



Riga, 29 August 2025

Hestio AS

Reg. No. 40003972121;

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

**Consolidated unaudited interim report for
the first 6 months of 2025**

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CONCERN INFORMATION

Name of the Concern	Hestio AS
Legal status of the Concern	Limited liability company
Registration No., place and date	40003972121, Riga, 22.11.2007
Registered office	Kleistu street 18A-2, Riga, LV-1067
Major shareholders	"Bastions ZS" JSC (66.69 %), Reg. No. 40003218044, Legal address: Zemgalu street 8, Riga, LV-1006 Uzņēmumu vadība Ltd (33.31%), Reg. No. 50103799391, Legal address: Vienibas street 186A-19, Riga, LV-1058
Members of the Board	From 25.10.2023 - at the moment of approval of the financial statement Ivars Muzikants Chairman of the Board From 06.06.2024 - at the moment of approval of the financial statement Toms Bergs Member of the Board From 11.07.2023 - at the moment of approval of the financial statement Gustavs Dreimanis Member of the Board From 15.02.2022-28.02.2025 Reinis Tutāns Member of the Board From 20.08.2025 - at the moment of approval of the financial statement Inga Zobena Member of the Board
Council members	From 25.10.2023 - at the moment of approval of the financial statement Andris Laizāns Chairman of Council Artūrs Dombrovskis Deputy Chairman of Council Andris Upmiņš Council member Māra Zepa Council member Atis Zvidriņš Council member
Annual report drawn up by	Kristīne Korpa – Chief Accountant
Reporting year	from 01.01.2025 to 30.06.2025
Previous reporting year	from 01.01.2024 to 31.12.2024
Type of company's activity	Retail of office items and coffee machine rental
NACE classification code	47.12; 53.20; 77.33

MANAGEMENT REPORT

Type of activity

Retail of office items and coffee machine rental

Performance and Financial Situation of the Company

In the first half of 2025, the Company continued the implementation of changes to its previously developed sales strategy and development of the E-commerce direction.

Market conditions were influenced by a decrease in customer purchasing power across the industry, which was not fully reflected in the Company's initial 2025 plans. In response to the weaker performance observed in the early months of the year, the Company introduced an extensive cost-optimization program in the second quarter, including a significant reduction of administrative expenses and a reassessment of growth and expansion priorities.

A strategic review of the subsidiary Printero revealed a persistent shortfall in both sales volumes and development pace compared with expectations. To prevent further negative impact on Company performance, a decision was taken in May to divest the Company's 85% shareholding. The transaction had a one-off adverse effect of EUR 33,180 on the Company's first-half results.

The cost-control and efficiency measures implemented have already yielded positive effects. For the first six months of 2025, Company turnover increased by 6.8% compared to the corresponding period of the previous year, while consolidated EBITDA reached EUR 422,857 which is 11% higher than in the first half of the previous year.

Financial risk management

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

- *Foreign currency risk*

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

- *Interest rate risk*

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

- *Liquidity risk*

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

- *Credit risk*

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

Future Development Plans

The Company will continue to focus on implementing changes to the sales strategy and developing the E-commerce direction, with the aim of finalizing key improvements by year-end 2025. As a result, Hestio expects to improve profitability indicators and ensure stable competitiveness in future.

CONSOLIDATED INCOME STATEMENT

(classified per function of expenditure)

	Notes	30.06.2025 EUR Total	30.06.2024 EUR Total
Net turnover	2	6 417 355	6 007 952
c) from other main activity types.		6 417 355	6 007 952
Production cost of goods sold, acquisition cost of goods sold or services provided	3	(3 550 629)	(3 226 407)
Gross profit or loss		2 866 726	2 781 545
Selling expenses	4	(2 596 707)	(2 417 944)
Administrative expenses	5	(243 469)	(369 749)
Other operating income	6	55 551	43 905
Other operating expenses	7	(71 780)	(59 838)
Other interest and similar income:		843	1 835
a) from subsidiary companies.		319	-
b) from other persons.		524	1 835
Interest payments and similar expenses:		(70 520)	(76 978)
b) to other persons		(70 520)	(76 978)
Profit or loss before the corporate income tax		(59 357)	(97 274)
Corporate income tax for the reporting year		(2 147)	(2 882)
Profit or loss of the reporting year		(61 504)	(100 156)

Notes on pages 12 to 31 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

ASSETS

	Notes	30.06.2025 EUR Total	30.06.2024 EUR Total
Long-term investments			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights		51 418	52 056
Other intangible assets		94 532	128 153
Goodwill		89 494	142 247
Total intangible assets	8	235 444	322 456
Fixed assets			
Long-term investment in leased fixed assets		86 418	121 134
Technology devices and equipment		222 694	225 320
Other fixed assets and inventory		1 772 142	1 972 387
Advance payments for fixed assets		-	-
Total fixed assets	9	2 081 254	2 318 841
Total long-term investments		2 316 698	2 641 297
Current assets			
Inventories			
Raw materials, direct materials and auxiliary materials		187 524	114 514
Finished products and goods for sale		912 745	958 051
Advance payments for inventories		18 875	43 389
Total inventories		1 119 144	1 115 954
Receivables			
Trade receivables	10	1 059 187	1 081 731
Amounts owed by associated companies	11	-	-
Other receivables	12	34 981	33 646
Prepaid expenses		20 924	17 469
Accrued income		4 186	992
Total receivables		1 119 278	1 133 838
Cash and cash equivalents	14	272 070	362 148
Total current assets		2 510 492	2 611 940
TOTAL ASSETS		4 827 191	5 253 237

CONSOLIDATED BALANCE SHEET

LIABILITIES

	Notes	30.06.2025 EUR Total	30.06.2024 EUR Total
Equity capital			
Share capital (equity capital)	15	1 380 000	1 380 000
f) other reserves		28 152	29 201
Retained earnings or uncovered losses of previous years		(122 540)	31 132
Profit or loss of the reporting year		(61 504)	(100 156)
Total equity capital		1 224 108	1 340 177
Creditors			
Long-term liabilities			
Loans to bonds	16	1 067 601	1 036 164
Borrowings from credit institutions	17	63 189	76 327
Other borrowings	18	455 275	343 656
Total long-term liabilities		1 586 064	1 456 147
Short-term liabilities			
Borrowings from credit institutions	17	207 178	175 211
Other borrowings	18	277 156	377 078
Trade payables		934 466	1 355 193
Amounts owed to subsidiary companies	19	18 770	21 428
Taxes and mandatory state social insurance contributions		255 349	227 137
Other liabilities	20	158 939	165 243
Accrued liabilities	21	165 161	135 623
Total short-term liabilities		2 017 018	2 456 913
Total liabilities		3 603 083	3 913 060
TOTAL LIABILITIES		4 827 191	5 253 237

Notes on pages 12 to 31 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(indirect method)

	Notes	30.06.2025 EUR	30.06.2024 EUR
Cash flow of principal activity			
Profit or loss before enterprise income tax		(59 357)	(97 274)
Corrections:			
Corrections of decrease in value of fixed assets		349 414	371 886
Corrections of decrease in value of intangible assets		44 625	40 579
Profit or loss from fluctuations of foreign currency rates		-	-
Revenue from participation in fixed capital of related		-	(1 532)
Other revenue from interest and similar revenue		(843)	(1 835)
Interest payments and similar costs		70 520	(76 978)
Profit or loss before corrections of influence of changes in balances of current assets and short-term creditors			
		404 360	234 846
Corrections:			
Increase or decrease in balances of debts of debtors		9 247	(137 175)
Increase or decrease in balances of stocks		110 589	(45 029)
Increase or decrease in balances of debts to be paid to suppliers, contractor		(331 409)	147 488
Gross cash flow of principal activity			
		174 292	200 129
Expenses for interest payments		(54 684)	76 978
Expenses for enterprise income tax payments		(2 804)	2 199
Net cash flow of principal activity			
		116 804	274 908

Investment activity cash flow

Acquisition of fixed assets and intangible assets	(47 722)	(215 617)
Revenue from sale of fixed assets and intangible investments	24 592	25 988
Loans issued	18 000	-
Interest received	843	1 835
Investment activity cash flow	(4 287)	(187 794)

Financing activity cash flow

Loans received	-	15 369
Expenses for repayment of loans	(243 195)	(6 798)
Expenses for purchase of leased fixed asset	36 908	(294 841)
Financing activity cash flow	(206 287)	(286 270)

Net cash flow of the reporting year	(93 769)	(199 155)
Balance of cash and its equivalents at the beginning of the reporting year	365 840	561 303
Balance of cash and its equivalents at the end of the reporting	272 070	362 148

Notes on pages 12 to 30 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserves	Uncovered losses	Total equity
	EUR	EUR	EUR	EUR
As at 31.12.2023	1 380 000	29 726	31 132	1 440 858
Increase / decrease in reserve balance	-	(1 050)	-	(1 050)
Increase / decrease in share capital	-	-	(153 671)	(153 671)
As at 31.12.2024	1 380 000	28 676	(122 539)	1 286 137
Increase / decrease in reserve balance	-	(524)	-	(524)
Profit for the financial year	-	-	(61 504)	(61 504)
As at 30.06.2025	1 380 000	28 152	(184 043)	1 224 108

Notes on pages 12 to 30 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(1) Significant accounting principles

Principles of preparation of financial statements

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

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

The cash flow statement is prepared using the indirect method.

Consolidation

The consolidated financial statements of the Group include:

Company name	Registration number	Country of incorporation	Principal activities	Controlled since
HESTIO, AS	40003972121	Latvia	Holding company, Retail of office items and coffee machine rental	-
AURON COFFEE ROASTERY	40103391496	Latvia	Coffee production	15.11.2021

Rīga Mellužu iela 13-11A, LV-1067*

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

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

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

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

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

Reporting period

The reporting period is 6 months	01.01.2025 to 30.06.2025
The previous period is 12 months from	01.01.2024 to 31.12.2024

Accounting principles

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

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

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

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

Transactions in foreign currencies

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

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

Related parties

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

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

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

Intangible assets and fixed assets

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

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

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

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

Licenses	5 years
Other intangible investments	3-5 years

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

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

Goodwill

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

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

Evaluation of inventories

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

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

Receivables

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

Provisions for bad and doubtful debtors

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

Cash

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

Financial leasing liabilities

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

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

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

Operative lease

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

Loans and borrowings

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

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

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

Sale and leaseback transactions

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

Accrued liabilities

Provisions for unused vacation compensation

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

Provision for not received expense invoices

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

Recognition of income

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

Corporate income tax

The corporate income tax for the reporting period consists of the calculated and deferred tax for such period. The corporate income tax is recognised in the profit or loss statement. The tax for the reporting period is calculated according to the provisions of the law "Enterprise Income Tax Law". Corporate income tax will be calculated for distributed profit (dividends) and conditionally distributed profit by applying the rate of 20%. Corporate income tax will be recognised at the moment when the participants of the Company will make a decision on distribution of profit, or when the costs not promoting further development of the Company (conditionally distributed profit) will be recorded.

Application of assumptions

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

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

The principal reasons for the inherent uncertainty in estimates are:

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

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

(ii) The assessment of receivables from customers

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

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

Provisions for doubtful receivables from buyers and orderers are created based on management's evaluation of recoverability, considering the aging structure of the receivables.

Subsequent events

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

(2) Net turnover:

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

Type of activity	30.06.2025 EUR	30.06.2024 EUR
Revenue from sales and services	6 417 355	6 007 952
Total	6 417 355	6 007 952

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

	30.06.2025 EUR	30.06.2024 EUR
Cost of goods purchased	3 134 418	2 940 045
Costs of raw materials and supplies	383 895	276 395
Excise duties	59 700	70 165
Cost of goods after inventory	-	5 713
Item value changes	-	(23 311)
Received discounts	(27 384)	(42 600)
Total	3 550 629	3 226 407

(4) Selling expenses

	30.06.2025 EUR	30.06.2024 EUR
Staff costs	1 206 845	1 076 823
Depreciation of fixed and intangible assets	411 694	400 986
Transport costs	289 077	250 553
Mandatory social insurance contributions	263 619	244 865
Communication costs, IT costs	146 411	126 161
Rentals	83 042	94 174
Office expenses	79 295	73 873
Advertising and marketing expenses	40 766	35 258
Employee Engagement and Sustainability	14 574	42 522
Staff meals	35 701	32 607
Packing material	17 181	13 597
Disposal of low-value inventory	2 544	4 487
Business trip expenses	931	2 961
Other selling expenses	5 029	19 127
Total	2 596 707	2 417 994

(5) Administrative expenses

	30.06.2025 EUR	30.06.2024 EUR
Personnel expenses	158 582	237 866
Mandatory social insurance contributions	33 897	56 114
Communication expenses	10 616	17 944
Professional services expenses	15 292	32 013
Bank service expenses	-	2 156
Other administration expenses	25 082	23 656
Total	243 469	369 749

(6) Other operating income

	30.06.2025	30.06.2024
	EUR	EUR
Incomes from disposal of long-term investment objects*	18 180	-
Income from fixed assets sales	1 645	-
Other income	35 726	43 905
Total	55 551	43 905

(7) Other operating expenses

	30.06.2025	30.06.2024
	EUR	EUR
Cost of goods for own consumption	7 333	8 339
Provisions for bad and doubtful debts	(5)	(448)
Paid fines and penalties	220	40
Non-business costs	8 362	11 486
Nature conservation expenses	1 165	396
Loss from exchange rate fluctuations	-	-
Other expenses	54 705	40 025
Total	71 780	59 838

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

Long-term investment object	Balance value at the moment of exclusion	Alienation income	Alienation expenses	Gross income or profit	Profit or loss from the object's alienation
	EUR	EUR	EUR	EUR	EUR
Other fixed assets and inventory	6 412	24 592	-	18 180	18 180
Total	6 412	24 592	-	18 180	18 180

(8) Intangible assets

		Concessions, patents, licenses, trade marks and similar rights	Other intangible assets	Goodwill	Total intangible assets
		EUR	EUR	EUR	EUR
Acquisition value	31.12.2024	92 819	198 460	263 770	555 049
Additions		-	-	-	-
Acquisition value	30.06.2025	92 819	198 460	263 770	555 049
Accumulated amortization	31.12.2024	(39 843)	(87 238)	(147 899)	(274 980)
Amortization charge		(1 558)	(16 690)	(26 377)	(44 625)
Accumulated amortization	30.06.2025	(41 401)	(103 928)	(174 276)	(319 605)
Net book value	31.12.2024	52 976	111 222	115 871	280 069
Net book value	30.06.2025	51 418	94 532	89 494	235 444

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

(9) Fixed assets

		Investments in leasehold improvements	Machinery and equipment	Other fixed assets and inventory	Advances for fixed assets	Total fixed assets
		EUR	EUR	EUR	EUR	EUR
Acquisition value	31.12.2024	346 646	251 233	4 394 711	-	4 992 590
Additions		90	495	211 771	28 975	241 331
Reclassified				28 975	(28 975)	
Disposal		-	-	(138 181)		(138 181)
Acquisition value	30.06.2025	346 736	251 728	4 497 276	-	5 095 740
Accumulated depreciation	31.12.2024	(249 213)	(22 883)	(2 489 886)	-	(2 761 982)
Calculated depreciation		(11 105)	(6 151)	(350 338)	-	(367 594)
Amortization of intangible assets that have been liquidated or reclassified		-	-	115 090	-	115 090
Accumulated depreciation	30.06.2025	(260 318)	(29 034)	(2 725 134)	-	(3 014 486)
Net book value	31.12.2024	97 433	228 350	1 904 825	-	2 230 608
Net book value	30.06.2025	86 418	222 694	1 772 142	-	2 081 254

(10) Trade receivables

	30.06.2025 EUR	30.06.2024 EUR
Trade receivables carrying amount	1 072 408	1 097 132
Provisions for bad and doubtful debtors	(13 221)	(15 401)
Total	1 059 187	1 081 731

(11) Short term loans*

	Repayment period	Changes within the reporting period	30.06.2025 EUR	31.12.2024 EUR
(no collateral received)				
PRINTERO SIA	23.11.2025	(12 000)	-	12 000
PRINTERO SIA	13.12.2025	(6 000)	-	6 000
Total short term loans		(18 000)	-	18 000

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

(12) Other receivables

	30.06.2025 EUR	30.06.2024 EUR
Security deposits	34 535	33 646
Supplier surplus	446	-
Total	34 981	33 646

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

	30.06.2025 EUR	30.06.2024 EUR
Investments in the beginning of period	2 380	-
Acquisition (+)	-	-
Disposal (-)	(2 380)	-
Total	-	-

(14) Cash and cash equivalents

	30.06.2025 EUR	30.06.2024 EUR
Cash in bank accounts (EUR)	272 070	362 148
Total	272 070	362 148

(15) Share capital (equity capital)

On December 31, 2023 and 2022, the share capital is fully paid. It consists of 1,380,000 capital shares with a nominal value of EUR 1.00

30.06.2025	30.06.2024
EUR	EUR
1 380 000	1 380 000

(16) Loans to bonds Loans to bonds

On December 20, 2022, Hestio AS issued bonds with a maturity date of September 1, 2027, yearly interest rate 4.5%, interest rate per period 3.0 % the nominal value of one bond is EUR 0.01, the total value is EUR 990,000.00, the coupon payment frequency is 4 times a year. ISIN: LV0000802650. The terms of the bonds provide for the fulfillment of certain financial covenants in 2024 - Net Debt/ Equity<3,5 and DSCR indicator >1,3. Indicators on 06.2025 were fulfilled, as an agreement was reached with the KS AIF Altum capital fund that in the future the DSCR threshold will be reduced from 1.5 to 1.3.

	30.06.2025	30.06.2024
	EUR	EUR
Loans to be paid in 1 to 5 years	1 067 601	1 036 164
Total	1 067 601	1 036 164

(17) Borrowings from credit institutions

	Date of payment	30.06.2025	30.06.2024
		EUR	EUR
Long-term borrowings			
(from 1 to 5 years)			
(see note 20 for collateral information)			
Attīstības finanšu institūcija)	15.05.2028	63 189	76 327
ALTUM JSC			
Total		63 189	76 327
	Date of payment	30.06.2025	30.06.2024
		EUR	EUR
Short-term borrowings			
Swedbank, AS (creditline)	31.12.2025	194 043	148 943
Attīstības finanšu institūcija	15.05.2028	13 135	26 270
ALTUM JSC			
Total short-term borrowings		207 178	175 213

(18) Other borrowings

	30.06.2025	30.06.2024
	EUR	EUR
Long-term borrowings (more than 1 year)		
Swedbank Līzings SIA	455 275	343 656
Total	455 275	343 656
	30.06.2025	30.06.2024
	EUR	EUR
Short-term borrowings (up to 1 year)		
Swedbank Līzings Ltd.	277 156	377 078
Total	277 156	377 078

As of June 30, 2025 the company has 13 financial lease agreements for car leases for 5 years and 14 financial lease agreements for coffee machines and water equipment leases for 3 years.

(19) Amounts owed to subsidiary companies

	30.06.2025	30.06.2024
	EUR	EUR
Expenses for Services Received and goods	18 770	21 428
Total	18 770	21 428

(20) Other liabilities

	30.06.2025	30.06.2024
	EUR	EUR
Short-term other creditors		
Payments for wages	149 366	158 552
Overpayments made by customers	-	-
Security fee received from debtors	8 427	6 015
Settlement of claims against staff and short-term loans	1 146	676
Total long-term other creditors	158 939	165 243

(21) Accrued liabilities

	30.06.2025	30.06.2024
	EUR	EUR
Provisions for unused leave	136 286	131 454
Accrued commitments for services received	28 875	4 169
Total	165 161	135 623

(22) Average number of employees

	2025	2024
Members of the Board	4	3
Members of the Supervisory Board	3	3
Other employees	153	146
Average number of employees of reporting year	160	152

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

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

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

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

(25) Reverse lease

In the first half of 2025, the Group recorded Leaseback transactions for the total amount of EUR 193 607,00 which are not included in the profit and loss account, their net result is EUR 0. The leaseback is related to the sale of fixed assets owned by the Group to Ltd. "Swedbank Līzings" and their receipt back under lease. The receipt back is presented in the balance sheet as Finance lease, in 2023 the Group had Leaseback transactions for the total amount of EUR 545 047,00 - their net result is EUR 0.

(26) Important events after the end of the report year

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

(27) Financial risk management

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

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

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

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

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

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

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

Supervisory Board

	30.06.2025	30.06.2024
	EUR	EUR
Wages	13 480	13 668
Mandatory state social insurance contributions	2 947	3 224
Total	16 427	16 892

Board

	30.06.2025	30.06.2024
	EUR	EUR
Wages	65 242	97 100
Mandatory state social insurance contributions	13 330	22 906
Total	78 573	120 006

(29) Personnel expenses

Type of costs

	30.06.2025	30.06.2024
	EUR	EUR
Wages	1 185 527	1 155 483
Mandatory state social insurance contributions	281 238	272 341
Other personnel expenses	1 466 765	1 427 824