LIMITED LIABILITY COMPANY

OC VISION

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Prepared in accordance with the Republic of Latvia Law on the Annual Financial Statements and Consolidated Financial Statements and the Independent Auditors' Report

Contents

Information about the Group

Name of the Parent Company of the Group	OC VISION
Legal Status of the Parent Company of the Group	Limited Liability Company
Registration Number, Place and Date of Registration of the Parent Company of the Group	40003105710, Riga, 8 December 1992
Address of the Parent Company of the Group	Elijas Street 17-4, Riga, LV-1050, Latvia
Information on the Group's Subsidiaries	Vision Express Baltija SIA Elijas Street 17-4, Riga, Latvia Equity interest: 100% Vision Express UAB Gedimino Ave 3a, Vilnius, Lithuania Equity interest: 100%
Shareholders of the Parent Company of the Group according to the data of the Register of Companies	Jānis Dzenis – Equity interest: 31.79% Toms Dzenis – Equity interest: 20.00% Pēteris Cikmačs – Equity interest: 28.21% Gatis Kokins – Equity interest: 20.00%
Names, Surnames, and Positions of the Members of the Management Board of the Parent Company of the Group	Jānis Dzenis, Chairman of the Management Board, elected on 17.06.2016 Pēteris Cikmačs, Member of the Management Board, elected on 05.07.2016 Gatis Kokins, Member of the Management Board, elected on 05.07.2016 Toms Dzenis, Member of the Management Board, elected on 05.07.2016
Reporting year	01.01.2024 – 31.12.2024
Person Responsible for the Preparation of the Annual Report	Inga Kraukle, Chief Accountant
Auditors	"BDO ASSURANCE" SIA Mihaila Tāla Street 1 Riga, Latvia LV-1045 Licence No. 182 Responsible Sworn Auditor Raivis Jānis Jaunkalns Sworn Auditor Certificate No. 237

Consolidated Management Report

General Information

The core activity of the SIA OC VISION Group, which includes SIA OC VISION, SIA Vision Express Baltija, SIA Optometrijas Serviss (liquidated in 2024), and UAB Vision Express, is the retail and wholesale of vision and hearing correction products and related services. As of the date of signing the report in April 2025, goods and services are provided through a network of 77 optical stores in Latvia and Lithuania, operating under four primary brands: OptiO, Vizionette, Vision Express, and Lornete. In addition, e-commerce stores under the Dr. Lensor, OptiO, Vizionette, and Vision Express brands operate in the Baltic region. The Group also engages in wholesale distribution of vision and hearing correction products and equipment, as well as the provision of service solutions for business clients under the OPPTICA brand. The “Vision Express” and associated trademarks are used under a licensing agreement granted for the territories of Latvia and Lithuania by VISION EXPRESS (UK) LIMITED.

Product sourcing is conducted both from foreign and local suppliers — representatives and wholesalers of leading manufacturers. Purchased goods are received at the central warehouse in Riga and at a warehouse in Vilnius, from where they are distributed to optical retail locations or sold further to wholesale clients. The Riga warehouse also provides shared procurement and central warehousing services for all entities of the Group.

The Group’s purchasing volume enables it to offer a comprehensive range of top-quality products and services from the world’s leading manufacturers, which are then offered to the Group’s clients. The Group has established professional long-term partnerships with leading manufacturers of optical products and equipment, such as EssilorLuxottica, De Rigo, Safilo, Kering Eyewear, Alcon, Cooper Vision, Bausch and Lomb, Menicon, HOYA Vision Care, Seiko Vision, LTL, Tomey, Huvitz, Keeler, ICare, and other prominent producers.

Group’s Operations during the Reporting Year

During the reporting year, the Group carried out optical store renovation, transformation, and construction projects, including the renewal of vision and hearing examination technologies and the implementation of the latest solutions in those locations. The Group continued to adapt its business model to the global economy influenced by the pandemic and geopolitical developments, making significant investments in the development of digital solutions and efficiency improvements.

In 2024, the Group’s net turnover reached EUR 35 991 337, representing a 9% increase compared to 2023 (EUR 32 741 172). The Group closed the financial year with a profit of EUR 686 779, compared to EUR 68 486 in 2023.

Further Development

The Group’s strategic objectives are to maintain and strengthen its leading position as the foremost provider of vision and hearing correction services in the Baltic region. This is planned to be achieved by employing highly qualified industry professionals and utilizing the most advanced solutions, thereby ensuring that residents of the Baltic states and B2B clients have access to innovative vision and hearing solutions from the world’s leading manufacturers.

At the same time, the Group is actively developing new sales channels, including e-commerce, and is adapting its business model to the changes in consumer behaviour and public health trends brought about by the modern era of geopolitical shifts and technological advancement. In this context, the Group focuses on the development of both physical and digital sales networks/channels and products/services, as well as on the creation of an integrated omnichannel operating model. The latest technological solutions are being applied, and internal IT systems are being developed to enhance customer convenience and improve employee productivity.

This set of initiatives will not only increase efficiency and reduce costs, but also strengthen and expand the Group’s market share while maintaining its leadership position in the industry.

In addition, the Group plans to expand its network of optical stores by opening new stores in prospective and well-positioned Class A retail locations in the capital cities of the Baltic states and their surrounding areas, as well as by exploring opportunities to expand operations in major regional cities in the Baltics where the Group is not yet present.

The Group plans to make investments to increase the volume of its B2B segment both within the Baltic region and beyond. In addition, the Group aims to expand the availability of vision and hearing correction specialists and services across various regions in Latvia and Lithuania, as well as to grow the e-commerce business line in new geographic markets and product niches. The Group also plans to invest in IT systems tailored to the specific needs of the vision and hearing correction industry.

During this period of geopolitical instability, the Group intends to pursue a balanced growth strategy, allocating significant resources not only toward expansion but also toward enhancing efficiency and managing risks associated with the unpredictable future development of geopolitical conditions in Eastern Europe and globally as at the date of signing the report.

Financial Instruments

The Group's most significant financial assets and liabilities are cash, receivables from customers and suppliers, and borrowings from credit institutions and/or financial funds. The Group does not use derivative financial instruments to manage risks related to financial assets and liabilities.
For further information, see Note 1 of the notes to the financial statements, section "Financial Instruments and Financial Risks."

Events After the Reporting Period

For events after the balance sheet date, refer also to Note 28 of the notes to the financial statements.
The Group's management is not aware of any other events after the end of the reporting year that could materially affect the assessment of the Group's annual report.

Proposal for the Distribution of Profit

The management of the Group proposes to postpone the decision on the distribution of the Group Company's profit.

Jānis Dzenis *Chairman of the Management Board*	Gatis Kokins *Member of the Management Board*
Toms Dzenis *Member of the Management Board*	Pēteris Cikmačs *Member of the Management Board*

13 May 2025

Consolidated Statement of Profit or Loss for the Year 2024

	Note	2024 EUR	2023 EUR
Net Turnover	2	35 991 377	32 741 172
a) From Other Core Activities		*35 991 377*	*32 741 172*
Cost of Goods Sold	3	(13 012 700)	(11 718 000)
Gross Profit		**22 978 677**	**21 023 172**
Selling Expenses	4	(17 377 709)	(16 314 453)
Administrative Expenses	5	(4 442 833)	(4 240 836)
Other Operating Income	6	22 421	106 144
Other Operating Expenses	7	(45 663)	(53 024)
Interest Income and Similar Income	8	22 597	14 562
Interest Expenses and Similar Charges	9	(468 875)	(466 967)
Profit Before Corporate Income Tax		**688 615**	**68 598**
Corporate Income Tax for the Reporting Year	10	(1 836)	(112)
Profit for the Reporting Year		**686 779**	**68 486**

The notes from page 11 to page 28 form an integral part of these financial statements.

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Member of the Management Board

Pēteris Cikmačs
Member of the Management Board

Inga Kraukle
Chief Accountant

13 May 2025

Consolidated Balance Sheet as at 31 December 2024

Assets	**Note**	**2024 EUR**	**2023 EUR**
Non-Current Assets			
Intangible Assets			
Concessions, Patents, Licences, Trademarks and Similar Rights		1 271 735	1 208 285
Advance Payments for Intangible Assets		-	4 000
Total Intangible Assets	11	**1 271 735**	**1 212 285**
Property, Plant and Equipment			
Land, Buildings and Engineering Structures		2 019 620	2 115 367
Non-Current Investments in Leased Property, Plant and Equipment		834 906	977 889
Technological Equipment and Machinery		857 226	1 002 607
Other Property, Plant and Equipment and Inventory		1 247 847	1 376 128
Advance Payments for Property, Plant and Equipment		19 635	8 674
Total Property, Plant and Equipment	12	**4 979 234**	**5 480 665**
Non-Current Financial Investments			
Long-Term Guarantee Deposits for Premises		416 998	446 049
Total Non-CurrentFinancial Investments		**416 998**	**446 049**
Total Non-Current Assets		**6 667 967**	**7 138 999**
Current Assets			
Inventories			
Raw Materials and Consumables		213 775	250 868
Goods and Goods for Sale	13	6 299 338	5 912 909
Advance Payments for Goods		106 408	77 049
Total Inventories		**6 619 521**	**6 240 826**
Receivables			
Trade Receivables		215 121	265 843
Other Receivables	14	95 524	99 642
Accrued Income		75 701	161 947
Next Period Expenses	15	91 413	103 934
Total Receivables		**477 759**	**631 366**
Cash and Cash Equivalents	16	**2 664 759**	**1 690 336**
Total Current Assets		**9 762 039**	**8 562 528**
Total Assets		**16 430 006**	**15 701 527**

The notes from page 11 to page 28 form an integral part of these financial statements.

Consolidated Balance Sheet as at 31 December 2024

Equity and Liabilities	**Note**	**2024 EUR**	**2023 EUR**
Equity			
Share Capital	17	220 539	220 539
Revaluation Reserve of Non-Current Assets	17	2 465 398	2 465 398
Currency Translation Reserve	17	15 871	14 300
Other Reserves		6	6
Retained Earnings:			
Retained Earnings from Previous Years		1 042 278	973 577
Profit for the Reporting Year		686 779	68 486
Total Equity		**4 430 871**	**3 742 306**
Non-Current Liabilities			
Other Borrowings	18	7 084 605	7 078 148
Tax and Social Security Contributions	20	24 925	24 925
Total Non-Current Liabilities		**7 109 530**	**7 103 073**
Current Liabilities			
Other Borrowings	18	25 608	19 045
Advances from Customers		712 405	614 862
Payables to Suppliers and Contractors		1 851 918	2 097 737
Accrued Liabilities	21	1 259 044	931 174
Taxes and Social Security Contributions	20	648 142	680 996
Other Creditors		381 881	373 052
Payables to Shareholders	19	10 607	139 282
Total Current Liabilities		**4 889 605**	**4 856 148**
Total Liabilities		**11 999 135**	**11 959 221**
Total Equity and Liabilities		**16 430 006**	**15 701 527**

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Inga Kraukle
Chief Accountant

13 May 2025

Consolidated Statement of Cash Flows

	Note	2024 EUR	2023 EUR
Cash flow From Operating Activities			
1. Profit (Loss) before Extraordinary Items and Income Tax		686 779	68 486
Adjustments:			
Depreciation of Property, Plant and Equipment	12	993 828	939 908
Impairment of Property, Plant and Equipment		-	(24 376)
Result from Disposal of Property, Plant and Equipment	7	(19 677)	(21 851)
Amortisation of Intangible Assets	11	130 858	112 638
Interest Income	8	(22 597)	(14 562)
Interest Expenses	9	468 875	466 967
2. Profit before Adjustments for Changes in Current Assets and Current Liabilities		2 238 066	1 527 210
Adjustments:			
Increase/Decrease in Receivables		67 816	197 625
Increase/Decrease in balances of inventories		(349 644)	(161 380)
Incerase/Decrease in balances of payables		185 656	(134 136)
3. Gross Cash Flow from Operating Activities		2 141 894	1 429 319
4. Interest Expenses		(468 875)	(466 967)
5. Corporate Income Tax Expenses		(50)	(276)
Net Cash Flow from Operating Activities		**1 672 969**	**962 076**
Cash Flow from Investing Activities			
Acquisition of Property, Plant and Equipment and Intangible Assets	11,12	(626 361)	(1 361 787)
Proceeds from Disposal of Property, Plant and Equipment		37 812	67 564
Interest Received		22 597	14 562
Net Cash Flow from Investing Activities		**(565 952)**	**(1 279 661)**
Cash Flow from Financing Activities			
Repayment of Borrowings		-	(120 000)
Payments for the Redemption of Leased Assets		(3 919)	(19 243)
Cession Payments Made	19	(128 675)	(130 000)
Net Cash Flow from Financing Activities		**(132 594)**	**(269 243)**
Net Increase in Cash and Cash Equivalents		**974 423**	**(586 828)**
Cash and Cash Equivalents at the Beginning of the Period		**1 690 336**	**2 277 164**
Cash and Cash Equivalents at the End of the Period	16	**2 664 759**	**1 690 336**

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13 May 2025

Consolidated Statement of Changes in Equity

	Share Capital	Revaluation Reserve of Non-Current Assets	Currency Translation Reserve	Other Reserves	Retained Earnings / (Accumulated Losses) from Previous Years	Profit for the Reporting Year	Total Equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
31.12.2022	**220 539**	**2 420 849**	**14 337**	**6**	**140 675**	**832 902**	**3 629 308**
Profit for 2022 Transferred to Retained Earnings from Previous Years	-	-	-	-	832 902	(832 902)	-
Revaluation Result of Property, Plant and Equipment	-	44 549	-	-	-	-	44 549
Reduction of Reserves	-	-	(37)	-	-	-	(37)
Profit for the Reporting Year	-	-	-	-	-	68 486	68 486
31.12.2023	**220 539**	**2 465 398**	**14 300**	6	**973 577**	**68 486**	**3 742 306**
Profit for 2023 Transferred to Retained Earnings from Previous Years	-	-	-	-	68 486	(68 486)	-
Prior Period Adjustment	-	-	-	-	215	-	215
Reduction of Reserves	-	-	1 571	-	-	-	1 571
Profit for the Reporting Year	-	-	-	-	-	686 779	686 779
31.12.2024	**220 539**	**2 465 398**	**15 871**	6	**1 042 278**	**686 779**	**4 430 871**

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13 May 2025

Notes to the Consolidated Financial Statements

(1) General Information and Accounting and Measurement Policies- General Principles

Information about the Parent Company of the Group

The Company's legal status is a limited liability company. The legal and registered office address is Elijas Street 17-4, Riga, LV-1050. The Company's core activity is the retail and wholesale of optical goods (NACE 47.74, Rev. 2.1). As at 31 December 2024, the Company is 100% owned by individual residents of Latvia (2022: 100%).

Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Law on Accounting and the Law on the Annual Financial Statements and Consolidated Financial Statements, as well as Regulation No. 775 of the Cabinet of Ministers "Regulations on the Application of the Law on the Annual Financial Statements and Consolidated Financial Statements" and Regulation No. 399 of the Cabinet of Ministers "Regulations on the Electronic Copy Format of Financial Statements or Consolidated Financial Statements Prepared by Companies," and other regulatory enactments governing accounting and annual reporting.

The financial statements have been prepared on the basis of the historical cost principle. The presentation currency of the financial statements is the euro (EUR).

Basis of Consolidation

Subsidiaries

The consolidation includes the Parent Company of the Group, OC VISION SIA, and those subsidiaries in which the Parent Company directly or indirectly holds more than half of the voting rights or otherwise has the ability to control their financial and operating policies. Control is deemed to exist when the Group has direct or indirect influence over a company's financial and operational policies with the objective of obtaining benefits from its operations.
The acquisition of subsidiaries is accounted for in the consolidated financial statements using the acquisition method. The subsidiaries of the Group are consolidated from the date on which the Group obtains control, and deconsolidated from the date on which such control ceases.

Entities Included in the Consolidation	**Information about the Entity**	**Core Activity of the Entity**
Parent Company of the Group	OC VISION SIA *Elijas Street17-4, Riga, Latvia*	Retail and Wholesale of Optical Goods
Subsidiaries of OC VISION SIA	Vision Express Baltija SIA (100%) Elijas Street 17-4, Riga, Latvia	Retail of Optical Goods
	Vision Express UAB (100%) Gedimino Ave 3a, Vilnius, Lithuania	Retail of Optical Goods
Subsidiary of Vision Express Baltija SIA	Optometrijas Serviss SIA (100%) Elijas Street 17-4, Riga, Latvia	Liquidated on 22 July 2024

Notes to the Consolidated Financial Statements

Eliminated Transactions in Consolidation

In the preparation of these consolidated financial statements, intercompany balances and unrealised profits from transactions between Group companies are eliminated in consolidation. Unrealised losses are eliminated in the same manner as unrealised profits, but only to the extent that there is no evidence of impairment.

Applied Accounting Priciples

The items in the financial statements have been measured in accordance with the following accounting principles:

a) It is assumed that the Group companies will continue as going concern.
b) The same measurement methods have been used as in the previous year.
c) Measurement has been carried out with due prudence:

- only the profit earned by the balance sheet date has been included in the report;
- all foreseeable risk amounts and losses arising in the reporting year or in prior years have been taken into account, even if they became known during the period between the balance sheet date and the date of preparation of the annual report;
- all impairment and depreciation amounts have been calculated and accounted for, regardless of whether the reporting year ends with a profit or a loss.

d) Income and expenses related to the reporting year have been taken into account, regardless of the payment date and the date of receipt or issuance of the invoice. Expenses have been matched with income for the reporting period.

e) The components of assets and liabilities have been measured separately.

f) The opening balance sheet of the reporting year corresponds to the closing balance sheet of the previous year, except for the reclassification of certain immaterial balance sheet and profit or loss items between positions.

g) All items that materially affect the users' assessment or decision-making are disclosed; immaterial items are aggregated, with details provided in the notes..

h) Business transactions in the annual report are presented based on their economic substance and essence, rather than their legal form.

Related Parties

Related parties are legal and natural persons associated with the Group companies in accordance with the criteria set out below.

a) A person or a close member of that person's family is related to the reporting entity if::

i. person has control or joint control over the reporting entity;
ii. person has significant influence over the reporting entity; or
iii. person is a member of the key management personnel of the reporting entity or its parent.

b) An entity is related to a Group company if any of the following conditions apply:

i. entity and the Group company belong to the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others);
ii. one entity is an associate or joint venture of the other entity (or of a group entity to which the other entity belongs);
iii. both entities are joint ventures of the same third party;
iv. one entity is a joint venture of a third party, and the other is an associate of the same third party;
v. entity is a post-employment benefit plan for the employees of the reporting entity or of an entity related to the reporting entity; if the reporting entity itself is such a plan, the sponsoring employers are also related parties.
vi. entity is controlled or jointly controlled by a person identified in point (a);
vii. a person identified in point (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of its parent).
viii. the entity, or any member of a group to which it belongs, provides key management personnel services to the entity or to the parent of the entity.

Notes to the Consolidated Financial Statements

Transactions with related parties refer to the transfer of resources, services, or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Financial Instruments and Financial risks

A financial instrument is an agreement that simultaneously gives rise to a financial asset for one party and a financial liability or equity instrument for another party.

The Group's most significant financial instruments include financial assets such as trade and other receivables, and financial liabilities such as borrowings, payables to suppliers and contractors, and other creditors arising directly from its operating activities.

Financial Risks Related to Financial Instruments, Financial Risk Management and Management Considerations

— Credit risk

Credit risk is the risk that the Group may incur financial losses if a counterparty fails to meet its contractual obligations. Credit risk is mainly associated with receivables from customers. The Group does not consider credit risk to be significant, as the majority of revenue comes from retail sales. Goods are sold on a deferred payment basis only in small amounts and to reliable business partners.

— Foreign Currency Risk

This is the risk that the Group may incur unexpected losses due to fluctuations in foreign currency exchange rates. The Group's foreign currency risk, primarily arising from purchases in USD and GBP, is not considered material. To mitigate foreign currency risk, the Group's management regularly monitors the currency structure of its assets and liabilities to ensure balance.

— Interest Rate Risk

This is the risk that the Group may incur losses due to fluctuations in interest rates. The interest rates on existing loan agreements are fixed. Therefore, management does not consider interest rate risk to be significant.

— Liquidity Risk

This is the risk that the Group may not be able to meet its financial obligations on time. To mitigate liquidity risk, the Group's management analyses the maturity structure of its assets and liabilities and ensures liquidity by obtaining borrowings. In 2021, the Parent Company of the Group refinanced all liabilities and secured additional working capital by entering into a long-term loan agreement in the amount of EUR 7,000,000. As a result, management believes that liquidity risk is fully under control.
For further information, refer to Note 20 of the notes to the financial statements.

Use of Derivative Financial Instruments
Derivative financial instruments are not used for financial risk hedging.

Fair Value of Financial Assets and Liabilities
The fair value of financial assets and liabilities represents the amount for which an asset could be exchanged or a liability settled in a transaction between knowledgeable, willing, and financially independent parties. In the opinion of the Group's management, the fair value of financial assets and liabilities does not significantly differ from the carrying amount reported in the balance sheet. The Group does not apply fair value measurement to financial instruments.

Reporting Period

The reporting period is 12 months, from 1 January 2024 to 31 December 2024.

Notes to the Consolidated Financial Statements

Cash, Cash Equivalents and Transactions in Foreign Currencies

Cash and cash equivalents consist of cash on hand, balances in current bank accounts, and other short-term highly liquid investments with an original maturity of up to three months.

The figures presented in these financial statements are expressed in the official currency of the Republic of Latvia – euro (EUR).

Transactions in foreign currencies are translated into euros using the European Central Bank's reference exchange rate in effect on the transaction date.

All non-monetary asset and liability items are recorded in euros at the European Central Bank reference exchange rate effective on the transaction date. All monetary asset and liability items are translated into euros at the European Central Bank reference exchange rate as at the end of the reporting year.

Euro per one unit of foreign currency::

	31.12.2024	**31.12.2023**
USD	1.03890	1.1050
GBP	0.82918	0.8691

Gains or losses arising from foreign currency exchange rate fluctuations are recognised in the statement of profit or loss for the respective period.

Estimates and Judgements

In preparing the financial statements, management makes judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and the related assumptions are reviewed on a regular basis. Changes in accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant estimates relate to the following areas:

(i) Useful life and Valuation of Property, Plant and Equipment and Intangible Assets

In the balance sheet, intangible assets and property, plant and equipment except for buildings and structures are presented at acquisition cost less accumulated depreciation. Depreciation begins on the first day of the month following the month in which the asset is placed into service and ends on the first day of the month following its removal from the group of intangible assets or property, plant and equipment. Depreciation is calculated using the straight-line method over the estimated useful life of the respective asset.

Management estimates the useful life of individual items of property, plant and equipment and intangible assets based on the expected usage of the asset, historical experience with similar assets, and future plans. According to management's assessment, the estimated useful lives of certain property, plant and equipment and intangible assets are as follows:

Intangible Assets:	*Depreciation Period*
Trademarks	20 years
Software and Software Licences	3-10 years
Property, Plant and Equipment:	
Buildings and Structures	50 years
Equipment and Machinery	7.5 years
Vehicles	5 years
Other Property, Plant and Equipment	7.5 years
Computers and Data Storage Devices	5 years

In 2016, the Group recognised the trademark 'Optio' at its assessed fair value at the time of reorganisation. During the acquisition of the current Parent Company of the Group, acquisition accounting was applied by OC Invest SIA (the Group's previous parent company, which was merged with the current Parent Company through reorganisation), and identifiable intangible assets- trademarks, were recognised. An external certified valuer was engaged to determine the fair value of the trademarks.

The Group's management intends to subsequently measure the trademarks at the initially recognised fair value less accumulated amortisation and impairment, if any. The trademarks are amortised over a period of 20 years.

Leases under which the Company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases and are recognised under the respective item of property, plant and equipment. Non-current investments in leased assets are depreciated over the shorter of their useful life or the lease term.

Costs related to improvements of leased property are capitalised and presented as property, plant and equipment. Depreciation of these assets is calculated over the lease term using the linear method.

The appropriateness of depreciation rates is reviewed at least at the end of each reporting year.

(ii) Valuation of Buildings

The Group's consolidated balance sheet item "Land, Buildings and Structures" is presented using the revaluation method. This means that after initial recognition, buildings and structures are measured in accordance with the revaluation method- that is, buildings and structures whose fair value can be measured reliably are, after initial recognition, carried at a revalued amount equal to their fair value at the date of revaluation, less subsequent accumulated depreciation and impairment losses.

Revaluations are performed by professionally qualified valuers with sufficient regularity to ensure that the carrying amount does not differ materially from the amount that would be determined using fair value at the balance sheet date, but no less frequently than once every five years.

If a building or structure is revalued, then the entire category is revalued. As of the revaluation date, accumulated depreciation is deducted from the acquisition cost of the building or structure, or from another amount that replaces acquisition cost in the financial statements, and the carrying amount is increased or decreased to match the revalued amount.

If the carrying amount of this category of property, plant and equipment is increased as a result of revaluation, the increase, net of deferred tax effects, is recognised in equity under "Revaluation Reserve of Non-Current Assets." If the increase reverses a revaluation decrease for the same asset previously recognised in profit or loss, the increase is recognised in the statement of profit or loss for the reporting period.

If the carrying amount of an asset is decreased as a result of revaluation, the decrease is recognised in the statement of profit or loss for the reporting period. If the decrease does not exceed a previously recognised revaluation increase for the same asset under "Revaluation Reserve of Non-Current Assets," the decrease is deducted from that reserve.

Any increase included in the "Revaluation Reserve of Non-Current Assets" is reduced by the full amount of the revaluation when the revalued asset is disposed of or retired, and the reduction is recognised in the statement of profit or loss at that time.

(iii) Determination of Net Realisable Value of Inventories

Inventories are measured at the lower of cost and net realisable value. Management must make estimates of inventory value in cases where it is identified that the recoverable amount of inventories is lower than their carrying amount.

If the recoverable amount of inventories is lower than their carrying amount, the value of inventories is reduced to their net realisable value- that is, the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements

Valuation of Trade Receivables

Trade receivables are measured in accordance with the prudence principle and are presented in the balance sheet at net value, which is the carrying amount less provisions for doubtful loans and trade receivables.

Provisions for doubtful trade receivables have been established based on management's individual assessment of the recoverability of each receivable.

Provisions and Accrued Liabilities

Provisions are recognised when a past event has created a present obligation or loss and the amount can be reliably estimated. The likelihood of a loss is assessed by management through judgement. To determine the amount of the loss, management must select an appropriate calculation model and make specific assumptions related to the risk.

According to the Group's management, as at the balance sheet date, there are no past events that have resulted in a present obligation or loss requiring the recognition of provisions.

As at the end of the reporting period, accrued liabilities for unused vacation days have been calculated based on the number of unused vacation days as at 31 December and the average daily salary for the last six months of the reporting year.

Revenue Recognition

Revenue from Sale of Goods
Revenue from the sale of goods is recognised in the statement of profit or loss when the risks and rewards of ownership have been transferred to the buyer.

Revenue is not recognised if, under the terms of the transaction, the Group retains significant risks associated with ownership of the goods and the goods may be returned..

Revenue from Services provided
Revenue from the provision of services is recognised in the statement of profit or loss in the period in which the services are rendered.

Interest Income
Interest income is recognised on a time-proportionate basis, taking into account the effective yield of the asset.

Non-Current and Current Items

Non-current items include amounts that are receivable, payable, or to be written off more than one year after the end of the relevant reporting year. Amounts that are receivable, payable, or to be written off within one year are presented under current items.
Liabilities to creditors are presented in the balance sheet as either non-current or current liabilities, depending on the timing of repayment or settlement. Amounts payable more than 12 months after the end of the reporting year are included under non-current liabilities. Amounts due within the next 12 months after the reporting year-end and other liabilities arising in the normal course of the business cycle are included under current liabilities.
All expenses arising from the Company's operating activities are recognised at the time they are incurred, regardless of the timing of payment.

Lease Transactions

Finance Lease

In cases where an asset is acquired under finance lease terms and the associated risks and rewards are transferred to the Group, the leased asset and corresponding lease liability are recognised in the balance sheet at amounts equal to the fair value of the leased asset or the present value of the minimum lease payments, whichever is lower.

To calculate the present value of minimum lease payments, the discount rate used is the interest rate implicit in the lease or, if that cannot be reliably determined, the lessee's incremental borrowing rate is applied.

Depreciation expenses for the leased asset and finance costs arising from the finance lease are recognised in the statement of profit or loss during the reporting period. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the leased asset is fully depreciated over the lease term or its useful life, whichever is shorter. Otherwise, the asset is depreciated over its useful life.

Operating Lease

Payments under operating leases are recognised in the statement of profit or loss on a linear basis over the lease term.

Inventory Accounting

Inventories are measured using the FIFO method. Inventories are presented in the balance sheet at acquisition (or production) cost or net realisable value, whichever is lower. Obsolete, slow-moving, or damaged inventories are valued at their net realisable value.

Costs incurred to bring inventories to their current location and condition are accounted for as follows:
- Raw materials are accounted for at purchase cost using the FIFO method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated selling costs. Net realisable value is presented as the cost less the recognised provisions.

Corporate Income Tax

(a) Current Tax

As of 1 January 2018, the Corporate Income Tax Law of the Republic of Latvia has introduced a new taxation regime. The taxation period is one month instead of a year, and the tax rate is 20% of the taxable base, which is calculated by dividing the value of the taxable object by a coefficient of 0.8. The taxable base includes:

- distributed profits (declared dividends, payments equivalent to dividends, deemed dividends), and
- deemed distributed profits (e.g. non-business-related expenses and other specific cases defined by law).

Undistributed profits are subject to a 0% tax rate under the law.

When distributing dividends from undistributed profits accumulated up to 31 December 2017, which were already taxed under the previous legislation, the new taxation regime does not apply to such dividends.

(b) Tax payables

In accordance with the Law on the Annual Financial Statements and Consolidated Financial Statements, the Company may, for justified reasons, elect to depart from the Law and voluntarily recognise deferred tax. In such cases, deferred tax must be recognised, measured, and disclosed in the financial statements in accordance with International Accounting Standards as adopted by the European Union.

According to the accounting policy of the Parent Company of the Group, this option to depart from the statutory requirement is not applied, and deferred tax is not recognised in the consolidated financial statements.

Notes to the Consolidated Financial Statements

(2) Net Turnover

Revenue represents the income earned during the year from the core activities of the Group companies – the sale of goods and the provision of services – excluding value added tax and net of discounts..

Type of Activity

	2024 EUR	2023 EUR
Retail of Goods	28 091 628	25 837 939
Wholesale of Goods	3 722 779	3 221 067
Services provided	4 176 970	3 682 166
	35 991 377	**32 741 172**

Net Revenue by Geographical Markets:

	2024 EUR	2023 EUR
Latvia	19 734 827	21 038 276
European Union	16 215 208	11 503 087
Other	41 342	199 809
	35 991 377	**32 741 172**

(3) Cost of Goods Sold

This item includes the costs incurred to generate net revenue - the acquisition cost of goods and expenses related to the purchase of goods.

	2024 EUR	2023 EUR
Cost of Goods Sold	13 139 585	11 745 080
Material Costs	96 438	82 557
Bonuses Received from Suppliers	(223 323)	(109 637)
	13 012 700	**11 718 000**

(4) Selling Expenses

	2024 EUR	2023 EUR
Personnel Costs	9 274 944	8 928 278
Premises Lease	3 163 063	2 989 948
Advertising Expenses	2 110 248	1 698 719
Depreciation and Amortisation (Notes 11 and 12)	1 124 686	1 052 546
Utilities Expenses	798 382	789 040
Trademark Royalty Payments	292 112	196 717
Transportation Expenses	177 265	177 328
Write-Off of Low-Value Inventory	50 452	131 028
Non-Deductible Input VAT	45 360	84 644
Change in Provisions of Slow-Moving Goods	(9 024)	(52 376)
Other Selling Expenses	350 221	318 581
	17 377 709	**16 314 453**

Notes to the Consolidated Financial Statements

(5) Administrative Expenses

	2024 EUR	2023 EUR
Personnel Costs	3 187 465	2 887 016
Vehicle Expenses, incl. Leasing	202 773	225 185
Lease of premises	195 518	188 907
Legal and Business Consulting Services	167 412	194 672
Bank Fees and Services	163 729	137 361
Utility Expenses	92 303	97 327
Business Travel Expenses	84 407	109 512
Communication Expenses	60 015	55 377
Office Expenses	54 659	49 599
Representation Expenses	11 404	41 306
Other Administrative Expenses	223 148	254 574
	4 442 833	**4 240 836**

(6) Other Operating Income

	2024 EUR	2023 EUR
Net Result from Disposal of Property, Plant and Equipment **)	10 171	21 851
Other Income	12 250	84 293
	22 421	**106 144**

**) In the reporting year, the net result from the disposal of property, plant and equipment consisted of proceeds from sales in the amount of EUR 10 171 and the carrying amount of the disposed assets at the time of disposal in the amount of EUR 57 489.

(7) Other Operating Expenses

	2024 EUR	2023 EUR
Net Loss on Disposal of Property, Plant and Equipment and Intangible Assets	19 677	-
Real Estate Tax	12 311	12 267
Foreign Exchange Losses	266	3 533
Other Expenses	13 409	37 224
	45 663	**53 024**

(8) Other Interest Income and Similar Income

	2024 EUR	2023 EUR
Interest Received from short-term Deposits*)	22 597	14 562
	22 597	**14 562**

*) During the reporting year, the Parent Company and its subsidiaries in Latvia entered into an agreement with Swedbank AS for an automatic overnight deposit arrangement. Under this agreement, the bank debits the

available free cash balance in the account each day from 22:00 until 7:00 the following morning, and pays interest to the Group in return. The applicable interest rates are determined based on the rate specified in the bank's price list on the respective debit date..

(9) Other Interest Expenses

	2024 EUR	2023 EUR
Interest Expenses to Limited Partnership AIF "Altum kapitāla fonds"	463 750	463 750
Interest Expenses on Vehicle Leases	5 125	2 637
Interest Expenses to the Development Finance Institution Altum	-	580
	468 875	**466 967**

(10) Corporate Income Tax for the Reporting Year

	2024 EUR	2023 EUR
Calculated Tax in Latvia	50	112
Calculated Tax in Lithuania	1 786	-
	1 836	**112**

In the reporting year, the Parent Company and its subsidiary in Latvia calculated corporate income tax in the amount of EUR 50 (2023: EUR 112) on the base of "Deemed Distributed Profit," applying a coefficient of 0.8 and a tax rate of 20%. For further information, see Note 1 of the notes to the financial statements, section "Corporate Income Tax."

The subsidiary in Lithuania calculated income tax in the reporting year and for 2024 in the amount of EUR 1,786 (2023: EUR 0), based on the submitted tax return.

Notes to the Consolidated Financial Statements

(11) Intangible Assets

	Computer Software and Other	Trademarks*)	Advance Payments for Intangible Assets	Total
	EUR	EUR	EUR	EUR
Initial Carrying Amount				
As at 31.12.2023	**959 495**	**1 408 000**	**4 000**	**2 371 495**
Additions	190 308	-	-	190 308
Reclassified	4 000	-	(4 000)	-
Disposals	(1 006)	-	-	(1 006)
As at 31.12.2024	**1 152 797**	**1 408 000**	**-**	**2 560 797**
Accumulated Amortisation				
As at 31.12.2023	**666 405**	**492 805**	**-**	**1 159 210**
Amortisation for the Year	60 454	70 404		130 858
Amortisation of Disposed Intangible Assets	(1 006)	-	-	(1 006)
As at 31.12.2024	**725 853**	**563 209**	**-**	**1 289 062**
Carrying Amount as at 31.12.2023	**293 090**	**915 195**	**4 000**	**1 212 285**
Carrying Amount as at 31.12.2024	**426 944**	**844 791**	**-**	**1 271 735**

*) The trademark OPTIO was recognised in 2016 as a result of a reorganisation. Its fair value was determined based on an assessment by an independent certified valuer. The valuer determined the fair value of the trademark using the relief from royalty method and the discounted cash flow method, applying a discount rate of 14.71%.

(12) Statement of Movements in Property, Plant and Equipment

	Land, Buildings and Structures	Non-Current Investments in Leased Assets	Equipment and Machinery	Other Property, Plant and Equipment	Advance Payments	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Initial Carrying Amount						
As at 31.12.2023	**2 418 930**	**2 136 856**	**2 570 468**	**3 290 912**	**8 674**	**10 425 840**
Additions*	-	191 684	114 724	228 873	14 605	**549 886**
Disposals	-	(164 612)	(159 389)	(129 202)	-	**(453 203)**
Reclassified	-	1 546	440	1 658	(3 644)	-
As at 31.12.2024	**2 418 930**	**2 165 474**	**2 526 243**	**3 392 241**	**19 635**	**10 522 523**

Notes to the Consolidated Financial Statements

Accumulated Depreciation and Impairment						
As at 31.12.2023	**303 563**	**1 158 967**	**1 567 861**	**1 914 784**	**-**	**4 945 175**
Depreciation for the Year	95 747	310 752	238 961	348 368	**-**	**993 828**
Depreciation of Disposed Assets	**-**	(139 151)	(137 805)	(118 758)	**-**	**(395 714)**
As at 31.12.2024	**399 310**	**1 330 568**	**1 669 017**	**2 144 394**	**-**	**5 543 289**
Carrying Amount as at 31.12.2023	**2 115 367**	**977 889**	**1 002 607**	**1 376 128**	**8 674**	**5 480 665**
Carrying Amount as at 31.12.2024	**2 019 620**	**834 906**	**857 226**	**1 247 847**	**19 635**	**4 979 234**

*) During the reporting year, the Group's acquired Property, Plant and Equipment included vehicles received under finance leases in the amount of EUR 148,974 (2023: EUR 116,436). For further details, see Note 19.

The item "Land and Buildings and Structures" includes six real estate properties used for operating purposes — five located in Latvia and one in Lithuania.

As indicated in Note 1, section "Valuation of Buildings and Structures," the Group measures buildings and structures using the revaluation method. Revaluations are carried out by professionally qualified valuers with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the balance sheet date, and no less frequently than once every five years.

The valuation of buildings and structures was performed in 2023 by independent experts SIA RE EKSPERTS in Latvia, and in 2022 by AS & Partners Firm regulated by RICS in Lithuania. These valuations were used to assess the carrying amount of real estate as at 30 June 2023 in Latvia and 31 December 2022 in Lithuania. The independent experts applied a combination of the comparative method and the discounted income method.

(13) Goods and Goods for Sale

	31.12.2024 EUR	**31.12.2023 EUR**
Goods for Sale	5 925 833	5 815 080
Goods in Transit	495 911	229 259
Allowances for Slow-Moving Goods	(122 406)	(131 430)
	6 299 338	**5 912 909**

(14) Other Receivables

	31.12.2024 EUR	**31.12.2023 EUR**
Other Receivables	120 051	102 145
Allowances for Other Receivables	(27 519)	(19 984)
Tax Overpayment (see Note 20)	2 992	17 481
	95 524	**99 642**

(15) Next period Expenses

	31.12.2024 EUR	**31.12.2023 EUR**
Insurance Expenses	11 269	7 011
Marketing Expenses	15 084	16 292
Rent Expenses	56 564	63 120
Other Next Period Expenses	8 496	17 511
	91 413	**103 934**

(16) Cash and Cash Equivalents

	31.12.2024 EUR	31.12.2023 EUR
Cash on Hand	56 322	81 513
Cash in Bank	2 554 828	1 564 515
Cash in Transit	53 609	44 308
	2 664 759	**1 690 336**

(17) Equity

a) Share Capital

As at 31 December 2024, the share capital of the Parent Company of the Group amounts to EUR 220,539 (2023: EUR 220,539) and consists of 220,539 shares, each with a nominal value of EUR 1.

b) Revaluation Reserve of Non-Current Assets

	31.12.2024 EUR	31.12.2023 EUR
Revaluation Reserve at the Beginning of the Period	**2 465 398**	**2 420 849**
Changes from Revaluation of Property	-	39 949
Adjustment to Revaluation Reserve from Prior Periods	-	4 600
Revaluation Reserve at the End of the Period	**2 465 398**	**2 465 398**

The valuation of buildings and structures in Latvia was performed in 2023 by independent experts SIA RE EKSPERTS. These valuations were used to assess the carrying amount of real estate as at 30 June 2023. The independent experts applied a combination of the comparative method and the discounted income method.

The difference between the fair value of buildings and structures, as determined by the valuation, and their carrying amount prior to revaluation as at 30 June 2023 was recognised as a revaluation adjustment in the 2023 financial statements, with the corresponding increase reflected in the revaluation reserve.

c) Currency Revaluation Reserve

The currency translation reserve arose from the currency translation of the financial statements of the Group company registered in Lithuania into the Group's functional currency prior to the adoption of the euro in Lithuania..

d) Proposal for Distribution of the Group Profit

The management of the Parent Company proposes to postpone the decision on the distribution of profit.

Notes to the Consolidated Financial Statements

(18) Other Borrowings

	31.12.2024	31.12.2023
Non-Current	**EUR**	**EUR**
Limited Partnership AIF "Altum kapitāla fonds"	7 000 000	7 000 000
Finance Lease	84 605	78 148
	7 084 605	**7 078 148**
Current		
Finance Lease	25 608	19 045
	25 608	**19 045**
Total Other Borrowings	**7 110 213**	**7 097 193**

Loan from Limited Partnership AIF "Altum kapitāla fonds"

- Due to the negative impact of COVID-19 on business performance and the prevailing uncertainty regarding the future development of COVID-19 and related restrictions in Europe and globally — as well as the resulting need to transform business operations — on 29 March 2021, the Parent Company of the Group entered into a Loan Agreement with Limited Partnership AIF "Altum kapitāla fonds" in the amount of EUR 7 000 000. The purpose of the loan was to fully repay the Group's liabilities to AS Swedbank and BPM Mezzanine Fund SICAV-SIF, and to use the remaining balance of the loan to increase the working capital of the Parent Company and its subsidiaries.

The loan, together with all accrued interest and other payments specified in the transaction documents, is to be repaid in full on the "Loan Repayment Date." The "Loan Repayment Date" is the first business day following five years from the disbursement date (i.e. 27 April 2026).

The loan is secured by a commercial pledge over all assets of the Parent Company and its subsidiaries, as well as a mortgage over the real estate owned by the Parent Company and its subsidiaries.

The interest rate (%) is at market level but is not publicly disclosed. Part of the interest is payable quarterly, while another portion may be capitalised and paid on the Loan Repayment Date. However, the loan agreement allows the Company to make early repayment of capitalised interest, which the Parent Company has done during the reporting year and in prior reporting years.

Notes to the Consolidated Financial Statements

Finance Lease Liabilities

During the reporting year, the Group entered into 5 finance lease agreements with interest rates that are in line with market conditions. As at 31 December 2024, the breakdown of finance lease payments by maturity is as follows:

	Minimum Lease Payments at Present Value 2024 EUR	Future Interest Payments 2024 EUR	Minimum Lease Payments 2024 EUR	Minimum Lease Payments at Present Value 2023 EUR	Future Interest Payments 2023 EUR	Minimum Lease Payments 2023 EUR
Within One Year	25 608	5 169	30 777	19 045	5 195	24 240
From 2 to 5 Years	84 605	6 877	91 482	78 148	8 762	86 910
Total	**110 213**	**12 046**	**122 259**	**97 193**	**13 957**	**111 150**

The carrying amount of all property, plant and equipment under finance lease agreements as at 31 December 2024 was EUR 114 884 (2023: EUR 105 633).

(19) Unpaid Cession Payments and Payables to Shareholders

During the reporting year, cession payments in the amount of EUR 128 675 were made to shareholders (2023: EUR 130 000).

On 26 March 2021, the shareholders of the Parent Company entered into cession agreements under which they agreed to sell their claims against the Parent Company to its subsidiary, SIA Vision Express Baltija. The total amount of the claims transferred under the cession agreements was EUR 325 000, representing the unpaid portion of previously declared dividends due to shareholders at the time of the agreements.

As a result of these cession agreements, the Group's liability to the shareholders of the Parent Company was fully settled as at 31 December 2024 (31.12.2023: EUR 65 000).

In addition, current liabilities in the Group's balance sheet include obligations in the amount of EUR 10 607 (2023: EUR 74 282) transferred from SIA OC Invest (the former Parent Company of the Group, merged into the current Parent Company through reorganisation) to the current shareholders of the Parent Company - private individuals - for the shares in the Parent Company that were acquired by SIA OC Invest prior to the reorganisation.

(20) Taxes and Social Security Contributions

	31.12.2024 EUR	31.12.2023 EUR
Latvia		
Value Added Tax	145 021	157 244
Corporate Income Tax	-	50
Social Security Contributions	190 258	186 767
Personal Income Tax	95 990	92 838
Risk Duty	138	145
	431 407	**437 044**

Lithuania		
Corporate Income Tax	1 786	
Value Added Tax	130 334	111 027
Social Security Contributions	96 957	140 147
Personal Income Tax	12 583	11 781
Real Estate Tax	-	5 698
Natural Resources Tax	-	224
Import Duty	(9)	(9)
	241 660	**268 877**
	673 067	**705 921**

As taxes are calculated separately for each Group company, tax liabilities and assets of different Group entities are not offset, and are presented in the balance sheet as follows::

Including:

	31.12.2024 EUR	**31.12.2023 EUR**
Tax Overpayment	(2 992)	(17 481)
Tax Liability	673 067	705 921

Within the framework of state support programmes, the Group had received approval for deferred tax payment over a period of three years. During the reporting year, the Parent Company and its subsidiary in Latvia fully settled their tax obligations in accordance with the approved payment schedules, and as at 31 December 2023, all tax payments are to be made under the general procedure.

Meanwhile, the Group's subsidiary in Lithuania has recognised tax liabilities due from 2025 as non-current liabilities in the amount of EUR 24 925.

Tax overpayments are presented under "Other Receivables" (see Note 14).

(21) Accrued Liabilities

	31.12.2024 EUR	**31.12.2023 EUR**
Accrued Liabilities for Unreceived Invoices	810 205	486 510
Accrued Liabilities for Unused Vacation Days	448 839	444 664
	1 259 044	**931 174**

(22) Average Number of Employees in the Group

	2024	**2023 (adjusted)**
Board Members	4	4
Other Employees	490	486
	494	**490**

(23) Information on Remuneration of the Members of the Supervisory Board, Management Board, and Executive Management

During the reporting year, the remuneration of the members of the Management Board amounted to EUR 120 243, and the mandatory state social security contributions totalled EUR 27 240 (2023: EUR 100 692, with social security contributions of EUR 23 049).

Notes to the Consolidated Financial Statements

(24) Personnel Expenses

Expense type	2024 EUR	2023 EUR
Remuneration for Work	10 657 732	10 120 195
Mandatory State Social Security Contributions	1 586 218	1 511 905
Insurance and Other Personnel Expenses	218 458	182 753
Changes in Accrued Vacation Liabilities	4 175	441
	12 466 583	**11 815 294**

(25) Operating Lease

The Group companies have entered into 23 operating lease agreements (for vehicle rentals). Under these agreements, the lease payment schedule are as follows:

In 2025:	36 456	EUR
In 2026 – 2029:	37 081	EUR

The Group companies have entered into 80 lease agreements for premises. According to these agreements, the tenant must notify the lessor of lease termination 1 to 6 months in advance.

Based on the lease agreements in effect as at 31 December 2024, the future lease payments are as follows:

In 2025:	3 222 047	EUR
In 2026 – 2029:	6 827 370	EUR
After 2029:	2 171 585	EUR

(26) Information on Off-Balance Sheet Liabilities, Pledged Assets, Issued Guarantees, and Contingent Liabilities

All property of the Group companies is pledged under loan agreements (see Notes 18 and 19). The Company has an active agreement with AS Swedbank for the issuance of guarantees with a limit of EUR 450 thousand (31.12.2023: EUR 375 thousand). As at the reporting date, the bank has issued guarantees totalling EUR 405.7 thousand (31.12.2023: EUR 307.7 thousand). A commercial pledge agreement has been concluded to secure the guarantees issued by the bank.

(27) Going Concern

The financial statements have been prepared on the assumption that the Group will continue as a going concern. As outlined above, in 2024 the Group closed the year with a profit of EUR 686 779, primarily driven by an increase in revenue from core operations.

Group management forecasts that in 2025 the Group will not face liquidity issues and will be able to meet its obligations to creditors within the agreed terms, while continuing to expand its market share..

Notes to the Consolidated Financial Statements

(28) Subsequent Events

Management believes that the Group will have sufficient financial resources to continue its operations for at least 12 months after the end of the reporting period and that there is no material uncertainty regarding the Group's ability to continue as a going concern.

Management is not aware of any other events after the end of the reporting year that could materially affect the assessment of the Group's annual financial statements.

Jānis Dzenis
Chairman of the Management Board

Gatis Kokins
Member of the Management Board

Toms Dzenis
Member of the Management Board

Pēteris Cikmačs
Member of the Management Board

Inga Kraukle
Chief Accountant

13 May 2025

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIMESTAMP

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Mihaila Tāla iela 1,
Rīga, LV-1045
Latvija

Translation from original in Latvian

Independent Auditor's Report

To the shareholders of OC Vision SIA

Our Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of OC Vision SIA ("Company") and its subsidiaries ("Group") set out on pages 6 to 28 of the accompanying annual report, which comprise:

- the consolidated balance sheet as at 31 December 2024,
- the consolidated profit and loss statement for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of OC Vision SIA as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Basis for Opinion

In accordance with the Law on Audit Services of the Republic of Latvia we conducted our audit in accordance with International Standards on Auditing adopted in the Republic of Latvia (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and independence requirements included in the Law on Audit Services of the Republic of Latvia that are relevant to our audit of the consolidated financial statements in the Republic of Latvia. We have also fulfilled our other professional ethics responsibilities and objectivity requirements in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) and Law on Audit Services of the Republic of Latvia.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on April 30, 2024.

Reporting on Other Information

The Group's management is responsible for the other information. The other information comprises

- Group Information as set out on page 3 of the accompanying Consolidated Annual Report,
- the Management Report, as set out on pages 4 and 5 of the accompanying Consolidated Annual Report.

Our opinion on the consolidated financial statements does not cover the other information included in the Annual Report, and we do not express any form of assurance conclusion thereon, except as described in the *Other reporting responsibilities in accordance with the legislation of the Republic of Latvia* section of our report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and in light of the knowledge and understanding of the entity and its environment obtained in the course of our audit, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other reporting responsibilities in accordance with the legislation of the Republic of Latvia

In addition, in accordance with the Law on Audit Services of the Republic of Latvia with respect to the Management Report, our responsibility is to consider whether the Management Report is prepared in accordance with the requirements of the 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Based solely on the work required to be undertaken in the course of our audit, in our opinion:

- the information given in the Management Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Management Report has been prepared in accordance with the requirements of the 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

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

BDO ASSURANCE SIA
Mihaila Tāla iela 1, Riga, LV-1045
License No 182

Raivis Jānis Jaunkalns
Sworn auditor
Certificate No 237
Member of the Board

Riga, Latvia
13 May 2025

This document is electronically signed with safe electronical signature and contains time stamp.