INTERIM REPORT

FOR THE THREE MONTHS ENDED 31 MARCH 2025

Limassol, 07 May 2025

CONTENT

DIRECTORS’ REPORT ON THE COMPANY’S AND GROUP’S OPERATIONS

We have prepared this report as required by Paragraph 60 section 2 of the Regulation of the Ministry of Finance dated 29 March 2018 on current and periodic information to be published by issuers of securities and conditions of recognition of information required by the law of non-member country as equal.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this three-month report, all references to the Company apply to ASBISc Enterprises Plc and all references to the Group apply to ASBISc Enterprises Plc and its consolidated subsidiaries. Expressions such as "we", "us", "our" and similar apply generally to the Group (including its particular subsidiaries, depending on the country discussed) unless from the context it is clear that they apply to the Company alone.

FINANCIAL AND OPERATING DATA

This three-month report contains financial statements of, and financial information relating to the Group. In particular, this three-month report contains our interim consolidated financial statements for the three months ended 31 March 2025. The financial statements appended to this report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

The functional currency of the Company is U.S. dollars. Accordingly, transactions in currencies other than our functional currency are translated into U.S. dollars at the exchange rates prevailing on the applicable transaction dates.

Certain arithmetical data contained in this three-month report, including financial and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this three-month report may not conform exactly to the total figure given for that column or row.

CURRENCY PRESENTATION

Unless otherwise indicated, all references in this six month report to "U.S. $" or "U.S. dollars" are to the lawful currency of the United States; all references to "€" or the "Euro" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty, which means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and all references to "PLN" or "Polish Zloty" are to the lawful currency of the Republic of Poland.

All references to U.S. dollars, Polish Zloty, Euro and other currencies are in thousands, except share and per share data, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

This three-month report contains forward-looking statements relating to our business, financial condition and results of operations. You can find many of these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate" and similar words used in this three-month report. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution you not to place undue reliance on such statements, which speak only as of the date of this three-month report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this three-month report.

PART I INTERIM MANAGEMENT REPORT

1. OVERVIEW

ASBISc Enterprises Plc is a leading Value Add Distributor, developer and provider of ICT, IoT products, solutions, and services to the markets of Europe, the Middle East, and Africa (EMEA) with local operations in Central and Eastern Europe, the Baltic republics, the Commonwealth of Independent States, the Middle East and North Africa, combining a broad geographical reach with a wide range of products distributed on a "one-stop-shop" basis. Our focus is on the following countries: Kazakhstan, Ukraine, Slovakia, Poland, Czech Republic, Romania, Croatia, Slovenia, Bulgaria, Serbia, Hungary, Middle East countries (i.e., United Arab Emirates, Qatar and other Gulf states) South Africa and Latvia.

The Group distributes IT components (to assemblers, system integrators, local brands and retail) as well as A-branded finished products like smartphones, desktop PCs, laptops, servers, and networking to SMB and retail. Our IT product portfolio encompasses a wide range of IT components, blocks and peripherals, and mobile IT systems. We currently purchase most of our products from leading international manufacturers, including Apple, Logitech, Intel, Advanced Micro Devices ("AMD"), Seagate, Western Digital, Samsung, Microsoft, Toshiba, Dell, Acer, Lenovo and Hitachi. In addition, a part of our revenues is comprised of sales of IT products under our private labels: Prestigio, Prestigio Solutions, Canyon, AENO, AROS and LORGAR.

ASBISc commenced business in 1990 and in 1995 incorporated the parent Company in Cyprus and moved our headquarters to Limassol. Our Cypriot headquarters support, through two master distribution centers (located in the Czech Republic and the United Arab Emirates), our network of 31 warehouses located in 34 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 60 countries.

The Company’s registered and principal administrative office is at 1, Iapetou Street, 4101, Agios Athanasios, Limassol, Cyprus.

2. EXECUTIVE SUMMARY FOR THE THREE-MONTH PERIOD ENDED MARCH 31ST, 2025.

Following an extremely demanding Q1 2024, we have finished Q1 2025 and the management considers it as satisfactory. In Q1 2025, despite continuing challenges in our major markets like Kazakhstan and Ukraine (mainly unauthorized and illegal imports of Apple products and ongoing full-scale war), we were able to generate strong revenues. It is worth underlying that in February and March 2025 we were able to beat our monthly sales record for two consecutive months.

This is a huge success of the whole ASBIS Group and confirms our strong market position and determination to achieve improved revenues and growth this year.

Talking about Kazakhstan – our second biggest market for Q1 2025, on the 24th of March 2025 the Kazakh government introduced comprehensive changes to the IMEI registration system. The new regulations, developed by the Ministry of Digital Development, Innovation and Space Industry, aim to combat the circulation of illegally imported or fraudulently registered devices. A key element of the reform is the introduction of a three-list system (white, grey and black) that will categorize phones based on their legal origin, and mandatory IMEI verification for all new devices introduced to the market after that date. The Group is still working closely with its suppliers and authorities over some solutions that we strongly believe will improve the situation in the market. Several actions have already been implemented, and we believe that the situation will somewhat improve going forward, but this is not in our capacity to manage.

In Ukraine, our third largest market for Q1 2025, in the first two months of 2025 we saw lower demand due to the continuation of the hostilities in the country, causing a worse than we expected sentiment of Ukrainian consumers. Despite all difficulties, our approach to this market remains unchanged. We continue to invest in this country, hoping that intensive diplomatic talks will end the war soon and allow us to properly develop this country and execute our strategy.

Analyzing the results Q1 2025 results, revenues were USD 736.4 million (up 3.3% compared to Q1 2024). The gross profit margin decreased to 7.00% from 8.28% in Q1 2024. Operating profit (EBIT) decreased by 33.0% and reached USD 16.4 million, compared to USD 24.4 million in Q1 2024. Net profit was USD 7.3 million, as compared to USD 14.0 million in Q1 2024.

The quarter-over-quarter increase in net sales reflected a growth in three out of four of the Company's geographic reportable segments. The Commonwealth of Independent States region and Central & Eastern Europe regions traditionally had the largest share in the Group's revenues. Following the difficulties we have faced in the Commonwealth of Independent States region, the share of this region in total revenues decreased to 30.28% in Q1 2025, as compared to 46.25% in Q1 2024, which confirms our temporary shift of revenues from CIS to Eastern Europe.

As regards the products. In Q1 2025 multiple product lines have recorded strong growth on a year-on-year basis. The leader of the Company's sales remained smartphones followed by servers & server blocks and CPUs.

A country-by-country analysis confirms the excellent growth rates the Group was able to achieve in multiple main markets of our operation.

The important countries with the highest sales growth in Q1 2025 were:

- South Africa – a growth of 269%
- Germany - a growth of 63%
- United Arab Emirates - a growth of 43%
- Poland - a growth of 42%
- Romania - a growth of 40%

As regards our own brands, we are constantly developing and pushing them to generate higher revenues and gross profits.

- **AENO** – has shown a strong growth in revenues in Q1 2025 as compared to the corresponding period of 2024. In Q1 2025 AENO successfully expanded product range in new category Beauty. AENO presented new models of hairdryer HD3, HD4 and new AENO hair styler & dryer. In Q1 2025 AENO installed latest brand zones in Romania, Latvia, Croatia, Bosnia, Bulgaria.
- **Canyon** – the first quarter of 2025 brought an exciting milestone for Canyon, the launch of special series, Hexagon. Canyon has also successfully secured a partnership with RYMAN (Ireland), a leading stationery and office supply chain. Through this deal, Canyon's range of power and mobile accessories is now available to a wider audience, reinforcing our commitment to expanding our footprint across key retail partners in Western Europe. In addition, Canyon officially launched a new lineup in one of its key growth categories – Gaming Chairs. After a brief launch period, sales quickly gained momentum starting in February. Early success signals strong demand, and Q2 sales forecasts are even more promising.
- **Prestigio solutions** - during Q1'2025, Prestigio Solutions and the related brands have continued to show a strong growth. Prestigio Solutions was able to achieve a 28% increase in revenue and a 15% increase in gross profit compared to the same period in 2024. These results highlight a steady demand for our solutions. Talking about the products, in Q1 2025 Prestigio Solutions launched an absolutely New Version of JoinU - All-in-One Software for Meeting Rooms. Align with this, Prestigio Solutions presented two new products under JoinU brand - Room scheduler and Room controller. Following the announced partnership with OneRugged, Prestigio Solutions added two novelties on our website. These are 8 and 10-inch tablets. Another key achievement in Q1 2025 was the effective completion of a challenging project where Prestigio Solutions designed and installed a customized LED Video Wall for the largest Telecom provider in Cyprus. In terms of sales, Prestigio Solutions has signed agreements with nine additional authorized partners for 2025 and launched sales in South Africa.
- **Lorgar** - in Q1 2025, Lorgar introduced a major lineup of new products to the market. The highlight of this release is the 27MP1 model — Lorgar's flagship 4K gaming monitor, designed to deliver an exceptional visual experience for gamers. Alongside it, Lorgar presented the KBP70 series of wireless mechanical gaming keyboards, the wireless gaming mice MSA10 and MSE90, and the unique MSP80 gaming mouse featuring an integrated customizable RGB display. Completing the lineup is the NOAH702, a wireless gaming headset engineered for immersive sound quality. With these additions, Lorgar finalized its brand-new product portfolio, positioning itself strongly to meet its ambitious targets for the 2025 fiscal year.

In Q1 2025 and in the period between 1st of April 2025 and the date of this report the Company experienced other important business events:

- ASBIS has announced a strategic distribution agreement with iLera, a leader in the premium protection segment for Apple devices. Under this partnership, ASBIS will distribute a range of innovative iLera accessories across 31 countries, including Algeria, Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, Georgia, Greece, Hungary, Kazakhstan, Kenya, Malta, Moldova, Morocco, Nigeria, Poland, Romania, Serbia, Slovakia, Slovenia, South Africa, Tajikistan, Tanzania, Tunisia, Turkmenistan, Ukraine, United Arab Emirates and Uzbekistan.

- ASBIS has announced a strategic partnership with Arctic Wolf, a leading provider of cybersecurity solutions. This distribution agreement aims to deliver an extensive range of Arctic Wolf's innovative solutions designed to mitigate cyber threats for organizations of all sizes.

- ASBIS Slovakia, a subsidiary of ASBIS, has announced its attainment of the SEWA Environmental Certificate for 2024, a significant acknowledgment of its unwavering commitment to effective waste management in accordance with Slovak legislation. This certification underscores ASBIS's proactive stance on sustainability, showcasing the company's methodical practices in waste registration, sorting, and environmentally responsible disposal.

- Breezy, a subsidiary of the ASBIS, specializing in refurbishment and remarketing of used digital devices, has begun operations in the Republic of South Africa. For the first time, the company has decided to enter a new market using a franchise format. ASBC, a company from the ASBIS Group, has become Breezy's franchisee in South Africa.

- ASBIS has opened another Bang & Olufsen mono-brand store in Tbilisi, Georgia. The newly opened store is the first in Georgia, while the Group currently runs a total of 6 stores where Bang & Olufsen products can be purchased. The 54 m² retail space is designed to deliver a premium customer experience, featuring personalized consultations, in-store product demonstrations, and immersive sound experiences.

In Q1 2025, based on the strong financial position of the Company, the Board of Directors decided to recommend to the Annual General Meeting of Shareholders the payment of a final dividend of USD 0.30 per share. On the 7th of May 2025 the Annual General Meeting of Shareholders declared a final dividend payment for 2024 amounting to USD 0.30 per share. Thus, the total dividend from 2024 Company's profits (together with the interim dividend paid in December 2024) reached USD 0.50 per share - equaling the highest dividend paid to shareholders in the history of ASBIS. We want to continue our hefty dividend policy, but always in combination with sufficient cash to support growth.

In summary, looking at all the difficult situations that we had to deal in our major markets and unstable geopolitical situation fueled by tariffs placed by US Presidency, we finished it with good results, full of determination and ideas for the months to come. Our aim for the rest of 2025 remains unchanged - to maintain and even strengthen our market share in the main markets, being the CEE and CIS regions. We also plan to further expand our presence in Africa, including Egypt and new countries in Northwest Africa, such as Morocco and have a stronger presence in the Saudi Arabian market. We also intend to continue the SG&A costs optimization, keep developing our Trade-In business unit - Breezy as well as grow our own brands.

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The principal events of the three-month period ended March 31st, 2025, were as follows:

- In Q1 2025 revenues increased by 3.3% to U.S.$ 736,363 from U.S.$ 713,213 in Q1 2024.
- In Q1 2025 gross profit decreased and reached U.S.$ 51,560 from U.S.$ 59,082 in Q1 2024.
- In Q1 2025 gross profit margin declined to 7.00% from 8.28 % in Q1 2024.
- In Q1 2025 selling expenses increased by 3.99% to U.S.$ 20,550 from U.S.$ 19,761 in Q1 2024. These expenses include a redundancy compensation of USD 800K.
- In Q1 2025 administrative expenses decreased and reached U.S.$ 14,643 from U.S.$ 14,885 in Q1 2024.
- In Q1 2025 EBITDA was positive and reached U.S.$ 18,440 as compared to U.S.$ 26,566 in Q1 2024.
- As a result of lower gross profit, still high financial costs and higher effective tax rate the Group finished Q1 2025 with a net profit after tax amounting to U.S. $ 7,315 as compared to U.S.$ 14,003 in Q1 2024.

The following table presents a revenues breakdown by regions in the three-month period ended March 31st, 2025, and 2024 respectively (in U.S.$ thousand):

Region	Q1 2025	Q1 2024	Change %
Commonwealth of Independent States (CIS)	222,940	329,867	-32.4%
Central and Eastern Europe	221,861	187,176	18.5%
Middle East and Africa	187,923	121,358	54.9%
Western Europe	90,745	68,211	33.0%
Other	12,894	6,600	95.3%
Total	**736,363**	**713,213**	**3.2%**

DEFINITIONS AND USE OF ALTERNATIVE PERFORMANCE MEASURES

Gross profit

Gross profit is the residual profit made after deducting the cost of sales from revenue.

Gross profit margin

Gross profit margin is calculated as the gross profit divided by revenue, presented as a percentage.

EBIT (Earnings Before Interest and Tax)

is calculated as the Profit before Tax, Net financial expenses, Other income/loss and Share of profit/loss of equity-accounted investees, all of which are directly identifiable in financial statements.

EBITDA

EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) is calculated as the Profit before Tax, Net financial expenses, Other income/loss, Share of profit/loss of equity-accounted investees, Depreciation, Amortization, all of which are directly identifiable in financial statements.

The use of the above Alternative Performance Measures ("APM") is made for the purpose of providing a more detailed analysis of the financial results.

3. SUMMARY OF HISTORICAL FINANCIAL DATA

The following data sets out our summary of historical consolidated financial information for the periods presented. You should read the information in conjunction with the interim condensed consolidated financial statements and results of operations contained elsewhere in this interim report.

For your convenience, certain US$ amounts as of and for the three months ended March 31st, 2025, and 2024, have been converted into Euro and PLN, based on the exchange rates provided by the National Bank of Poland:

	As at 31 March 2025	Three months ended 31 March 2025 average	As at 31 March 2024	Three months ended 31 March 2024 average
USD/PLN	3.8643	3,9737	3.9886	3.9941
EUR/PLN	4.1839	4,1848	4.3009	4.3211

(In thousands of US$)	Period from 1 January to 31 March 2025			Period from 1 January to 31 March 2024		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**736,363**	**2,941,132**	**680,644**	**713,213**	**2,848,668**	**659,246**
Cost of sales	(684,803)	(2,735,194)	(632,986)	(654,131)	(2,599,342)	(621,139)
Gross profit	**51,560**	**205,938**	**47,659**	**59,082**	**234,776**	**56,102**
Gross profit margin	*7.00%*			*8.28%*		
Selling expenses	(20,550)	(82,079)	(18,995)	(19,761)	(78,525)	(18,764)
Administrative expenses	(14,643)	(58,486)	(13,535)	(14,885)	(59,149)	(14,134)
Profit from operations	**16,367**	**65,372**	**15,129**	**24,436**	**97,102**	**23,204**
Financial expenses	(7,840)	(31,314)	(7,247)	(8,389)	(33,336)	(7,966)
Financial income	519	2,073	480	883	3,509	838
Realized foreign exchange loss relating to foreign operations liquidated	(5)	(20)	(5)	(10)	(40)	(9)
Other gains and losses	249	995	230	186	739	177
Share of loss equity-accounted investees	(121)	(483)	(112)	(115)	(457)	(109)
Profit before taxation	**9,169**	**36,622**	**8,475**	**16,991**	**67,518**	**16,134**
Taxation	(1,854)	(7,405)	(1,714)	(2,988)	(11,874)	(2,837)
Profit after taxation	**7,315**	**29,217**	**6,761**	**14,003**	**55,644**	**13,297**
Attributable to:						
Non-controlling interest	(69)	(276)	(64)	(70)	(278)	(66)
Equity holders of the parent	**7,384**	**29,493**	**6,825**	**14,073**	**55,922**	**13,363**
EBIT and EBITDA calculation	**USD**	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Profit before tax	9,169	36,622	8,475	16,991	67,518	16,134
Add back:						
Financial expenses/net	(7,321)	(29,241)	(6,767)	(7,516)	(29,867)	(7,137)
Other gains and losses	249	995	230	186	739	177
Share of profit of equity-accounted investees	(121)	(483)	(112)	(115)	(457)	(109)
EBIT for the period	**16,367**	**65,372**	**15,129**	**24,436**	**97,102**	**23,204**
Depreciation	(1,961)	(7,832)	(1,813)	(2,024)	(8,043)	(1,922)
Amortization	(112)	(447)	(104)	(106)	(421)	(101)
EBITDA for the period	**18,440**	**73,652**	**17,045**	**26,566**	**29,469**	**7,042**
	USD (cents)	**PLN (grosz)**	**EUR (cents)**	**USD (cents)**	**PLN (grosz)**	**EUR (cents)**
Basic and diluted earnings per share from continuing operations	13.30	53.12	12.29	25.36	100.77	24.08
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Net cash outflows from operating activities	(58,696)	(234,440)	(54,255)	(41,515)	(164,970)	(39,421)
Net cash outflows from investing activities	(5,036)	(20,114)	(4,655)	(3,503)	(13,920)	(3,326)
Net cash (outflows)/inflows from financing activities	(14,077)	(56,225)	(13,012)	12,676	50,371	12,037
Net decrease in cash and cash equivalents	**(77,808)**	**(310,776)**	**(71,920)**	**(32,342)**	**(128,518)**	**(30,711)**
Cash at the beginning of the period	**105,400**	**420,982**	**97,425**	**108,308**	**430,379**	**102,843**
Cash at the end of the period	**27,592**	**110,206**	**25,504**	**75,964**	**301,861**	**72,133**
	As at 31 March 2025			**As at 31 December 2024**		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Current assets	992,623	4,070,945	952,714	1,112,656	4,563,225	1,067,921
Non-current assets	91,505	375,280	87,826	88,155	361,541	84,611
Total assets	**1,084,128**	**4,446,226**	**1,040,540**	**1,200,811**	**4,924,766**	**1,152,531**
Liabilities	775,288	3,179,611	744,117	902,496	3,701,317	866,210
Equity	308,840	1,266,615	296,423	298,315	1,223,449	286,321

4. ORGANIZATION OF ASBIS GROUP

The following table presents our corporate structure as of 31 March 2025:

Company	Consolidation Method
ASBISC Enterprises PLC	Mother company
Asbis Ukraine Limited (Kyiv, Ukraine)	Full (100%)
Asbis Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100%)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100%)
Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100%)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100%)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100%)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100%)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100%)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100%)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100%)
ASBC F.P.U.E. (Minsk, Belarus)	Full (100%)
E.M. Euro-Mall Ltd (Limassol, Cyprus)	Full (100%)
Asbis Morocco Sarl (Casablanca, Morocco)	Full (100%)
Prestigio Plaza Ltd (Limassol, Cyprus)	Full (100%)
Perenio IoT spol. s.r.o. (Prague, Czech Republic)	Full (100%)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100%)
“ASBIS BALTICS” SIA (Riga, Latvia)	Full (100%)
Asbis d.o.o. (Sarajevo, Bosnia Herzegovina)	Full (90%)
ASBIS Close Joint-Stock Company (Minsk, Belarus)	Full (100%)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100%)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100%)
Asbis China Corp. (former Prestigio China Corp.) (Shenzhen, China)	Full (100%)
EUROMALL BULGARIA EOOD (Sofia, Bulgaria)	Full (100%)
E-Vision Production Unitary Enterprise (Minsk, Belarus)	Full (100%)
iSupport Ltd (Kiev, Ukraine)	Full (100%)
I ON LLC (Kiev, Ukraine)	Full (100%)
ASBC MMC LLC (Baku, Azerbaijan)	Full (65.85%)
ASBC KAZAKHSTAN LLP (Almaty, Kazakhstan)	Full (100%)
Atlantech Ltd (Ras Al Khaimah, U.A.E)	Full (100%)
ASBC LLC (Tbilisi, Georgia)	Full (100%)
Real Scientists Limited (London, United Kingdom)	Full (55%)
i-Care LLC (Almaty, Kazakhstan)	Full (100%)
ASBIS IT Solutions Hungary Kft. (Budapest, Hungary)	Full (100%)
Breezy LLC (Minsk, Belarus)	Full (100%)
MakSolutions LLC (Minsk, Belarus)	Full (100%)
Breezy Kazakhstan TOO (Almaty, Kazakhstan)	Full (100%)
Breezy LLC (Kyiv, Ukraine)	Full (100%)
I.O.N. Clinical Trading Ltd (Limassol, Cyprus)	Full (100%)
R.SC. Real Scientists Cyprus Ltd (Limassol, Cyprus)	Full (85%)
ASBIS CA LLC (Tashkent, Uzbekistan)	Full (100%)
Breezy Service LLC (Kyiv, Ukraine)	Full (100%)
Breezy Trade-In Ltd (Limassol, Cyprus)	Full (91.15%)
ASBC LLC (Yerevan, Armenia)	Full (100%)

Company	Consolidation Method
Breezy Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBC Entity OOO (Tashkent, Uzbekistan)	Full (100%)
ACEAN.PL Sp. z o.o (Warsaw, Poland)	Full (100%)
Entoliva Ltd (Limassol, Cyprus)	Full (100%)
ASBIS HELLAS SINGLE MEMBER S.A. (Athens, Greece)	Full (100%)
Prestigio Plaza Kft (Budapest, Hungary)	Full (100%)
ASBC SRL (Chisinau, Moldova)	Full (100%)
Breezy-M SRL (Chisinau, Moldova)	Full (100%)
Breezy Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
ASBIS AM LLC (Yerevan, Armenia)	Full (100%)
ASBIS Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBIS AZ LLC (Baku, Azerbaijan)	Full (100%)
ASBIS s.r.l. (Chisinau, Moldova)	Full (100%)
Asbis Africa (Pty) Ltd (Johannesburg, South Africa)	Full (100%)
ASBC Morocco s.a.r.l. (Morocco, Casablanca)	Full (100%)
Sarovita Ltd (Limassol, Cyprus)	Full (100%)
ASBC South Africa (Pty) Ltd (Johannesburg, South Africa)	Full (100%)
Breezy Azerbaijan MMC (Baku, Azerbaijan)	Full (100%)
AROS ENGINEERING SINGLE MEMBER S.A. (Athens, Greece)	Full (100%)
ASBC ITALIA S.R.L. (Rome, Italy)	Full (100%)
ASBC INC. (Delaware, U.S.A.)	Full (100%)
E-VISION UKRAINE LLC (Kiev, Ukraine)	Full (100%)

5. CHANGES IN THE STRUCTURE OF THE COMPANY

During the three months ended March 31st, 2025, there have been the following changes in the Group's structure:

- On March 28th, 2025, ASBISC Enterprises Plc has liquidated the company SIA Joule Production (Riga, Latvia).

6. DISCUSSION OF THE DIFFERENCE OF THE COMPANY'S RESULTS AND PUBLISHED FORECASTS

During the three months ended March 31st, 2025, the Company has not published a financial forecast for 2025.

7. INFORMATION ON DIVIDEND PAYMENT

During the three-month period ended March 31st, 2025, no dividend was paid.

On May 7th, 2025, the Annual General Meeting of Shareholders, in line with the recommendation of the Company's Board of Directors, decided to pay out a final dividend from the Company's 2024 profits of USD 0.30 per share. The dividend record date was set for May 19th, 2025, and the dividend pay-out date for May 29th, 2025.

Thus, the grand total for dividends from the Company's 2024 profits (including the interim dividend paid in December 2024) amounted to USD 0.50 per share, equaling the highest dividend in the Company's history.

8. SHAREHOLDERS POSSESSING MORE THAN 5% OF THE COMPANY'S SHARES AS OF THE DATE OF THE PUBLICATION OF THE INTERIM REPORT

The following table presents shareholders possessing more than 5% of the Company's shares as of the date of publication of this report, according to our best knowledge. The information included in the table is based on the information received from the shareholders pursuant to Art. 69, sec. 1, point 2 of the Act on Public Offering, conditions governing the introduction of financial instruments to organized trading and public companies.

Name	Number of shares	% of share capital	Number of votes	% of votes
KS Holdings Ltd*	20,448,127	36.84%	20,448,127	36.84%
Zbigniew Juroszek**	3,028,640	5.46%	3,028,640	5.46%
Free float	32,023,233	57.70%	32,023,233	57.70%
Total	**55,500,000**	**100%**	**55,500,000**	**100%**

**Siarhei Kostevitch holds shares as the ultimate beneficial owner of KS Holdings Ltd.*
*** Zbigniew Juroszek together with related entities*

CHANGES IN THE NUMBER OF SHARES POSSESSED BY MAJOR SHAREHOLDERS

On April 14th, 2025, the Company received a notification from the Zbigniew Juroszek Foundation Family Foundation ("Foundation") informing that the Foundation exceeded 5% of the total number of votes in ASBISc Enterprises Plc, due to purchasing on April 9, 2025, 40,000 shares of ASBISc Enterprises Plc.

There were no other changes in the number of shares possessed by major shareholders during the period between March 28th, 2025 (the date of the annual report for 2024) and the date of this report.

CHANGES IN THE NUMBER OF SHARES OWNED BY THE MEMBERS OF THE BOARD OF DIRECTORS

During the period between March 28th, 2025 (the date of the annual report for 2024) and the date of this report there was following change in the number of shares possessed by the members of the Board of Directors:

Name	Number of Shares Acquired	Number of Shares Disposed
Hanna Kaplan	-	20,500

The table below presents the number of shares held by the members of the Board of Directors as of the date of this report. The information included in the table below is based on information received from members of our Management Board:

Name	Number of Shares	% of the share capital
Siarhei Kostevitch (directly and indirectly) *	20,448,127	36.84%
Constantinos Tziamalis	406,600	0.73%
Marios Christou	330,761	0.60%
Julia Prihodko	2,000	0%
Hanna Kaplan	500	0%
Maria Petridou	0	0%
Tasos Panteli	0	0%
Constantinos Petrides	0	0%
Total	**21,187,988**	**38.18%**

**Siarhei Kostevitch holds ASBIS shares as a shareholder of KS Holdings Ltd.*

The members of the Board of Directors do not have any rights to the Company's shares.

CHANGES IN THE MEMBERS OF MANAGING BODIES

During the three-month period ended March 31st, 2025, there were no changes in the members of the Company's Board of Directors.

After the period ended on March 31st, 2025, Mr. Siarhei Kostevitch, Mr. Constantinos Tziamalis, Mrs. Julia Prihodko (Executive Directors) have been re-elected during the Annual General Meeting of Shareholders of the Company held on the 7th of May 2025.

SIGNIFICANT ADMINISTRATIVE AND COURT PROCEEDINGS AGAINST THE COMPANY

Neither the Company nor any of the members of our Group are involved in any significant proceedings before a court, competent body or a body of public administration concerning payables or debt of the Company or its subsidiaries.

RELATED PARTY TRANSACTIONS

During the three months ended March 31st, 2025, neither the Company nor any of the members of our Group have concluded any material related party transaction, other than with market conditions.

INFORMATION ON GUARANTEES GRANTED TO THIRD PARTIES

The total corporate guarantees the Company has issued, as of March 31st, 2025, to support its subsidiaries' local financing, amounted to U.S.$ 305,604. The total bank guarantees and letters of credit raised by the Group (mainly to Group suppliers) as of December 31st, 2025, was U.S. $ 48,879 – as per note number 17 to the financial statements.

INFORMATION ON CHANGES IN CONDITIONAL COMMITMENTS OR CONDITIONAL ASSETS OCCURRED SINCE THE END OF THE LAST FISCAL YEAR

No changes in conditional commitments or conditional assets have occurred since the end of the last fiscal year.

OTHER INFORMATION IMPORTANT FOR THE ASSESSMENT OF OUR PERSONNEL, ECONOMIC AND FINANCIAL POSITION, AS WELL AS OUR FINANCIAL RESULTS

In the three month period ended March 31st, 2025, the Company's results of operations have been affected and are expected to continue to be affected by a number of factors. These factors are presented in brief below:

THE WAR IN UKRAINE

The war in Ukraine is considered by the management as the major negative development which still affects our operations not only in Ukraine but in the regions around. The decision of the Group to totally divest from Russia was the correct one, despite the significant losses we needed to swallow during 2023. The ongoing conflict in the country does not allow us to properly develop the country and the unsecured business environment makes it extremely difficult to plan and execute to our strategy. Despite all difficulties, we are continuing to deliver very good results, however the key to our success in the country does not only depend on our performance but also on an extremely volatile market environment.

The Group being fully compliant with the directions given by the EU and its suppliers, has undertaken all necessary actions to prevent sales of sanctioned products to sanctioned entities and/or individuals.

UNFAIR COMPETITION FROM UN-AUTHORIZED CHANNELS

The illicit trading in our main markets is considered by the management as another major negative factor which has adversely affected our business. The problem of un-authorized and illegal imports of the leading product categories in our portfolio is playing a significant negative role in our performance. Through unofficial channels, devices reach the markets without proper registration, which deprives the budgets of these countries of significant revenue and profits.

While authorized distributors like ASBIS obey the law and pay taxes, illicit traders avoid fiscal control, breach the law and leaving the countries without billions in revenue.

The Group is closely working with its suppliers and authorities to overcome this issue. Several actions have already been implemented, and we believe that the situation will somewhat improve going forward, but this is not in our capacity to manage. In Q1 2025, this had a very negative direct effect on our gross margin, which in turn significantly eroded, given the efforts from the Company to tackle the price differences between us and illicit traders.

THE IN-COUNTRY CRISIS AFFECTING OUR MAJOR MARKETS, GROSS PROFIT AND GROSS PROFIT MARGIN.

Throughout the years of operation, the Company has from time to time suffered from specific in-country problems, emanating from the deterioration of specific countries' financial situation, due to a number of issues including but not limited to political instability. The recent example of Kazakhstan is showing that a crisis emanated in a single large country of our operation might have a significant adverse effect on our results. We need to monitor any developments, react fast and weather every risk showing up in a specific market to secure our results.

The Company needs to keep in mind that different in-country problems might arise at any time and affect our operations. Even though we have improved our procedures, we cannot be certain that all risks are mitigated.

CURRENCY FLUCTUATIONS

The Company's reporting currency is the U.S. dollar. In Q1 2025 a good portion of our revenues was denominated in U.S. dollars, while the balance is denominated in Euro, UAH, KZT and other currencies, certain of which are linked to the Euro. Our trade payable balances are principally (about 90%) denominated in U.S. dollars. In addition, approximately half of our operating expenses are denominated in U.S. dollars and the other half in Euro or other currencies, certain of which are linked to the Euro.

Therefore, reported results are affected by movements in exchange rates, particularly in the exchange rate of the U.S. dollar against the Euro and other currencies of the countries in which we operate, the Ukrainian Hryvnia, the Czech Koruna, the Polish Zloty, the Kazakhstani Tenge and the Hungarian Forint.

In particular, a strengthening of the U.S. dollar against the Euro and other currencies of the countries in which we operate may result in a decrease in revenues and gross profit, as reported in U.S. dollars, and foreign exchange loss relating to trade receivables and payables, which would have a negative impact on our operating and net profit despite a positive impact on our operating expenses.

On the other hand, a devaluation of the U.S. dollar against the Euro and other currencies of the countries in which we operate may have a positive impact on our revenues and gross profit, as reported in U.S. dollars, which would have a positive impact on operating and net profit despite a negative impact on our operating expenses. In addition, foreign exchange fluctuation between the U.S. dollar and the Euro or other currencies of the countries in which we operate may result in translation gains or losses affecting foreign exchange reserve. Furthermore, a major devaluation or depreciation of any such currencies may result in a disruption in the international currency markets and may limit the ability to transfer or to convert such currencies into U.S. dollars and other currencies.

Despite all efforts of the Company, there can be no assurance that fluctuations in the exchange rates of the Euro and/or other currencies of the countries in which we operate against the U.S. dollar will not have a material adverse effect on our business, financial condition and results of operations. Therefore, careful observation of the currency environment remains a crucial factor for our success.

COMPETITION AND PRICE PRESSURE

The IT distribution industry is a highly competitive market, particularly with regards to products selection and quality, inventory, price, customer services and credit availability and hence is open to margin pressure from competitors and new entrants.

The Company competes at the international level with a wide variety of distributors of varying sizes, covering different product categories and geographic markets. In particular, in each of the markets in which the Company operates it faces competition from:

- International IT and CE distributors with presence in all major markets we operate

- Regional IT and CE distributors who cover mostly a region but are quite strong
- Local distributors who focus mostly on a single market but are very strong
- International IT and mobile phone brokers, who sell opportunistically in any region and/or county

In addition to the above, illicit and un-authorized competition has become a big burden for the Group, especially in countries with very low regulatory frameworks.

Competition and price pressures from market competitors and new market entrants may lead to significant reductions in the Company's sales prices.

Such pressures may also lead to a loss of market share in certain of the Group's markets. Price pressures can have a material adverse effect on the Company's profit margins and its overall profitability, especially since its gross profit margins, like those of most of its competitors, are low and sensitive to sales price fluctuations.

LOWER GROSS PROFIT MARGINS

The Company's business is comprised of both a traditional distribution of third-party products and own brands. This allows the Company to deliver healthier gross profit margins when conditions are favourable.

In the traditional distribution business, the Company's gross profit margins, like those of other distributors of IT products, are low and the Company expects that in the distribution arm of its business, they will remain low in the foreseeable future.

Increased competition arising from industry consolidation and low demand for certain IT products may hinder the Company's ability to maintain or improve its gross margins.

A portion of the Company's operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand.

As a result, the Company may not be able to reduce its operating expenses as a percentage of revenue to mitigate any reductions in gross margins in the future. The recent gross profit margins showed a strong decline, following increasing competition from the grey market in Kazakhstan and lower pricing from our main supplier. The Group undertakes all efforts to raise and stabilize them at a higher level.

INVENTORY OBSOLESCENCE AND PRICE EROSION

The Company is often required to buy components and finished products according to forecasted requirements and orders of its customers and in anticipation of market demand. The market for IT finished products and components is characterized by rapid changes in technology and short product shelf life, and, consequently, inventory may rapidly become obsolete. Due to the fast pace of technological changes, the industry may sometimes face a shortage or, at other times, an oversupply of IT products.

As the Company increases the scope of its business and of inventory management for its customers, there is an increasing need to hold inventory to serve as a buffer in anticipation of the actual needs of the Company's customers. This increases the risk of inventory becoming devalued or obsolete and could affect the Company's profits either because prices for obsolete products tend to decline quickly, or because of the need to make provisions or even write-offs.

In an oversupply situation, other distributors may elect to proceed with price reductions to dispose of their existing inventories, forcing the Company to lower its prices to stay competitive. The Company's ability to manage its inventory and protect its business against price erosion is critical to its success.

Several of the Company's most significant contracts with its major suppliers contain advantageous contract terms that protect the Company against exposure to price fluctuations, defective products and stock obsolescence.

CREDIT RISK

The Company buys components and finished products from its suppliers on its own account and resells them to its customers. The Company extends credit to some of its customers at terms ranging from 7 to 90 days or, in a few cases, to 120 days.

The Company's payment obligations towards its suppliers under such agreements are separate and distinct from its customers' obligations to pay for their purchases, except in limited cases where the Company's arrangements with its suppliers require the Company to resell to certain resellers or distributors. Thus, the Company is liable to pay its suppliers regardless of whether its customers pay for their respective purchases.

As the Company's profit margin is relatively low compared to the total price of the products sold, in the event where the Company is not able to recover payments from its customers, it is exposed to financial liquidity risk. The Company has in place credit insurance which covers such an eventuality for most of its revenue.

Despite all efforts to secure our revenues, certain countries remained non-insured (Ukraine), therefore it is very important for us to ensure that we find other sources of securities which help us minimize our credit risk. The Board of Directors decided to enhance the Company's risk management procedures.

These do not guarantee that all issues will be avoided, however, they have granted the Company with confidence that is able to weather any possible major credit issue that may arise.

WORLDWIDE FINANCIAL ENVIRONMENT

The overall financial environment and the economic landscape of each country we operate in, always play a significant role in our performance. The revised strategy and adaptation to the new environment, i.e., by rebuilding our product portfolio, has paid off in terms of profitability and sales in the last three-four years.

We believe that the Company is much more flexible and better prepared to weather any obstacles that may arise due to the worldwide financial environment, however, we can see that a full-scale war in our territories may bring unprecedented consequences.

In addition to the above, it has been noticed that the illicit trading in Kazakhstan significantly impacted our revenues in recent months. We are closely monitoring the situation, which is extremely tough for us. We see better market conditions after implementation of a new legislation by the Kazakh government regarding the comprehensive changes to the IMEI registration system.

SEASONALITY

Traditionally the IT distribution industry in which the Company operates experiences high demand during the months prior to and leading up to the Christmas and New Year holiday period. In particular, IT distributors' demand tends to increase in the period starting from September till the end of the year.

DEVELOPMENT OF OWN-BRAND BUSINESS

The Company's strategy is to focus more on profitability than on revenues, thus we continue to develop the own-brand business that allows for higher gross profit margins.

This includes the development of innovative products, ranging from home appliances and gaming products and accessories.

In order to keep quality under control and achieve the maximum possible gross profit margins, the Company's Directors have decided to operate under a "back-to-back scheme". This implies that orders are placed with ODMs, only if they are in advance confirmed by customers.

The Company is undertaking several quality control measures to mitigate this risk but given the volumes and many factories used to produce these products, these controls might not be sufficient. Moreover, competition has already been intensified, and the Company may not be able to sustain its profitability levels.

Despite the Company's efforts, there can be no assurance of a similar development pace in the own-brand business in future periods. This is because there may be a significant change in market trends, customer preferences or technology changes that may affect the development of own-brand business and, therefore, its results.

HIGH COST OF DEBT

The distribution business entails a higher need for cash available to support growth. The Group has managed to raise cash from various financial institutions, however, in certain cases, the cost of this financing is expensive.

The Company has already negotiated improved terms with most of its financiers and is currently undertaking certain extra steps to further lower its cost of financing. Base rates (US Libor successor rates, Euribor, and other local base rates) have been at a high level and this negatively affected the Company's WACC.

In the course of the three months of 2025, we were able to reduce the Weighted Average Cost of Debt to 8.5% (from 9.9% in 2024), as base rates (especially Euribor) have shown a steady decrease.

ENVIRONMENTAL AND CLIMATE CHANGES

In terms of transition risks that arise from the transition to a low-carbon and climate-resilient economy, we may face the following risks: policy and legal risks (there may be laws or policies put in place that may require a more environmentally cautious approach to raw materials and land use), technology risks (changes in technology used to produce IT equipment) – these both may lead to growing prices in terms of IT equipment and solutions.

We may also face market risk with consumers switching to more energy-efficient appliances or making more savvy purchases to limit their own impact on the environment. We will monitor these trends and introduce the latest hardware for our customers. We may also face reputational risks with difficulties in attracting customers, business partners and employees if we do not take strong enough actions against climate change. In terms of physical risks resulting from climate changes, we may face both acute and chronic risks.

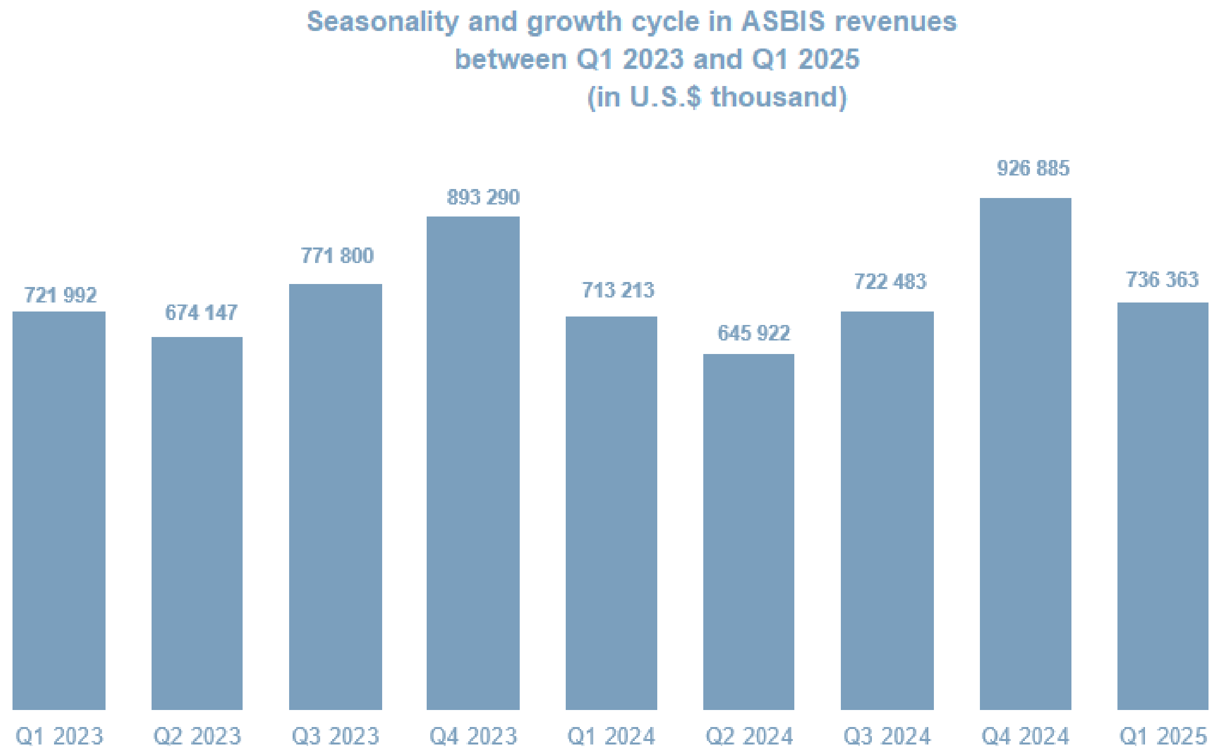
Acute physical risks may arise from weather-related events in the form of floods, fires or droughts that may damage factories in certain regions, cause factories to limit or temporarily stop their production or disrupt our supply chain in other ways. These may result in temporary limitations in our product offering or rising prices of hardware and components. Chronic physical risks (i.e., risks that may result from long-term changes in the climate) may also affect ASBIS. Growing temperatures worldwide may cause a need for more temperature-resilient hardware and appliances and may also result in more hardware malfunctions that may increase warranty claims.

RESULTS OF OPERATIONS

THREE-MONTH PERIOD ENDED 31 MARCH 2025 COMPARED TO THE THREE-MONTH PERIOD ENDED 31 MARCH 2024 (IN US$ THOUSAND)

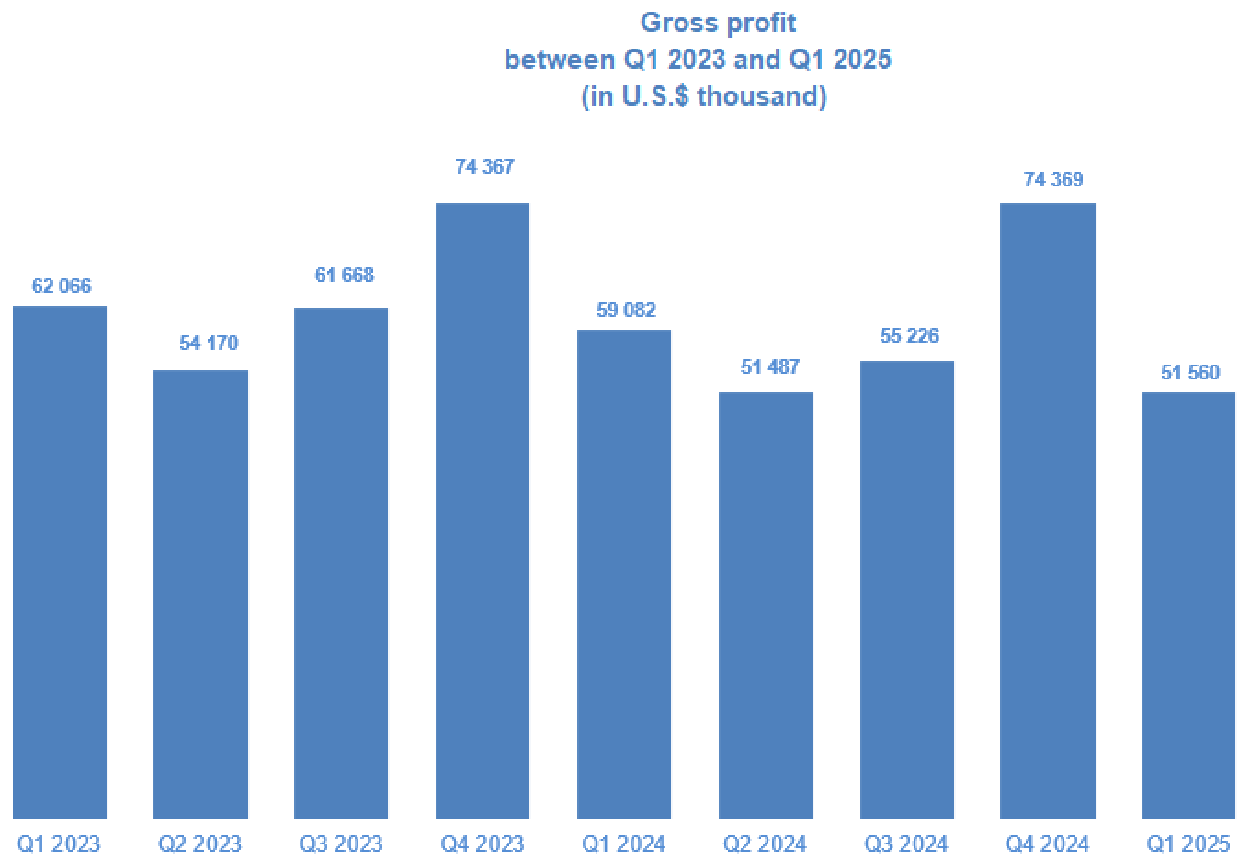
Revenues:

In Q1 2025 revenues increased by 3.3% to U.S.$ 736,363 from U.S.$ 713,213 in Q1 2024.



Gross profit:

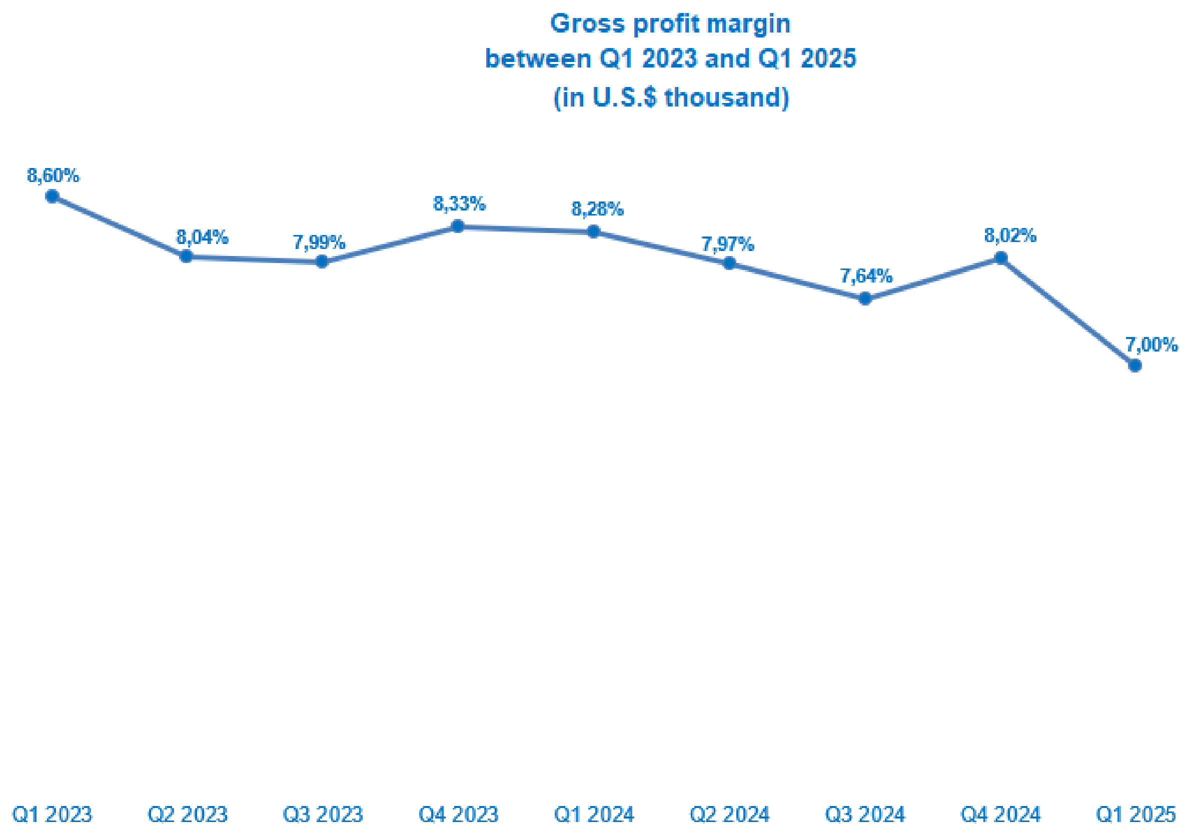
In Q1 2025 gross profit decreased by 12.7% and reached U.S.$ 51,560 from U.S.$ 59,082 in Q1 2024.



Gross profit margin

In Q1 2025 gross profit margin decreased to 7.00% as compared to 8.28% in Q1 2024.

A strong decline in gross profit margin was observed in Q1 2025, mainly due to the intensification of the grey market (especially in Kazakhstan) lower pricing from our major supplier, and increased project sales with lower margin. We expect that the gross profit margin will improve in the next quarters of 2025.



Selling expenses

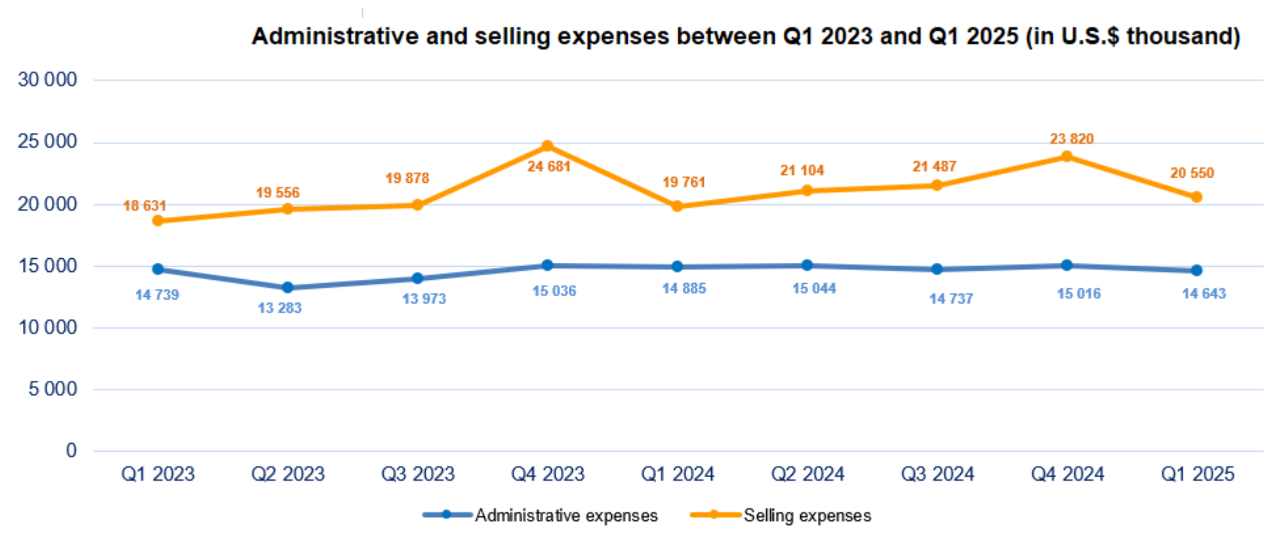
Largely comprises of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and travelling expenses. Selling expenses usually grow together (but not in-line) with growing sales and, most importantly, gross profit. In Q1 2025 we have continued the HR optimization process, that started in Q2 2024, in the divisions that have not delivered the expected profits. In Q1 2025 the total remuneration decreased by 5% as compared to Q1 2024.

In Q1 2025 selling expenses increased by 4.0% to U.S.$ 20,550 from U.S.$ 19,761 in Q1 2024. These expenses include a redundancy compensation of USD 800K.

Administrative expenses

Largely comprise of salaries and wages of administration personnel.

In Q1 2025 administrative expenses decreased by 2%, reaching U.S.$ 14,643 from U.S.$ 14,885 in Q1 2024.



EBITDA:

In Q1 2025 EBITDA was positive, reaching U.S.$ 18,440 as compared to U.S.$ 26,566 in Q1 2024.

Net profit:

As a result of lower gross profit, still high financial costs and higher effective tax rate the Group finished Q1 2025 with a net profit after tax amounting to U.S. $ 7,315 as compared to U.S.$ 14,003 in Q1 2024.

SALES BY REGIONS AND COUNTRIES

Traditionally and throughout the Company's operations, the CIS and the CEE regions contribute most of our revenues. This has not changed in Q1 2025.

In Q1 2025 revenues derived in the CIS region have decreased by 32.4% as compared to the corresponding period of 2024, while sales in the Central and Eastern Europe and other main regions have strongly increased. The major reason for lower sales in the CIS region is owed to extremely difficult market conditions in the market of Kazakhstan (grey market and new consumers' law) as well as the continuation of the war in Ukraine which also negatively affected our ability to execute our strategy and deliver better results.

As a result of the above-mentioned facts, the contribution of certain regions – like the CIS region, in total revenues of the Company for Q1 2025 has changed compared to corresponding period of 2024. The CIS region contribution has much decreased in Q1 2025 to 30.28% (from 46.25% in Q1 2024). At the same time the contribution of the other main regions increased in Q1 2025.

Central and Eastern Europe contribution has increased in Q1 2025 to 30.13% (from 26.24% in Q1 2024). Middle East and Africa contribution has grown in Q1 2025 to 25.52% (from 17.02% in Q1 2024). Western Europe contribution has also increased to 12.32% (from 9.56% in Q1 2024).

A country-by-country analysis confirms the excellent growth rates the Group was able to achieve in multiple main markets of our operations. One of them is the United Arab Emirates which became our largest market, delivering USD 123 million in Q1 2025, which represents an increase of 42.8%.

In Kazakhstan - our now second biggest market, sales decreased by 45.6% in Q1 2025 as compared to the corresponding period of 2024. This was due to the intensification of the grey market there. We strongly believe that that the situation will stabilize in 2025 following new legislation introduced by the authorities of Kazakhstan.

Ukraine, the third biggest market of our operation, declined by 17.4% in Q1 2025 as compared to Q1 2024.

South Africa showed an exceptional growth in Q1 2025 (+269.3%), as compared to Q1 2024, following our distribution agreement with Apple.

Poland once again excelled, delivering another strong growth in Q1 2025 (+41.9%) as compared to the corresponding period of 2024. The best-selling product categories in Poland were processors, SSDs and HDDs.

The tables below provide a geographical breakdown of sales for the three- month period ended March 31st, 2025, and 2024.

	Q1 2025		Q1 2024	
	U.S. $ thousand	% Of total revenues	U.S. $ thousand	% Of total revenues
Commonwealth of Independent States	222,940	30.28%	329,867	46.25%
Central and Eastern Europe	221,861	30.13%	187,176	26.24%
Middle East and Africa	187,923	25.52%	121,358	17.02%
Western Europe	90,745	12.32%	68,211	9.56%
Other	12,894	1.75%	6,600	0.93%
Total	**736,363**	**100%**	**713,213**	**100%**

Revenue breakdown – Top 10 countries in Q1 2025 and Q1 2024 (in U.S. Dollar thousand)

	Q1 2025		Q1 2024	
	Country	Sales	Country	Sales
1.	United Arab Emirates	123,387	Kazakhstan	164,423
2.	Kazakhstan	89,369	United Arab Emirates	86,388
3.	Ukraine	66,620	Ukraine	80,638
4.	Slovakia	60,264	Slovakia	48,408
5.	Germany	45,301	Azerbaijan	32,321
6.	Poland	40,479	Poland	28,525
7.	Czech Republic	26,923	Czech Republic	27,851
8.	Azerbaijan	26,783	Germany	27,717
9.	South Africa	25,740	Georgia	23,674
10.	Romania	22,054	Netherlands	22,320
	TOTAL	**736,363**	**TOTAL**	**713,213**

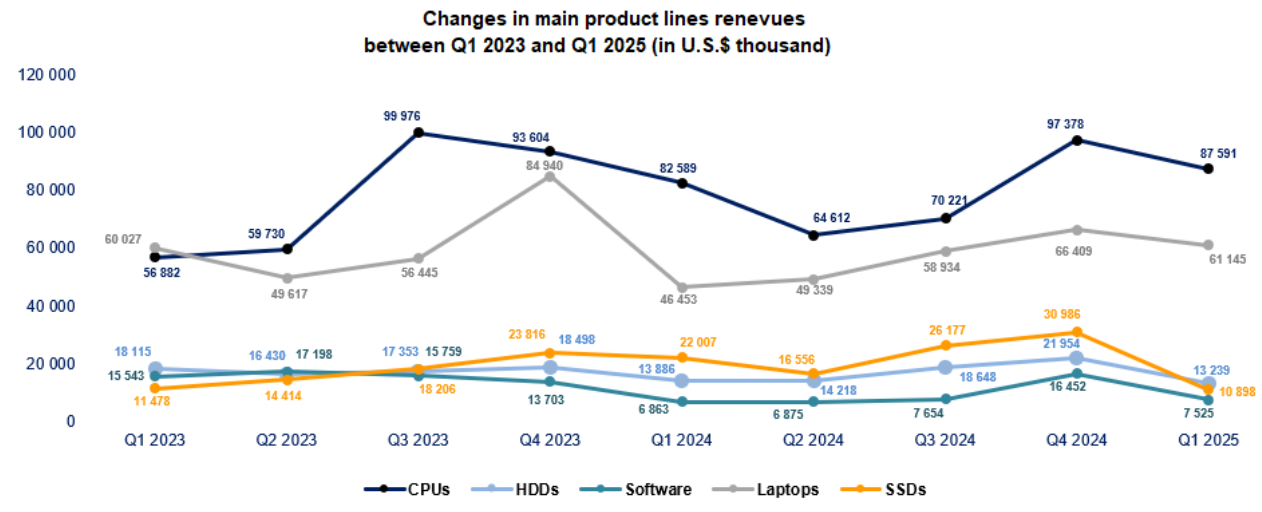
SALES BY PRODUCT LINES

In Q1 2025, the Group has continued enforcing its profit-oriented strategy, which includes introducing higher-margin IT solutions to its portfolio of products and services. Our extensive portfolio of vendors includes Apple, AMD Intel, Micron, Logitech, Dell, Lenovo, Seagate, HP, Microsoft, IBM, Bang&Olufsen and ASUS. We have also recently added other international suppliers such as iLera (a leader in the premium protection segment for Apple devices) and Arctic Wolf (a leading provider of cybersecurity solutions).

Having more than 110,000 products in our portfolio, sales in approximately 60 countries and facilities in 34 countries, we believe that we are a strong partner for leading international suppliers of IT components and finished products.

In Q1 2025, Breezy, a Trade-In business, has continued to grow, expanding into new regions and exploring new business models. In April, Breezy's Trade-In franchise model officially launched in South Africa for the first time. This milestone was made possible through a three-way partnership between ASBC (a provider of IT solutions based on Apple products and other leading brands for businesses), ASBIS South Africa, and Breezy, a Trade-In provider.

The chart below indicates the trends in sales per product line:

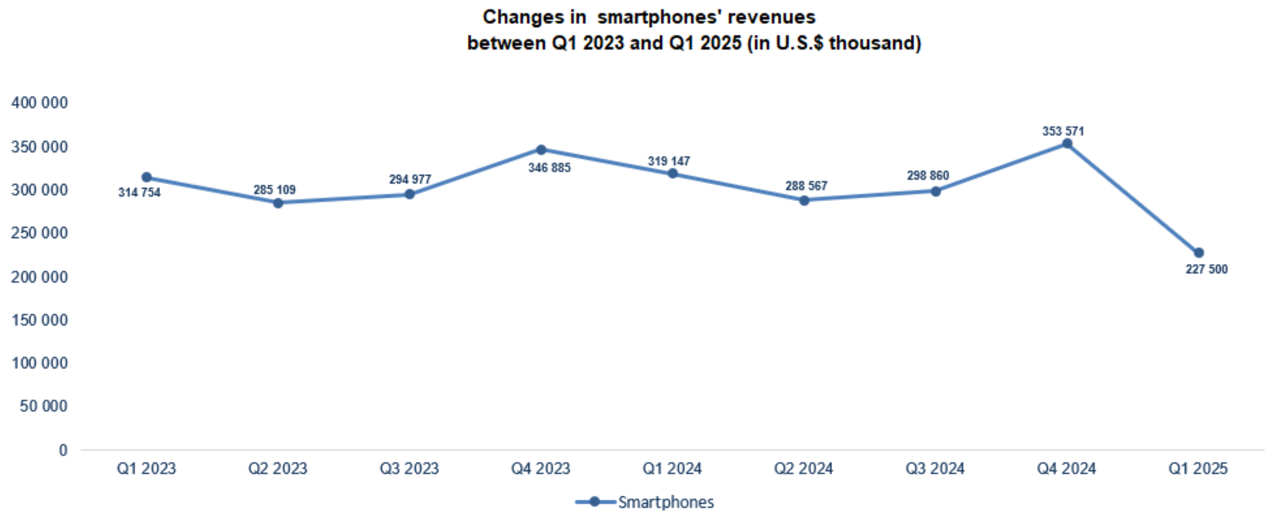


In Q1 2025, sales were mainly driven by smartphones, servers & server blocks and CPUs.

Revenues from servers & server blocks skyrocketed by 216.4% in Q1 2025. Sales from CPUs increased in Q1 2025 by 7.6%. The business of laptops increased in Q1 2025 by 31.6%, on a year-on-year basis. Sales from HDDs increased by 27.7% in Q1 2025 while sales from SSDs decreased by 30.1%. Revenues from software increased in Q1 2025 by 9.6%, on a year-on-year basis.

From ”Other” product lines, the Company has noticed a positive trend in Q1 2025 in video cards and GPUs (+67.2%) and networking products (+49.4%) on a year-on-year basis.

The chart below indicates the trends in smartphones sales:



In Q1 2025 sales of smartphones, which contribute to the majority of our revenues, decreased by 28.7% as to the corrresponding period of 2024. This was mainy due to a high base in Q1 2024, inreased competition from the grey market in Kazakhstan and intesification of hostilities in Ukraine resulting in lower than expected demand.

The table below sets a breakdown of revenues, by product lines, for Q1 2025 and Q1 2024:

	Q1 2025		Q1 2024	
	U.S. $ thousand	% Of total revenues	U.S. $ thousand	% Of total revenues
Smartphones	227,500	30.90%	319,147	44.75%
Servers & server blocks	122,530	16.64%	38,723	5.43%
Central processing units (CPUs)	87,591	11.90%	81,384	11.41%
PC mobile (laptops)	61,145	8.30%	46,453	6.51%
Peripherals	31,948	4.34%	31,172	4.37%
Audio devices	22,726	3.09%	22,878	3.21%
Networking products	21,187	2.88%	14,184	1.99%
Multimedia	18,940	2.57%	17,510	2.46%
Display products	18,066	2.45%	16,203	2.27%
PC desktop	18,010	2.45%	14,390	2.02%
Hard disk drives (HDDs)	13,239	1.80%	10,371	1.45%
Tablets	13,231	1.80%	10,962	1.54%
Accessories	12,577	1.71%	13,940	1.95%
Video cards and GPUs	10,945	1.49%	6,546	0.92%
Solid-state drives (SSDs)	10,898	1.48%	15,583	2.18%
Smart devices	10,162	1.38%	14,811	2.08%
Software	7,525	1.02%	6,863	0.96%
Consumables	5,265	0.72%	5,254	0.74%
Other	22,877	3.11%	26,840	3.76%
Total revenue	**736,363**	**100%**	**713,213**	**100%**

LIQUIDITY AND CAPITAL RESOURCES

The Company has in the past funded its liquidity requirements, including ongoing operating expenses, capital expenditure and investments, for the most part, through operating cash flows, debt financing and equity financing. Cash flow in Q1 2025 has been impacted by increased working capital utilization. We do expect cash flow from operations for the full year to be positive.

The following table presents a summary of cash flows for the three months ended March 31st, 2025, and 2024:

Three months ended March 31st U.S. $	2025	2024
Net cash outflows from operating activities	(58,696)	(41,515)
Net cash outflows from investing activities	(5,036)	(3,503)
Net cash (outflows)/inflows from financing activities	(14,077)	12,676
Net decrease in cash and cash equivalents	**(77,806)**	**(32,342)**

Net cash outflows from operations

Net cash outflows from operations amounted to US$ 58,696 for the three months ended March 31st, 2025, compared to outflows of US$ 41,515 in the corresponding period of 2024. This result is typical for the first quarter of the year due to seasonality. The Company expects cash from operations to turn positive for the year 2025.

Net cash outflows from investing activities

Net cash outflows from investing activities were US$ 5,036 for the three months ended March 31st, 2025, compared to outflows of US$ 3,503 in the corresponding period of 2024.

Net cash outflows from financing activities

Net cash outflows from financing activities amounted to US$ 14,077 for the three months ended March 31st, 2025, compared to inflows of US$ 12,676 in the corresponding period of 2024.

Net decrease in cash and cash equivalents

As a result of increased working capital utilization, cash and cash equivalents for the three months of 2025 have decreased by US$ 77,806 as compared to a decrease of US$ 32,342 in the corresponding period of 2024.

FACTORS WHICH MAY AFFECT OUR RESULTS IN THE FUTURE

WAR IN UKRAINE

The war between Russia and Ukraine (the two major markets for ASBIS before the war) is a key factor which has affected our results. Despite the widespread geographical presence of the Group, it would not be possible to totally weather the impact of this war. In October 2023, ASBIS disposed of its second and last subsidiary in Russia, which marked ASBIS's total exit from the country. However, the Company considers the current situation critical and difficult to assess as to how it will evolve. We are strictly abiding with all sanctions that the EU imposed and making the utmost to support our Ukrainian colleagues and operations.

POLITICAL AND ECONOMIC STABILITY IN EUROPE AND OUR REGIONS AND TRADE WARS ACROSS THE GLOBE

The markets our Group operates in have traditionally shown vulnerability in the political and economic environment. The volatile economies in the CIS region and certain politically driven events in all markets are considered by the management as a crucial external factor, which might adversely affect our results, in the short term.

This is exactly what has been happening in Kazakhstan for almost a year now. The illicit trading from unauthorized companies has created serious problems in our ability to generate revenues. The price difference we have faced reached the enormous 30%, which makes it impossible to develop the business properly. In addition to the above, decisions undertaken by local government to limit consumer credit, has also created a negative impact on our revenues. The new consumer lending legislations in Kazakhstan is something which remains to be judged, and its impact will be ongoing.

Moreover, to this we need to mention that the ongoing trade war between US and Chine, following tariffs imposed by the US President Donald Trump may disrupt global supply chains and lead to market volatility. Price and tariff disruptions may also contribute to the intensification of the grey market (especially in Kazakhstan and Ukraine) as a result of redistribution of our main product categories from China to other regions (including Central Asia).

On the other hand, we currently develop more markets in our regions with new product lines and our revenues and profitability have already shown positive results. We will continue this strategy and focus more on our core regions and strengths, to maximize profits and take advantage of market changes. It is of high importance to follow all developments and swiftly adapt to any significant changes arising.

Growing inflation and decreased purchasing power of consumers are of extreme importance and the Company is working hard to find mechanisms to overcome the obstacles currently faced.

THE GROUP'S ABILITY TO INCREASE REVENUES AND MARKET SHARE WHILE FOCUSING ON PROFITS

The very well-diversified geographic coverage of the Group's revenues ensures that we do mitigate the risk of lower sales in a particular country with the possibility of higher sales in a few other countries. Since the CIS and CEE regions are the biggest contributors to the Company's revenues, it is very important to adapt to any market changes that might arise in these geographies. This is especially important while facing the grey market in Kazakhstan, ongoing war in Ukraine also affecting nearby countries and tensions observed in the Middle East region negatively affecting the overall consumer sentiment. Therefore, our decision to invest more in countries of Africa, the Caucasus region and Western Europe has proven correct. We also expand our product portfolio by launching new products under our private labels and engaging with various other vendors to increase our revenues.

Despite all measures undertaken by the Company, the possibility of a decrease in demand and sales in a particular country or region remains quite high. Such a situation may limit overall growth.

It is of extreme importance for the Company to best prepare its structure to remedy such a situation with higher sales in other markets. This means both a constant upgrade of the product portfolio and close relations with customers to gain an increased market share from weaker competitors and weather any unforeseen issues that may appear in the future.

THE GROUP'S ABILITY TO INCREASE GROSS PROFIT MARGINS

The Group's ability to increase its gross profit margin is of significant importance. The decrease observed in Q1 2025 as compared to the corresponding period of 2024 was a result of pressurized margins from our major suppliers, and increasing competition from the grey market in Kazakhstan. The pace of development in gross profit margins is hard to estimate, as the margins may remain under pressure due to enhanced competition together with lower demand in a number of markets. It is of extreme importance for the Group to manage its stock level and refine its product portfolio in order to achieve optimum gross profit margins. The Directors believe that the Group will be able to increase its gross profit margin level for 2025.

CURRENCY VOLATILITIES

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. We have been successfully shielded by our hedging policy in Q1 2025. Therefore, the hedging strategy should be followed and further improved without any exception in the course of 2025 and going forward.

ABILITY OF THE GROUP TO CONTROL EXPENSES.

Selling and administrative expenses slightly increased in Q1 2025 by 1.6% as compared to the corresponding period of 2024. It's worth mentioning that in Q1 2025 we managed to decrease salaries & benefits by 5% as compared to Q1 2024. We expect to see more positive effects of ongoing HR optimization process in the second quarter of 2025.

We consider cost control to be a significant factor towards delivering improved results going forward and it is very important that the Group undertakes all necessary actions to scale down its expenses should there be a decrease in revenues and gross profit.

ABILITY TO FURTHER DEVELOP THE GROUP'S PRODUCT PORTFOLIO, BOTH THIRD PARTY AND OWN BRANDS

Because of its size, geographical coverage and good relationship with vendors, the Company has managed to build an extensive product portfolio.

It is crucial for the Company to continue refining its product mix by adding new product lines with higher gross (and net) profit margins to boost profitability. Such additions like VAD products and Electronic Distribution (ESD) give a new stream of income with improved gross margin for the Group.

INFORMATION ABOUT IMPORTANT EVENTS THAT OCCURRED AFTER THE PERIOD ENDED ON MARCH 31ST, 2025, AND BEFORE THIS REPORT RELEASE

According to our best knowledge, in the period between March 31st, 2025, and date of this report, no events have occurred that could affect either the Company's operations or its financial stability.

Signatures:

Siarhei Kostevitch
Chairman, Chief Executive Officer
Member of the Board of Directors

Marios Christou
Chief Financial Officer
Member of the Board of Directors

Constantinos Tziamalis
Deputy CEO
Member of the Board of Directors

Julia Prihodko
Chief Human Relations Officer
Member of the Board of Directors

Hanna Kaplan
Member of the Board of Directors

Limassol, 7th of May 2025

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SUCCESS THROUGH FOCUS