks:

- Overdraft facilities of US\$ 34,710 (2024: US\$ 33,973)
- Long-term loan facilities US\$ 13,512 (2024: US\$ 12,367)
- Bank guarantees and letters of credit of US\$ 46,706 (2024: US\$ 46,182)

The Company had cash lines (overdrafts and revolving facilities) with an average cost for the year of 6.0% (2024: 5.3%).

The overdraft, revolving and factoring facilities granted to the Company are secured by:

- Floating charges over all assets of the Company is US\$ 76,666 (2024: US\$ 57,216)
- Pledged deposits US\$ 16,495 (2024: US\$ 15,352)
- Mortgage on immovable properties in the amount of US\$ 20,438 (2024: US\$ 18,105)

21. Long-term borrowings

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Bank loans	13,683	12,573	13,512	12,367
Non-current lease liabilities (Note 23)	31,707	13,550	3,856	3,893
	<u>45,390</u>	<u>26,123</u>	<u>17,368</u>	<u>16,260</u>

22. Other long-term liabilities

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Other long-term liabilities	<u>1,046</u>	<u>936</u>	<u>-</u>	<u>-</u>

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23. Lease liabilities

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Current lease liabilities (Note 20)	6,257	3,284	945	800
Non-current lease liabilities (Note 21)	31,707	13,550	3,856	3,893
	<u>37,964</u>	<u>16,834</u>	<u>4,801</u>	<u>4,693</u>

24. Deferred tax

The Group

	Temporary differences between accounting and tax base of PPE and intangibles (note i) US\$	Tax losses (note ii) US\$	Other temporary differences (note iii) US\$	Total US\$
(Debit)/credit balance on 1 January 2024	(226)	1	(129)	(354)
Deferred tax credit/(charge) for the year	160	(48)	160	272
Exchange difference on retranslation	-	-	20	20
(Debit)/credit balance on 31 December 2024	(66)	(47)	51	(62)
Deferred tax charge for the year	(18)	-	(846)	(864)
Exchange difference on retranslation	-	-	(58)	(58)
Debit balance on 31 December 2025	<u>(84)</u>	<u>(47)</u>	<u>(853)</u>	<u>(984)</u>

The Company

	Temporary differences between accounting and tax base of PPE and intangibles (note i) US\$	Tax losses (note ii) US\$	Other temporary differences (note iii) US\$	Total US\$
Credit balance on 1 January 2024	115	-	-	115
Deferred tax credit for the year	41	-	-	41
Credit balance on 31 December 2024	156	-	-	156
Deferred tax credit for the year	29	-	-	29
Credit balance on 31 December 2025	<u>185</u>	<u>-</u>	<u>-</u>	<u>185</u>

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

24. Deferred tax (continued)

Note (i)

The Group and the Company

The deferred tax liability relates to excess of capital allowances over depreciation and amortization.

Note (ii)

The Group

The deferred tax asset arises from the tax losses that can be carried forward and setoff against the first available taxable profits of the Group companies subject to the carry forward of losses restrictions stipulated in the relevant laws of the country of each relevant subsidiary.

The Company

The deferred tax asset arises from the tax losses that can be carried forward and set-off against the first available taxable profits of the Company.

In accordance with the Cyprus tax legislation, tax losses can be carried forward for 5 years.

Note (iii)

The Group and the Company

Other temporary differences relate mainly to different accounting bases between treatment in accordance with IFRSs and treatment in accordance with local tax standards and mainly consist of the tax effect of unrealized profits/losses on revaluation of working capital and of different treatment in valuing inventory.

Note (iv)

The Group and the Company

Deferred tax assets and liabilities are offset when there is a legally unforeseeable right to set-off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

	The Group		The Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Deferred tax assets	(1,172)	(221)	-	-
Deferred tax liabilities	188	159	185	156
Net deferred tax (assets)/liabilities	(984)	(62)	185	156

25. Other current liabilities

	The Group		The Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Salaries payable and related costs	9,577	4,888	653	602
VAT payable	23,265	14,162	85	292
Non-trade accounts payable	14,275	7,312	4,431	2,417
Accruals, deferred income and other provisions	79,692	60,240	45,047	42,272
Amount payable to subsidiary companies (Note 31)	-	-	6,001	4,290
	126,809	86,602	56,217	49,873

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26. Trade payables and contract liabilities

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trade payables	633,631	501,067	442,548	329,910
Prepayments from customers	17,445	9,099	3,389	2,617
	<u>651,076</u>	<u>510,166</u>	<u>445,937</u>	<u>332,527</u>

27. Operating segments

The Group

1.1 Segment information

The Group mainly operates in a single industry segment as a distributor of IT products. Information reported to the chief operating decision maker for the purposes of allocating resources to the segments and to assess their performance is based on geographical locations. The Group operates in four principal geographical areas – the Former Soviet Union, Eastern Europe, Western Europe and Middle East & Africa.

There are varying levels of integration between the segments and includes distribution of IT products and services. Inter-segment pricing is determined on an arm's length basis.

1.2 Segment revenues and results

	Segment revenue		Segment operating profit	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Former Soviet Union	1,407,542	1,266,470	38,410	34,332
Central Eastern Europe	1,110,015	868,811	30,598	26,157
Middle East & Africa	681,010	490,424	22,382	19,847
Western Europe	471,889	319,976	16,069	11,023
Other	192,543	62,822	3,527	2,951
	<u>3,862,999</u>	<u>3,008,503</u>	<u>110,986</u>	<u>94,310</u>
Net financial expenses (Note 6)			(34,922)	(29,702)
Share of loss from equity-accounted investees (Note 12)			(678)	(360)
Other gains and losses (Note 4)			1,315	764
Profit before taxation			<u>76,701</u>	<u>65,012</u>

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

27. Operating segments (continued)

1.3 Segment capital expenditure (CAPEX) and depreciation & amortization

The following is an analysis of the Group's capital expenditure in both tangible and intangible assets as well as their corresponding charges in the income statement:

	Segment CAPEX		Segment depreciation and amortization	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Former Soviet Union	33,028	22,344	2,522	2,667
Central Eastern Europe	23,179	18,138	2,457	2,200
U.S.A.	19,086	30	409	-
Middle East & Africa	9,399	9,622	756	723
Cyprus	28,415	28,704	2,923	2,908
Western Europe	3,786	723	746	100
Other	168	14	15	15
	<u>117,061</u>	<u>79,575</u>	<u>9,828</u>	<u>8,613</u>

1.4 Segment assets and liabilities

Segment assets	2025 US\$	2024 US\$
Former Soviet Union	419,169	476,724
Central Eastern Europe	544,616	276,535
Middle East & Africa	262,514	184,874
Western Europe	53,082	140,119
Total	<u>1,279,381</u>	<u>1,078,252</u>
Assets allocated in capital expenditure (1.3)	117,061	79,575
Other unallocated assets	<u>103,366</u>	<u>42,984</u>
Consolidated assets	<u>1,499,808</u>	<u>1,200,811</u>

For the purposes of monitoring segment performance and allocating resources between segments only assets were allocated to the reportable segments. As the Group liabilities are mainly used jointly by the reportable segments, these were not allocated to each segment.

1.5 Geographical information

Since the Group's operating segments are based on geographical location and this information has been provided above (1.2 – 1.4) no further analysis is included.

1.6. Information about major customers

It is of a strategic importance for the Group to place no reliance to any customer individually, since no customer is accountable for material percentage of the total business.

28. Derivative financial liabilities

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
<u>Derivative financial liabilities carried at fair value through profit or loss</u>				
Foreign currency derivative contracts	<u>2,004</u>	<u>100</u>	<u>2,004</u>	<u>87</u>

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

28. Derivative financial liabilities (continued)

Fair value measurement of derivative financial liabilities

The Group	Nominal amount	Nominal amount	Fair value	Fair value
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Buying US\$/Selling ZAR	22,140	-	552	-
Buying US\$/Selling PLN	8,840	-	93	-
Buying US\$/Selling HUF	8,105	600	548	2
Buying US\$/Selling CZK	6,220	-	58	-
Buying US\$/Selling RON	1,070	-	5	-
Buying US\$/Selling BGN	-	1,087	-	13
Buying EUR/Selling US\$	54,058	423	728	75
Buying EUR/Selling PLN	1,739	1,161	8	10
Buying GBP/Selling US\$	680	60	12	-
	<u>102,852</u>	<u>3,331</u>	<u>2,004</u>	<u>100</u>

(i) The Group and the Company enter into currency derivative contracts, namely forward and future currency derivatives, as part of their overall hedging strategy in order to minimize the exposure to foreign currency fluctuations.

(ii) A foreign currency forward derivative contract is a contractual agreement between two parties to exchange two currencies at a given exchange rate at some point in the future. The fair value of the derivative can be either positive (asset) or negative (liability) as a result of fluctuations in the forward exchange rates.

(iii) A foreign currency future derivative contract is a contractual agreement between two parties to buy or sell currency at a predetermined price in the future. The fair value of the derivative can be either positive (asset) or negative (liability) as a result of fluctuations in the period end exchange rate.

The Company

	Nominal amount	Nominal amount	Fair value	Fair value
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Buying US\$/Selling ZAR	22,140	-	552	-
Buying US\$/Selling PLN	8,840	-	93	-
Buying US\$/Selling HUF	8,105	600	548	2
Buying US\$/Selling CZK	6,220	-	58	-
Buying US\$/Selling RON	1,070	-	5	-
Buying EUR/Selling US\$	54,058	423	728	75
Buying EUR/Selling PLN	1,739	1,161	8	10
Buying GBP/Selling US\$	680	60	12	-
	<u>102,852</u>	<u>2,244</u>	<u>2,004</u>	<u>87</u>

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

28. Derivative financial liabilities (continued)

(iv) During the year the Group realized a loss from execution of foreign currency derivative contracts of US\$ 4,777 (2024: gain of US\$ 1,531) and the Company realized a loss of US\$ 5,045 (2024: gain of US\$ 1,414).

29. Derivative financial assets

	The Group		The Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
<u>Derivative financial assets carried at fair value through profit or loss</u>				
Foreign currency derivative contracts	67	1,575	32	1,522

The Group	Nominal amount	Nominal amount	Fair value	Fair value
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Buying US\$/Selling EUR	1,338	1,352	30	38
Buying US\$/Selling RON	350	1,870	-	21
Buying US\$/Selling BGN	-	-	-	1
Buying US\$/Selling ZAR	-	8,500	-	422
Buying US\$/Selling PLN	4,430	2,500	10	29
Buying US\$/Selling HUF	1,650	5,507	8	388
Buying US\$/Selling AZM	-	14	19	14
Buying EUR/Selling US\$	5,420	28,744	-	657
Buying GBP/Selling US\$	74	363	-	5
	<u>13,262</u>	<u>48,850</u>	<u>67</u>	<u>1,575</u>

The Company	Nominal amount	Nominal amount	Fair value	Fair value
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Buying US\$/Selling PLN	4,430	2,500	11	29
Buying US\$/Selling RON	350	1,870	-	22
Buying US\$/Selling HUF	1,650	5,507	8	388
Buying US\$/Selling ZAR	-	8,500	-	422
Buying EUR/Selling US\$	5,164	28,664	13	656
Buying GBP/Selling US\$	75	363	-	5
	<u>11,669</u>	<u>47,404</u>	<u>32</u>	<u>1,522</u>

Fair value measurement of derivative financial assets

(i) The Group and the Company enter into currency derivative contracts, namely forward and future currency derivatives, as part of their overall hedging strategy in order to minimize the exposure to foreign currency fluctuations.

(ii) A foreign currency forward derivative contract is a contractual agreement between two parties to exchange two currencies at a given exchange rate at some point in the future. The fair value of the derivative can be either positive (asset) or negative (liability) as a result of fluctuations in the forward exchange rates.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

29. Derivative financial assets (continued)

(iii) A foreign currency future derivative contract is a contractual agreement between two parties to buy or sell currency at a predetermined price in the future. The fair value of the derivative can be either positive (asset) or negative (liability) as a result of fluctuations in the period end exchange rate.

(iv) During the year the Group realized a loss from execution of foreign currency derivative contracts of US\$ 4,777 (2024: gain of US\$ 1,531) and the Company realized a loss of US\$ 5,045 (2024: gain of US\$ 1,414).

30. Cash and cash equivalents

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Cash at bank and in hand	257,612	155,034	116,176	50,803
Bank overdrafts (Note 20)	(51,106)	(49,634)	(10,622)	(14,163)
	<u>206,506</u>	<u>105,400</u>	<u>105,554</u>	<u>36,640</u>

The Group

The cash at bank and in hand balance includes an amount of US\$ 23,249 (2024: US\$ 20,338) which represents pledged deposits against financial facilities granted to the Group and margin accounts for foreign exchange hedging.

The Company

The cash at bank and in hand balance includes an amount of US\$ 16,495 (2024: US\$ 15,352) which represents pledged deposits.

31. Related party transactions and balances

Main shareholders

The following table presents shareholders possessing directly or indirectly more than 5% of the Company's shares and shares held by the Company under the share buyback program as at 31 December:

Name	2025	2025	2024	2024
	Number of votes/shares	Votes/share capital %	Number of votes/shares	Votes/share capital %
Siarhei Kostevitch and KS Holdings Ltd	20,448,127	36.84	20,448,127	36.84
Zbigniew Juroszek	-	-	2,797,625	5.04
Free float	<u>35,051,873</u>	<u>63.16</u>	<u>32,254,248</u>	<u>58.12</u>
	<u>55,500,000</u>	<u>100.00</u>	<u>55,500,000</u>	<u>100.00</u>

Transactions and balances between the Company and its subsidiaries have been eliminated on consolidation.

The Company

In the normal course of business, the Company undertook during the year transactions with its subsidiary and associate companies and had year end balances as follows:

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

31. Related party transactions and balances (continued)

Intercompany (trading) transactions

	Sales of goods		Purchases of goods	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Subsidiaries	1,575,217	1,372,485	71,127	107,066
Associates	246	234	81	75

	Sales of services		Purchases of services	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Subsidiaries	2,790	4,240	30,810	43,272
Associates	14	22	554	170

Intercompany (trading) balances

	Amounts owed by subsidiary companies		Amounts owed to subsidiary companies	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Subsidiaries	283,646	230,109	6,001	4,290

	Amounts owed by associate companies		Amounts owed to associate companies	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Associates	214	398	4	-

Loans to subsidiary companies:

	2025 US\$	2024 US\$
Long-term loan to subsidiary companies	4,420	2,705
Short-term loans to subsidiary companies (Note 18)	12,930	6,704
	<u>17,350</u>	<u>9,409</u>

The total loans to subsidiary companies before provision for doubtful loans are unsecured and analyzed below:

Subsidiary companies	Interest rate %	Source currency	2025 US\$	2024 US\$
R.SC Real Scientists Cyprus Ltd (i)	2.5	Euro	212	184
Entoliva Ltd (ii)	4.5	Euro	5,244	2,415
Breezy Trade In Ltd (iii),(iv),(vii),(viii),(ix)	5	US Dollar	7,872	6,759
Breezy Azerbaijan LLC (v)	7.25	US Dollar	160	51
Joule Technologies Limited (xvi)	5	Euro	24	-
Clevetura Ltd (viii),(ix)	5	Euro	1,746	-
Clevetura Ltd (x),(xi),(xii),(xiii)	5	US Dollar	2,092	-
			<u>17,350</u>	<u>9,409</u>

The total loan to associates are disclosed in note 32.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

31. Related party transactions and balances (continued)

The total interest received from subsidiary companies is analyzed below:

	2025 US\$	2024 US\$
R.SC Real Scientists Cyprus Ltd (i)	5	4
Entoliva Ltd (ii)	157	70
Breezy Trade-In Ltd (iii),(iv),(vii),(viii),(ix)	350	177
Breezy Azerbaijan LLC (v)	8	1
Breezy Poland Sp. Z.o.o. (vi)	-	8
Clevetura Ltd (x),(xi)	7	-
Clevetura Ltd (xii),(xiii),(xiv),(xv)	8	-
	<u>535</u>	<u>260</u>

- (i) R.SC Real Scientists Cyprus Ltd SIA entered into a loan agreement with the Company on the 1st of March 2021, with the obligation to settle the loan by 1st of March 2026. The loan maturity date is renewed every year until full repayment. The loan is unsecured.
- (ii) Entoliva Ltd entered into two loan agreements with the Company on the 26th of August 2022 and 30th of May 2023. The loans were consolidated into a single facility on 1st August 2025 with the obligation to settle the loan by 31st of July 2026. The loan maturity date is renewed every year until full repayment. The loan is unsecured.
- (iii) Breezy Trade-In Ltd entered into a loan agreement with the Company on the 2nd of December 2024, with the obligation to settle the loan by 30th of November 2026. The loan is unsecured.
- (iv) Breezy Trade-In Ltd entered into a loan agreement with the Company on the 7th of June 2023, with the obligation to settle the loan by 31st of December 2027. The loan is unsecured.
- (v) Breezy Azerbaijan MMC, entered into two loan agreements with the Company on the 15th of August 2024 and on the 23rd of December 2024, with the obligation to settle the loan by 2nd of July 2026 and 23rd of December 2026 respectively. The loans are unsecured.
- (vi) Breezy Poland Sp. Z.o.o. entered into two loan agreements with the Company on the 19th of July 2023 and 23rd of February 2024, with the obligation to settle the loans by 19th of July 2025 and 22nd of February 2025 respectively. Both loans were settled in 2024.
- (vii) Breezy Trade-In Ltd entered into a loan agreement with the Company on the 2nd of January 2025, with the obligation to settle the loan by 31st of December 2027. The loan is unsecured.
- (viii) Breezy Trade-In Ltd entered into a loan agreement with the Company on the 31st of May 2024, with the obligation to settle the loan by 30th of May 2026. The loan is unsecured.
- (ix) Breezy Trade-In Ltd entered into a loan agreement with the Company on the 2nd of July 2024, with the obligation to settle the loan by 2nd of July 2026. The loan is unsecured.
- (x) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 19th of November 2024, with the obligation to settle the loan by 31st of December 2026. The loan is unsecured.
- (xi) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 20th of January 2024, with the obligation to settle the loan by 31st December 2026. The loan is unsecured.
- (xii) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 3rd of January 2023, with the obligation to settle the loan by 31st of December 2026. The loan is unsecured.
- (xiii) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 12th of February 2025, with the obligation to settle the loan by 13th of February 2026. The loan is unsecured.
- (xiv) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 23rd of April 2025, with the obligation to settle the loan by 24th of April 2026. The loan is unsecured.
- (xv) Clevetura Ltd (Cyprus) entered into a loan agreement with the Company on the 4th of June 2025, with the obligation to settle the loan by 3rd of March 2026. The loan is unsecured.
- (xvi) Joule Technologies Limited entered into a loan agreement with the Company of 17th of September 2025, with the obligation to settle the loan by 16th of September 2026. The loan is unsecured.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

31. Related party transactions and balances (continued)

Financial guarantees liabilities

	2025 US\$	2024 US\$
Financial guarantee liabilities granted to subsidiaries	<u>1,575</u>	<u>1,394</u>

The Company provides free of charge financial guarantee services to its subsidiaries. The Company accounted for such financial guarantees as for financial guarantee contracts in accordance with IFRS 9. Financial guarantee facilities of subsidiaries are mainly presented by overdrafts and factoring contracts, thus financial guarantee liability is recognized as current assets under investments in subsidiaries (note 11).

Transactions and balances of key management

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Directors' remuneration and benefits - executive	1,498	1,348	1,498	1,348
Directors' remuneration - non-executive	75	71	75	71
<u>Key management remuneration</u>				
In capacity as other key management personnel	3,438	2,431	726	507
Employer's contributions - provident fund	10	9	8	7
Employer's contributions - social insurance and other benefits	404	228	67	42
	<u>5,425</u>	<u>4,087</u>	<u>2,374</u>	<u>1,975</u>

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Salaries and other benefits	<u>112,088</u>	<u>103,310</u>	<u>21,137</u>	<u>19,530</u>
The average number of employees for the year was	<u>2,734</u>	<u>2,779</u>	<u>285</u>	<u>308</u>

32. Loans to associates

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At 1 January	3,583	1,205	3,583	1,205
Loans during the year	3,024	2,274	3,024	2,274
Interest accrued (i)	225	104	225	104
Transfer of loan to subsidiary on obtaining control (ii)	(3,839)	-	(3,839)	-
At 31 December (Note 18)	<u>2,993</u>	<u>3,583</u>	<u>2,993</u>	<u>3,583</u>

The total loans to associates before provision for doubtful loans are unsecured and analyzed below:

Associate companies	Interest rate %	Source currency	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Clevetura Ltd (Cyprus) (ii)	5	Euro	-	1,465
Clevetura Ltd (Cyprus) (ii)	5	US Dollar	-	1,280
Autonomics Tech Ltd (Cyprus) (iii),(iv)	4	Euro	2,534	419
Displayforce Global Ltd (Cyprus) (v)	5	Euro	459	419
			<u>2,993</u>	<u>3,583</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

32. Loans to associates (continued)

(i) The total interest accrued from associates is analyzed below:

	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Clevetura Ltd (Cyprus) (ii)	71	28
Clevetura Ltd (Cyprus) (ii)	71	65
Autonomics Tech Ltd (Cyprus) (iii),(iv)	62	3
Displayforce Global Ltd (Cyprus) (v)	<u>21</u>	<u>8</u>
	<u>225</u>	<u>104</u>

(ii) During the year, the Group increased its ownership interest in Clevetura Ltd (Cyprus) from 40% to 52.07%, obtaining control on 31st of October 2025. As a result, Clevetura Ltd (Cyprus) ceased to be accounted for as an associate and became a subsidiary. Accordingly, the loan balance of US\$ 3,839 previously disclosed under 'Loans to associates' was transferred out of this note. Following consolidation, intragroup balances with Clevetura Ltd (Cyprus) are eliminated.

(iii) Autonomics Tech Ltd entered into a loan agreement with the Company on the 1st of September 2025, with the obligation to settle the loan by 30th of April 2026. The loan is unsecured.

(iv) Autonomics Tech Ltd entered into a loan agreement with the Company on the 14th of October 2024, with the obligation to settle the loan by 31st of December 2026. The loan is unsecured.

(v) Displayforce Global Ltd (Cyprus) entered into a loan agreement with the Company on the 26th of March 2024, with the obligation to settle the loan by 31st of December 2026. The loan is unsecured.

33. Commitments and contingencies

The Group

As at 31 December 2025 the Group was committed in respect of purchases of inventories of a total cost value of US\$ 49,224 (2024: US\$ 55,616) which were in transit at 31 December 2025 and delivered in January 2026.

As at 31 December 2025 the Group was contingently liable to banks in respect of bank guarantees and letters of credit lines of US\$ 49,708 (2024: US\$ 48,073) (note 20) which the Group has extended to its suppliers and other counterparties.

As at the 31st of December 2025 the Group had no other capital or legal commitments and contingencies.

The Company

As at 31 December 2025 the Company was committed in respect of purchases of inventories of a total cost value of US\$ 84,185 (2024: US\$ 54,656) which were in transit at 31 December 2025 and delivered in January 2026.

As at 31 December 2025 the Company was contingently liable to banks in respect of bank guarantees and letters of credit of US\$ 46,706 (2024: US\$ 46,182) (note 20) which the Company has extended to its suppliers and other counterparties.

The liabilities towards the Company's suppliers covered by these guarantees are reflected in the financial statements under trade payables.

In addition, the Company has issued corporate guarantees to banks in respect of financing facilities extended to its subsidiaries in the amount of US\$ 315,008 (2024: US\$ 278,716).

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

34. Business combinations

The Group

1. Incorporations and acquisitions

1.1 Incorporations and acquisitions of subsidiaries to 31 December 2025

During the year, the Group acquired and incorporated the following subsidiaries.

<u>Name of entity</u>	<u>Type of operations</u>	<u>Date acquired</u>	<u>% acquired</u>	<u>% owned</u>
CPT Praha spol. s r.o. (Czech Republic)	Information Technology	16 September 2025	100%	100%
Aros Roboshops Trading LLC (U.A.E)	Vending machine sales	26 October 2025	100%	100%
Clevetura Devices LLC (U.S.A)	Information Technology	31 October 2025	100%	100%
Clevetura Ltd (Cyprus)	Information Technology	31 October 2025	12.07%	52.07%

<u>Name of entity</u>	<u>Type of operations</u>	<u>Date incorporated</u>	<u>% incorporated</u>	<u>% owned</u>
ASBIS ME Trading LLC (U.A.E)	Information Technology	06 January 2025	100%	100%
ASBIS Lietuva UAB (Lithuania)	Information Technology	30 May 2025	100%	100%

Incorporations and acquisitions of subsidiaries to 31 December 2024

During the year, the Group acquired and incorporated the following subsidiaries.

<u>Name of entity</u>	<u>Type of operations</u>	<u>Date acquired</u>	<u>% acquired</u>	<u>% owned</u>
ASBC Inc. (U.S.A.)	Information Technology	29 August 2024	100%	100%

<u>Name of entity</u>	<u>Type of operations</u>	<u>Date incorporated</u>	<u>% incorporated</u>	<u>% owned</u>
Breezy Azerbaijan (Azerbaijan)	Information Technology	24 January 2024	100%	100%
AROS ENGINEERING SINGLE MEMBER S.A (Greece)	Information Technology	07 July 2024	100%	100%
ASBC ITALIA S.R.L (Italy)	Information Technology	15 July 2024	100%	100%
E-VISION UKRAINE (Ukraine)	Information Technology	04 September 2024	100%	100%

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

34. Business combinations (continued)

1.1.a. Acquired assets and liabilities

The net carrying value of underlying separately identifiable assets and liabilities transferred to the Group at the date of acquisition was as follows:

	As at 31 December 2025 US\$	As at 31 December 2024 US\$
Tangible and intangible assets	1,292	-
Inventories	662	-
Receivables	819	-
Other receivables	348	-
Short-term loans	(480)	-
Payables	(545)	-
Other payables and accruals	(4,623)	-
Cash and cash equivalents	1,002	-
Net identifiable assets	(1,525)	-
Group's interest in net assets acquired	(472)	-
Total purchase consideration	1,539	5
Goodwill attributed to an acquired investment	50	-
Goodwill on acquisition	2,111	5
Impairment loss on Goodwill	(467)	(5)
Goodwill capitalized in statement of financial position	1,644	-

1.1.b. Goodwill arising on acquisitions

	2025 US\$	2024 US\$
At 1 January	582	608
Additions (i),(ii)	2,061	5
Impairment loss (iii)	(467)	(5)
Foreign exchange difference on retranslation	139	(26)
At 31 December	<u>2,315</u>	<u>582</u>

- (i) In October 2025, goodwill of US\$ 1,851 was recognized from the acquisition of Clevetura Ltd (Cyprus).
- (ii) In October 2025, goodwill of US\$ 108 was recognized from the acquisition of Clevetura Devices LLC (U.S.A.).
- (iii) In September 2025, goodwill of US\$ 102 was recognized from the acquisition of CPT Praha spol. s r.o. (Czech Republic).
- (iv) During the year ended 31 December 2024, goodwill of US\$ 5 was recognized from the acquisition of ASBC Inc (U.S.A.).

The capitalized goodwill arose from the business combinations of the following subsidiaries:

	2025 US\$	2024 US\$
ASBIS d.o.o. (BA)	410	364
ASBIS Africa Proprietary Limited (South Africa)	247	218
CPT Praha spol. s r.o. (Czech Republic)	102	-
Clevetura Ltd (Cyprus)	1,448	-
Clevetura Devices LLC (U.S.A.)	108	-
	<u>2,315</u>	<u>582</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

34. Business combinations (continued)

1.3. Impairment testing

For ASBIS d.o.o. (BA), a detailed impairment analysis was performed and based on the results it has been concluded that no impairment is required.

(iii) The impairment loss on goodwill relates to the following subsidiary:

	As at 31 December 2025 US\$	As at 31 December 2024 US\$
ASBC Inc. (U.S.A.)	-	5
Clevetura Ltd (Cyprus)	467	-
	<u>467</u>	<u>5</u>

2. Liquidations and disposals

Liquidations and disposals of subsidiaries to 31 December 2025

During the year, the following subsidiaries have been disposed and loss of US\$ 627 arose on the events:

<u>Name of disposed entity</u>	<u>Type of operations</u>	<u>Date disposed</u>	<u>% disposed</u>
Joule Production SIA (Latvia)	Information Technology	28 March 2025	100%
Breezy Trade-In Ltd (Cyprus)	Information Technology	22 May 2025	8.85%
MakSolutions LLC (Belarus)	Information Technology	3 November 2025	100%
"E-VISION" Unitary Enterprise (Belarus)	Information Technology	31 December 2025	100%
Breezy LLC (Belarus)	Information Technology	31 December 2025	100%
ASBC F.P.U.E. (Belarus)	Information Technology	31 December 2025	100%

<u>Name of liquidated entity</u>	<u>Type of operations</u>	<u>Date liquidated</u>	<u>% liquidated</u>
ASBIS Hungary Commercial Ltd (Hungary)	Information Technology	15 May 2025	100%

Liquidations and disposals of subsidiaries to 31 December 2024

During the period, the following subsidiaries have been liquidated and no loss or gain arose on the event.

<u>Name of disposed entity</u>	<u>Type of operations</u>	<u>Date liquidated</u>	<u>% liquidated</u>
ASBIS DE GmbH (Germany)	Information Technology	17 January 2024	100%
ASBIS Vilnius UAB (Lithuania)	Information Technology	7 June 2024	100%

35. Financial risk management

1. Financial risk factors

In this note, references to the Group also relate to the Company.

The Group's activities expose it to credit, interest rate, liquidity and currency risks arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below:

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

35. Financial risk management (continued)

1.1. Credit risk

Credit risk is defined as the risk of failure of debtors to discharge their obligations towards the Group. The Group sets up and maintains specific controls to mitigate its credit risk, as it realizes its importance for the Group's viability.

The Group had established and systematically follows a thorough procedure prior to registering new customers into its system. Every new customer is checked both internally and via various reputable credit sources prior to such registration and, more importantly, prior to granting of any credit. The Group runs an internal credit department consisting of local, regional and corporate credit managers. Corporate managers decide for all significant credit line requests and review the work of regional and local managers. The Group uses all available credit tools – i.e. credit insurance, credit information bureaus, letters of guarantee – to safeguard itself from the credit risk. The Group has insured the majority of receivables during 2025.

It is of a strategic importance for the Group to place no reliance to any customer individually, since no customer is accountable for material percentage of the total business.

Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit insurance is purchased. The credit risk on liquid funds and derivative financial instruments is determined by the credit ratings assigned to the financial institutions with which these funds are held.

A financial asset is considered to be in default when the counterparty is unlikely to pay its obligations in full without recourse to actions such as realization of collateral, or when the asset is more than 90 days past due. Financial assets are written off when there is no reasonable expectation of recovery.

Changes in the expected credit loss allowance during the year reflect movements in the ageing of receivables, new receivables recognized, settlement of balances and updates to historical loss rates and forward-looking information. The ageing profile of trade receivables is disclosed in this note below.

The tables below show an analysis of the Group's and Company's bank deposits at year end by credit rating of the bank in which they are held:

The Group

	2025 US\$	2024 US\$
Based on credit ratings by Moody's; the cash at banks the Group held as at year end are:		
Aa3	28,949	3,736
A1	15,725	34,506
A2	46,060	3,705
A3	32,729	14,745
Baa1	3,162	443
Baa2	2	-
Baa3	14,165	5,884
Ba1	4,232	631
Ba2	2,400	2,069
Ba3	1,428	766
B1	38,588	17,200
B2	7,513	890
Caa	76	-
Without credit rating	62,583	70,459
	<u>257,612</u>	<u>155,034</u>

ASBISC ENTERPRISES PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of US\$)

35. Financial risk management (continued)

The Company

	2025 US\$	2024 US\$
Based on credit ratings by Moody's, the cash at banks the Company held as at year end are:		
Aa3	25,966	1
A1	8,260	29,448
A2	39,891	1,589
Ba3	99	-
B1	38,700	15,532
Without credit rating	<u>3,260</u>	<u>4,233</u>
	<u>116,176</u>	<u>50,803</u>

Impairment on cash and cash equivalents has been measured on a twelve-month expected loss basis and reflects short maturities of the exposures. The Group and the Company consider that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and there is no material impact on the Group's and Company's financial statements.

Trade receivables and contract assets

Expected credit loss assessment based on collective model net of specific provision as at 31 December 2025 and 2024 are:

The Group

	2025 Default rate	2025 Gross carrying amount	2025 Loss allowance	2024 Default rate	2024 Gross carrying amount	2024 Loss allowance
	%	US\$	US\$	%	US\$	US\$
Outstanding but not due yet	0.20	451,344	942	0.17	342,840	579
Overdue between 1-30 days	1.05	39,539	415	0.98	36,519	357
Overdue between 30-60 days	3.35	5,338	179	3.98	4,870	194
Overdue more than 60 days	1.17	<u>33,413</u>	<u>392</u>	7.33	<u>10,881</u>	<u>798</u>
		<u>529,634</u>	<u>1,928</u>		<u>395,110</u>	<u>1,928</u>

The Company

	2025	2025	2024	2024	2024	
	Default rate	Gross carrying amount	Loss allowance	Default rate	Gross carrying amount	Loss allowance
	%	US\$	US\$	%	US\$	US\$
Outstanding but not due yet	0.08	244,576	188	0.03	231,003	64
Overdue between 1-30 days	0.21	65,849	140	0.17	48,006	80
Overdue between 30-60 days	0.32	16,760	54	1.45	6,042	87
Overdue more than 60 days	9.39	<u>52,060</u>	<u>4,887</u>	13.54	<u>37,210</u>	<u>5,038</u>
		<u>379,245</u>	<u>5,269</u>		<u>322,261</u>	<u>5,269</u>

Loss rates are based on actual credit loss experience over the past four years.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

35. Financial risk management (continued)

1.2. Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are dependent on changes in market interest rates. The Group deposits excess cash and borrows at variable rates. The Group's management monitor interest rate fluctuations on a continuous basis and act accordingly.

	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Variable rate instruments				
Overdrafts	51,106	49,634	10,622	14,163
Short-term loans	110,265	114,555	4,653	4,503
Long-term loans	13,683	12,573	13,512	12,367
Factoring advances	75,612	54,869	30,006	13,577
	<u>250,666</u>	<u>231,631</u>	<u>58,793</u>	<u>44,610</u>

At the reporting date the profile of interest-bearing financial instruments was:

Sensitivity analysis

An increase of 100 basis points in interest rates at 31 December 2025 would have decreased by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant, as well as it assumes that financial facilities outstanding at the end of the reporting period were also outstanding for the whole year. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and loss. The figures below are before tax.

	Profit & loss			
	The Group		The Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Variable rate instruments				
Overdrafts	511	496	106	142
Short-term loans	1,103	1,145	47	45
Long-term loans	137	126	135	124
Factoring advances	756	549	300	136
	<u>2,507</u>	<u>2,316</u>	<u>588</u>	<u>447</u>

1.3. Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the earliest date on which the Group/Company can be required to pay and include only principal cash flows.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (in thousands of US\$)

35. Financial risk management (continued)

The Group

31 December 2025	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	3-12 months US\$	1-2 years US\$	2-5 years US\$
Bank loans	125,430	125,430	90,669	21,078	5,420	8,263
Bank overdrafts (Note 20)	51,106	51,106	21,570	29,536	-	-
Factoring creditors (Note 20)	75,612	75,612	70,860	4,752	-	-
Lease liabilities (Note 23)	37,964	37,964	1,508	4,750	11,183	20,523
Trade and other payables	786,094	786,094	775,215	10,879	-	-
Trade payables factoring facilities (Note 15)	82,291	82,291	82,291	-	-	-
Other short and long-term liabilities	3,050	3,050	2,004	-	183	863
	<u>1,161,547</u>	<u>1,161,547</u>	<u>1,044,117</u>	<u>70,995</u>	<u>16,786</u>	<u>29,649</u>

31 December 2024	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	3-12 months US\$	1-2 years US\$	2-5 years US\$
Bank loans	127,128	127,128	95,963	20,874	5,814	4,477
Bank overdrafts (Note 20)	49,634	49,634	18,248	31,386	-	-
Factoring creditors (Note 20)	54,869	54,869	50,516	4,353	-	-
Lease liabilities (Note 23)	16,834	16,834	714	2,571	3,043	10,506
Trade and other payables	600,176	600,176	598,346	1,830	-	-
Trade payables factoring facilities (Note 15)	52,660	52,660	52,660	-	-	-
Other short and long-term liabilities	1,036	1,036	100	-	183	753
	<u>902,337</u>	<u>902,337</u>	<u>816,547</u>	<u>61,014</u>	<u>9,040</u>	<u>15,736</u>

The Company

31 December 2025	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	3-12 months US\$	1-2 years US\$	2-5 years US\$
Bank loans	19,647	19,647	134	6,001	5,405	8,107
Bank overdrafts (Note 20)	10,622	10,622	10,622	-	-	-
Factoring creditors (Note 20)	30,006	30,006	30,006	-	-	-
Lease liabilities (Note 23)	4,801	4,801	254	691	1,075	2,781
Trade and other payables	504,930	504,930	504,930	-	-	-
Trade payables factoring facilities	68,419	68,419	68,419	-	-	-
Other short and long-term liabilities	2,004	2,004	2,004	-	-	-
	<u>640,429</u>	<u>640,429</u>	<u>616,369</u>	<u>6,692</u>	<u>6,480</u>	<u>10,888</u>

31 December 2024	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	3-12 months US\$	1-2 years US\$	2-5 years US\$
Bank loans	16,870	16,870	-	6,785	5,814	4,271
Bank overdrafts (Note 20)	14,163	14,163	14,163	-	-	-
Factoring creditors (Note 20)	13,577	13,577	13,577	-	-	-
Lease liabilities (Note 23)	4,693	4,693	40	760	956	2,937
Trade and other payables	384,673	384,673	384,673	-	-	-
Trade payables factoring facilities	52,660	52,660	52,660	-	-	-
Other short and long-term liabilities	87	87	87	-	-	-
	<u>486,723</u>	<u>486,723</u>	<u>465,200</u>	<u>7,545</u>	<u>6,770</u>	<u>7,208</u>

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(in thousands of US\$)

35. Financial risk management (continued)

1.4. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's/Company's measurement currency.

The Group uses short-term derivative financial instruments to minimize the risk on balances and material transactions denominated in currencies other than US Dollars, the Group's reporting currency. As a significant portion of the Group's cash flow is denominated in Russian Ruble, Euro and other local currencies (i.e. the Czech Crown, the Polish Zloty, the Hungarian Forint, etc.), the Group raises debt in such currencies in order to hedge against foreign exchange risk.

The carrying amounts of the monetary assets and monetary liabilities at the reporting date are denominated in the following currencies:

The Group

31 December 2025

	Cash at bank and in hand	Receivables	Trade and other Liabilities	Borrowings
	US\$	US\$	US\$	US\$
US Dollar	115,130	99,360	(393,868)	(75,177)
Euro	41,763	126,068	(139,651)	(48,971)
Polish Zloty	6,373	27,349	(19,718)	(12,144)
Czech Koruna	3,003	14,963	(4,647)	(7,158)
Romanian New Lei	286	7,763	(2,252)	(345)
Bulgarian Lev	2,175	7,935	(1,979)	(6,425)
Hungarian Forint	2,733	5,022	(1,409)	(98)
Kazakhstan Tenge	13,990	79,976	(84,018)	(50,750)
Ukrainian Hryvnia	46,776	81,859	(93,160)	(36,208)
Bosnian Mark	820	6,397	(1,132)	(4,731)
United Arab Emirates Dirham	14,728	38,947	(23,720)	(35,557)
South African Rand	818	22,735	(5,217)	(4,117)
Serbian Dinar	3,672	3,774	(875)	(6,387)
Other	5,345	8,190	(16,640)	(2,044)
	<u>257,612</u>	<u>530,338</u>	<u>(788,286)</u>	<u>(290,112)</u>

The Group

31 December 2024

	Cash at bank and in hand	Receivables	Trade and other Liabilities	Borrowings
	US\$	US\$	US\$	US\$
US Dollar	63,059	54,665	(319,086)	(42,185)
Euro	15,520	94,998	(96,947)	(39,281)
Polish Zloty	3,350	20,160	(14,684)	(8,835)
Czech Koruna	3,651	12,081	(3,338)	(5,920)
Romanian New Lei	201	6,124	(1,894)	(2,690)
Bulgarian Lev	2,501	6,617	(1,834)	(6,719)
Hungarian Forint	1,158	2,701	(1,453)	(72)
Kazakhstan Tenge	7,778	84,956	(19,722)	(53,737)
Ukrainian Hryvnia	32,164	53,651	(74,283)	(43,760)
Bosnian Mark	1,204	5,767	(716)	(3,737)
United Arab Emirates Dirham	16,044	34,108	(29,045)	(27,584)
South African Rand	515	12,265	(19,568)	(7,240)
Serbian Dinar	3,399	5,791	(3,226)	(4,941)
Other	4,490	5,965	(14,639)	(1,764)
	<u>155,034</u>	<u>399,849</u>	<u>(600,435)</u>	<u>(248,465)</u>

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35. Financial risk management (continued)

The Company

31 December 2025

	Cash at bank and in hand US\$	Receivables US\$	Trade and other liabilities US\$	Borrowings US\$
US Dollar	106,544	374,037	(496,354)	(58,648)
Euro	8,601	20,957	(7,491)	(6,428)
Czech Koruna	491	-	(1,470)	-
British Pound	441	398	(1,124)	-
Polish Zloty	99	-	(680)	-
	<u>116,176</u>	<u>395,392</u>	<u>(507,119)</u>	<u>(65,076)</u>

31 December 2024

	Cash at bank and in hand US\$	Receivables US\$	Trade and other liabilities US\$	Borrowings US\$
US Dollar	48,541	306,371	(377,319)	(42,185)
Euro	1,646	22,561	(5,505)	(7,116)
Czech Koruna	380	-	(706)	-
British Pound	73	14	(918)	(2)
Polish Zloty	163	-	(467)	-
Other	-	-	(2)	-
	<u>50,803</u>	<u>328,946</u>	<u>(384,917)</u>	<u>(49,303)</u>

The Company is not exposed to any material foreign exchange risk, as most of its operations are conducted in US Dollars, the Company's reporting currency. Any exposure to foreign exchange risk is restricted to monetary assets denominated in foreign currencies, mainly Euro, Czech Koruna, British Pound and Polish Zloty, and this risk is mitigated by the appropriate use of currency derivative contracts.

2. Fair values

The Group and the Company

Financial instruments comprise financial assets and financial liabilities. Financial assets mainly consist of bank balances, receivables and investments. Financial liabilities mainly consist of trade payables, factoring balances, bank overdrafts and loans. The Directors consider that the carrying amount of the Company's/Group's financial instruments approximate their fair value at the reporting date. Financial assets and financial liabilities carried at fair value through profit or loss represent foreign currency derivative contracts categorized as a Level 2 (quoted prices (unadjusted) in active markets for identical assets or liabilities) fair value hierarchy.

3. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to stakeholders through optimization of debt and equity. The Group's overall strategy remains unchanged from 2024.

The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

Gearing ratio

The Group's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risk associated with it.

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35. Financial risk management (continued)

The Group

The net gearing ratio at the year-end was as follows:

	2025 US\$	2024 US\$
Debt (i)	252,148	231,631
Cash at bank and in hand	<u>(257,612)</u>	<u>(155,034)</u>
Net debt	<u>(5,464)</u>	<u>76,597</u>
Equity (ii)	<u>338,073</u>	<u>298,315</u>
Net debt to equity ratio	-	25,68%

(i) Debt includes short-term (factoring advances, overdrafts and short-term loans) and long-term borrowings.

(ii) Equity includes all capital and reserves.

The Company

The net gearing ratio at the year-end was as follows:

	2025 US\$	2024 US\$
Balance sheet and notes		
Debt (i)	60,275	44,610
Cash at bank and in hand	<u>(116,176)</u>	<u>(50,803)</u>
Net debt	<u>(55,901)</u>	<u>(6,193)</u>
Equity (ii)	<u>191,534</u>	<u>182,935</u>
Net debt to equity ratio	-	-

(i) Debt includes short-term (factoring advances, overdrafts and short-term loans) and long-term borrowings.

(ii) Equity includes all capital and reserves.

4. Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the fair value hierarchy of the Group's and the Company's assets as at 31 December:

31 December 2025	The Group 2025			The Company 2025		
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$
Assets						
Derivative financial assets	-	67	-	-	32	-
Financial assets at fair value through other comprehensive income	-	-	2,376	-	-	2,376
Financial assets at fair value through profit and loss	<u>699</u>	<u>-</u>	<u>1,000</u>	<u>699</u>	<u>-</u>	<u>1,000</u>
	<u>699</u>	<u>67</u>	<u>3,376</u>	<u>699</u>	<u>32</u>	<u>3,376</u>
Liabilities						
Derivative financial liabilities	-	2,004	-	-	2,004	-

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35. Financial risk management (continued)

31 December 2024	The Group 2024			The Company 2024		
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$
Assets						
Derivative financial assets	-	1,575	-	-	1,522	-
Financial assets at fair value through other comprehensive income	-	-	2,376	-	-	2,376
Financial assets at fair value through profit and loss	528	-	400	528	-	400
	<u>528</u>	<u>1,575</u>	<u>2,776</u>	<u>528</u>	<u>1,522</u>	<u>2,776</u>
Liabilities						
Derivative financial liabilities	-	100	-	-	87	-

The fair value of financial instruments that are not traded in an active market (for example, unlisted equity securities) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

36. Other risks

Operational risk

Operational risk is the risk that derives from the deficiencies relating to the Group's/Company's information technology and control systems as well as the risk of human error and natural disasters. The Group's/Company's systems are evaluated, maintained and upgraded continuously.

Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Compliance Officer, as well as by the monitoring controls applied by the Group/Company.

Litigation risk

Litigation risk is the risk of financial loss, interruption of the Group's operations or any other undesirable situation that arises from the possibility of non-execution or violation of legal contracts and consequentially of lawsuits. The risk is restricted through the contracts used by the Group/Company to execute its operations.

Reputation risk

The risk of loss of reputation arising from the negative publicity relating to the Group's/Company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Group. The Group/Company applies procedures to minimize this risk.

Other risks

The general economic environment may affect the Group's/Company's operations to a great extent. Concepts such as inflation, unemployment, and development of the gross domestic product are directly linked to the economic course of every country and any variation in these and the economic environment in general may create chain reactions in all areas hence affecting the Group/Company.

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37. Dividends

Our dividend policy is to pay dividends at levels consistent with our growth and development plans, while maintaining a reasonable level of liquidity. During the year, the following dividends were declared and paid by the Company:

- A final dividend of US\$ 0.30 cents per share for the year 2024, amounting to US\$ 16,650
- An interim dividend of US\$ 0.20 cents per share for the year 2025, amounting to US\$ 11,100

During 2024, the following dividends were declared and paid by the Company:

- A final dividend of US\$ 0.30 cents per share for the year 2023, amounting to US\$ 16,650
- An interim dividend of US\$ 0.20 cents per share for the year 2024, amounting to US\$ 11,100

The Board of Directors also proposes the payment of a final dividend of US\$ 0.35 cents per share for the year 2025, amounting to US\$ 19,425.