TKM Grupp AS

Consolidated Interim Report for the fourth quarter and 12 months of 2025

(unaudited)

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COMPANY PROFILE AND CONTACT DETAILS

The primary areas of activity of the companies of the TKM Grupp AS (hereinafter referred to as the 'TKM Group' or 'the Group') include retail and wholesale trade. The Group employs more than 4,700 employees.

The Company is listed on the Nasdaq Tallinn Stock Exchange.

Registered office:	Kaubamaja 1
	10143 Tallinn
	Republic of Estonia
Registry code:	10223439
Beginning of financial year:	1 January 2025
End of financial year:	31 December 2025
Beginning of interim report period:	1 January 2025
End of interim report period:	31 December 2025
Auditor:	PricewaterhouseCoopers AS
Telephone:	372 667 3300
E-mail:	info@tkmgrupp.ee

MANAGEMENT REPORT

Management

In order to manage the Group, the general meeting of the shareholders, held at least once in a year, elects supervisory board, which according to the articles of association may have 3 to 6 members. Members of Group supervisory board are elected for three years. Members of the Group supervisory board are Jüri Käo (chairman of the supervisory board), Enn Kunila, Kristo Anton, Gunnar Kraft and Meelis Milder. The mandates of supervisory board will expire on 19 May 2027. During the period between the general meetings the supervisory board plans actions of the company, organises management and accomplishes supervision over management actions. Regular supervisory board meetings are held at least 10 times in a year. In order to manage daily activities, the supervisory board appoints member(s) of the management board of the TKM Group in accordance with the Commercial Code. In order to elect a member of the management board, his or her consent is required. By the articles of association, a member of the management board shall be elected for a specified term of three years. Extension of the term of office of a member of the management board shall not be decided earlier than one year before the planned date of expiry of the term of office, and not for a period longer than the maximum term of office prescribed by the articles of association. Currently the management board of Group has one member. The term of office of the management board member Raul Puusepp was extended on 17 February 2023 and his term of office expires on 6 March 2026.

The law, the articles of association, decisions and goals stated by the shareholders and supervisory board are followed for managing the company. By Commercial Code a resolution on amendment of the articles of association shall be adopted, if at least two-third of the votes represented at a general meeting is in favour. A resolution on amendment of the articles of association shall enter into force as of making of a corresponding entry in the commercial register. The Group does not possess several classes of shares.

Structure of the company

The Group is reporting its economic activities under five operating segments as follows.

1. The operating segment of supermarkets is focused on the retail sales of food products and convenience goods.
2. The main area of activity of the department store segment is the retail sales of beauty and fashion products. The segment includes the retail sales of the department stores, as well as the beauty store chain.
3. The car trade segment is focused on the import and sale of cars and car spare parts, as well as sales and after-sales service.
4. The real estate segment is involved with the development, management and maintenance of the real estate owned by the Group and with rental of retail premises.
5. The principal activity of the security segment is the provision of security solutions.

The following companies belong to the Group as of December 31, 2025:

Selver supermarkets	Location	Shareholding as of 31.12.2025	Shareholding as of 31.12.2024
Selver AS	Estonia	100%	100%
Kulinaaria OÜ	Estonia	100%	100%
Department stores			
Kaubamaja AS	Estonia	100%	100%
TKM Finants AS	Estonia	100%	100%
OÜ TKM Beauty	Estonia	100%	100%
OÜ TKM Beauty Eesti	Estonia	100%	100%
Rävala Parkla AS	Estonia	50%	50%

Car trade	Location	Shareholding as of 31.12.2025	Shareholding as of 31.12.2024
TKM Auto OÜ	Estonia	100%	100%
KIA Auto AS	Estonia	100%	100%
AS Viking Motors	Estonia	100%	100%
SIA Forum Auto	Latvia	100%	100%
Verte Auto SIA	Latvia	100%	100%
UAB Motus auto	Lithuania	100%	0%
UAB KIA Auto (the former UAB Motus auto)	Lithuania	100%	100%
Security segment			
Viking Security AS	Estonia	100%	100%
Walde AS	Estonia	100%	100%
Real estate			
TKM Kinnisvara AS	Estonia	100%	100%
OÜ TKM Kinnisvara Tartu	Estonia	100%	100%
SIA TKM Latvija	Latvia	100%	100%
TKM Lietuva UAB	Lithuania	100%	100%

Changes in structure

In May, a demerger process was initiated for UAB Motus Auto, the Lithuanian subsidiary of TKM Auto OÜ, which manages the car trade segment within TKM Grupp AS, by signing a demerger agreement. The purpose of the demerger was to separate the KIA and Škoda business lines. Based on the resolution approving the demerger, it was completed with the registration of the demerger in the Lithuanian Commercial Register on 28 May 2025. As a result of the demerger, the former UAB Motus Auto will continue its operations under the new name UAB KIA Auto, focusing on the sales and servicing of KIA vehicles. As of 28 May 2025, the newly established subsidiary has taken over the Škoda business line at the beginning of July and operates under the historically used name UAB Motus Auto. The new entity will be wholly owned by TKM Auto OÜ.

As at the date of preparation of the report, in January 2026 a share purchase agreement had been signed pursuant to which TKM Auto OÜ, which manages the activities of the car segment of TKM Grupp AS, will acquire three new subsidiaries: Rohe Auto AS, SKO Motors OÜ and a limited liability company engaged in holding real estate to be established prior to the completion of the transaction. The companies to be acquired are engaged in the retail and wholesale sale of vehicles of Škoda brand, as well as spare parts and accessories, and in the provision of maintenance and repair services in the Tallinn and Harju County region. The real estate holding company will become the owner of the Škoda Laagri showroom property. The agreement provides for the completion of the transaction after receiving the necessary approvals from the Competition Authority and carrying out additional procedures in 2026.

Share market

The Group's shares have been listed on the Baltic Main List of Nasdaq Tallinn since 19 August 1997, and the Group is today the oldest listed company in the Baltic States. A total of 40,729,200 registered ordinary shares with a nominal value of 0.40 euros each have been issued. The shares are freely transferable, with no restrictions set out in the articles of association, nor are there any restrictions on the transfer of securities between the company and its shareholders. No restrictions on the transfer of securities stipulated in agreements between shareholders are known. NG Investeeringud OÜ holds a direct qualifying holding. No securities conferring specific control rights have been issued.

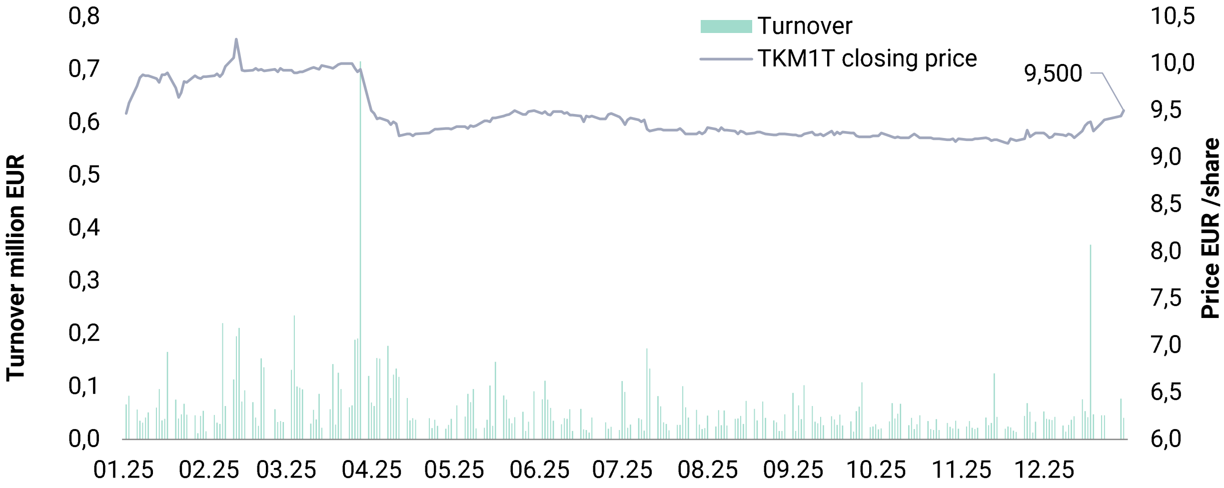
The council of the Group have no right to issue or buy back shares. In addition, there are no commitments between the company and its employees providing for compensation in mergers and acquisitions under article 19' of Stock Market Trade Act.

The share with a price of 9.47 euros at the end of 2024 was closed in the end of 2025 at the level of 9.50 euros, increased by 0.32% over the twelve months.

According to the notice of regular annual general meeting of the shareholders published on 20 February 2025, the management board proposed to pay dividends 0.65 euros per share. The general meeting of shareholders approved it.

Share price and trading statistics on the Nasdaq Tallinn Stock Exchange from 01.01.2025 to 31.12.2025.

In euros



SHARE	Q4/25	Q4/24	12M/25	12M/24
Average number of shares (1000 pcs)	40,729.2	40,729.2	40,729.2	40,729.2
Equity capital per share (EUR/share)	6.48	5.58	6.48	5.58
Share's closing price (EUR/share)	9.50	9.47	9.50	9.47
Earnings per share (EUR/share)	0.23	0.26	0.43	0.67

Risks

Against the backdrop of a prolonged economic downturn lasting several years and rising taxes, consumer purchasing behaviour has become significantly more rational and cautious. Although analysts remain cautiously optimistic about the recovery of the Estonian economy, there are still no signs of purchasing power rebounding. Consumers are increasingly opting for discounted goods. The Group's supermarkets segment has adjusted its pricing policy and image to better meet customers' expectations. In addition to local factors, the increasingly volatile international economic climate presents a growing risk, which may also affect consumer behaviour in Estonia and continue to restrain economic growth.

The motor vehicle tax in force since 2025 has caused a significant downturn in the Estonian car market, substantially reducing sales volumes of both new passenger cars and commercial vehicles. In connection with the Riigikogu (the Estonian Parliament) elections scheduled for 2027, public debate has increasingly featured speculation about the possible abolition of the motor vehicle tax. Such uncertainty may lead to the continued postponement of purchasing decisions by both consumers and businesses in 2026 as well, slowing the recovery of the car market and having a negative impact on the financial performance of the Group's car segment. The risks related to the Estonian motor vehicle tax for the financial results of the Group's car segment are mitigated by the segment's cross-Baltic business model.

Sustainable entrepreneurship

In the final quarter of 2025, the Group's companies supported a number of initiatives through both product donations and monetary contributions. Kulinaaria provided Christmas meals for the LC Tallinn Nõmme Club, the Merimetsa Support Centre and pensioners in Kolga. Selver catered the VIP areas at Ice Hockey Federation competitions and volleyball matches, while at the same time presenting Selver Köök products. In cooperation with local communities, various educational, sports and cultural events were supported. Support was provided to Laulasmaa School, a short film by Tallinna Pelgulinna State Upper Secondary School, a Father's Day event in Rae municipality, a basketball tournament of Paide Upper Secondary School, a Christmas concert by Mamma Mia Singing and Hobby Studio, the Christmas celebration of Türi Joint Upper Secondary School, the anniversary concert of Tiina Dance Studio, and Hiiumaa Mulled Wine Café Day.

At the end of the reporting year, Selver's charity campaign "Koos on kergem" ("Together it's easier") was held for the 23rd time, during which donations were collected to support children's hospitals and paediatric wards. The collected amount will be distributed among hospitals based on regional sales performance, allowing customers to contribute specifically to improving treatment conditions for children in their home area. At the department stores, several events were organised for employees and customers. Kaubamaja's 65th anniversary was celebrated together, a Christmas cinema event was held for employees' children and grandchildren, and the best employees and teams of the year were recognised. Men's Day was celebrated in November.

In November, the renovated Jõgeva Selver was reopened. The sales area, storage rooms, furniture and technical equipment were upgraded, with the use of modern energy-efficient solutions. As a result, the store's environmental footprint will be reduced by approximately one third. Ceiling-mounted propellers help to equalise temperature and enable heating savings of up to 5%. Motion-sensor lighting significantly increases energy efficiency. CO_2-based refrigeration systems are nearly 25% more energy-efficient and more environmentally friendly compared to systems using freon.

Economic environment

According to Statistics Estonia, gross domestic product increased by 0.9% in the third quarter of 2025 compared to the same period of the previous year. The largest positive contribution to the economy came from manufacturing, followed by energy and real estate activities. Retail and wholesale trade, transportation and storage, and human health and social work activities had a negative impact. Analysts consider the Estonian economy to be in recovery. In 2026, economic growth will be driven primarily by strengthening demand in foreign markets and state-led stimulus measures. Changes to income tax will leave people with more disposable income, while government spending will add momentum to the economy. The positive outlook is also supported by lower interest rates, improved lending conditions and a slowdown in price growth. According to the latest economic forecast of Eesti Pank, economic growth will accelerate to 3.6% in 2026, but will gradually slow as fiscal stimulus is withdrawn, reaching 2.5% by 2028. The economic outlook continues to be constrained by the tense geopolitical situation and uncertainty over how public finances will be brought into balance in the future.

Tax increases implemented in 2025 have significantly accelerated price growth in Estonia, accounting for nearly half of the overall increase in consumer prices. According to Statistics Estonia, the Estonian consumer price index rose by 4.8% in 2025 compared to the average of 2024. The index was most affected by the rise in the prices of food and non-alcoholic beverages, which increased by 6.9% year on year. At the same time, the prices of clothing and footwear fell by an average of 3.7%. According to the forecast of Eesti Pank, prices will rise by 2.9% this year and by 2.4% in 2027. Analysts note that the long-standing pessimism among consumers is gradually easing. According to Statistics Estonia, the average gross monthly wage in the third quarter of 2025 was 2,075 euros, which is 5.9% higher than in the same period last year. Eesti Pank forecasts wage growth of 5.4% in 2026. Although the growth of the average gross wage is slowing, changes to income tax will lead to an increase in net income. In 2026, the average net wage will grow approximately twice as fast as the gross wage due to legislative changes, reaching around 10%. Together with the slowdown in price growth, an improvement in people's purchasing power is expected.

According to Statistics Estonia, the total volume of retail turnover at current prices in Estonia decreased by 0.7% in the first eleven months of 2025. Sales of motor vehicles and their parts and accessories declined by 13.6%, while maintenance and repair of motor vehicles increased by 4.6%. Sales revenue in non-specialised stores (predominantly food goods) grew by 2.3% in the first eleven months of the year. Due to high price growth, volume sales in retail trade continue to decline. According to preliminary data, the volume of new passenger car sales in the Baltic States increased by 5.9% in 2025. Based on AMTEL data, 13,055 new passenger cars were sold in Estonia in 2025, which was 48.6% below the result of 2024. The nearly halved sales volume was driven by the introduction of the motor vehicle tax and a general decline in consumer confidence. Car sales in Latvia increased by 29.5%, while in Lithuania car sales returned to growth, recording an increase of 39.2%.

Economic results

Financial ratios

In million euros EUR	Q4/25	Q4/24	*Change %*	12M/25	12M/24	*Change %*
Revenue	239.2	256.6	*-6.8%*	919.6	944.6	-2.6%
Selver supermarkets	157.0	164.1	*-4.3%*	611.9	610.4	0.3%
Department stores	32.2	33.2	*-3.0%*	103.0	104.2	-1.1%
Car trade	41.8	51.2	*-18.5%*	176.9	200.8	-11.9%
Security	6.4	6.0	6.8%	20.1	21.9	-8.1%
Real estate	1.9	2.1	-12.5%	7.7	7.3	5.1%
Gross profit margin%	*28.88%*	*27.87%*	*3.6%*	*27.69%*	*27.50%*	*0.7%*

In million euros EUR	Q4/25	Q4/24	Change %	12M/25	12M/24	Change %
EBITDA	21.6	28.1	-23.3%	77.4	90.7	-14.7%
Selver supermarkets	6.4	8.0	-19.4%	24.2	29.3	-17.4%
Department stores	3.1	2.8	10.8%	3.4	3.7	-8.4%
Car trade	1.5	2.9	-47.1%	8.1	13.6	-40.3%
Security	0.3	0.1	122.8%	0.6	1.0	-37.1%
Real estate	4.2	8.3	-49.1%	17.0	20.1	-15.4%
IFRS 16	6.0	6.1	-1.4%	24.0	22.9	4.6%
margin	*9.01%*	*10.96%*	*-17.7%*	*8.42%*	*9.61%*	*-12.4%*
Operating profit	11.0	16.6	-33.6%	34.9	47.6	-26.6%
margin	*4.62%*	*6.48%*	*-28.7%*	*3.80%*	*5.04%*	*-24.6%*
Net profit	9.3	10.5	-11.3%	17.5	27.5	-36.2%
margin	*3.91%*	*4.10%*	*-4.8%*	*1.91%*	*2.91%*	*-34.5%*
Earnings per share (EUR)	0.23	0.26	-11.3%	0.43	0.67	-36.2%

Key ratios	Q4/25	Q4/24	12M/25	12M/24
Return on equity (ROE)	3.7%	4.3%	6.9%	11.1%
Return on assets (ROA)	1.4%	1.6%	2.6%	4.0%
Quick ratio	0.92	1.20	0.92	1.20
Debt ratio	0.62	0.63	0.62	0.63
Inventory turnover (multiplier)	1.68	1.76	6.57	6.50
Sales revenue per employee (in million euros euros)	0.051	0.053	0.193	0.197
Average number of employees	4,690	4,798	4,759	4,785

Return on equity (ROE)	*= Net profit / Average owners' equity * 100%*
Return on assets (ROA)	*= Net profit / Average total assets * 100%*
Quick ratio	*= Current assets / Current liabilities*
Debt ratio	*= Total liabilities / Balance sheet total*
Inventory turnover (multiplier)	*= Cost of goods sold / inventories*
Sales revenue per employee	*= Sales revenue / Average number of employees*

The Group's consolidated unaudited sales revenue for the fourth quarter of 2025 was 239.2 million euros, representing a decrease of 6.8% compared to the same period of the previous year. The total unaudited sales revenue for 2025 amounted to 919.6 million euros, declining by 2.6% compared to the result for 2024, when sales revenue totalled 944.6 million euros. The Group's consolidated unaudited profit before tax for the fourth quarter of 2025 was 8.3 million euros, decreasing by 4.9 million euros compared to the same period of the previous year. Profit before tax for 2025 amounted to 24.3 million euros, representing a decline of 31.4% year on year.

In a challenging economic environment and amid declining sales volumes, the Group achieved a profit in all business segments in the fourth quarter, supported by effective cost control, flexible management of operating volumes and the implementation of internal efficiency-enhancing measures. Compared to the previous year, profit growth was recorded in the department stores and security segments. In summary for 2025, almost all business segments ended the year with a profit. Only the department stores segment remained in a slight loss. The Group's sales revenue was predictably most significantly affected by the substantial decline in the car segment's sales revenue. The motor vehicle tax introduced in Estonia during the reporting year and the resulting sharp decrease in demand led to a significant contraction in new passenger car sales, with total car sales in Estonia declining by 48.6% for the year and by as much as 62.4% in the fourth quarter. Despite the challenging market conditions, the decline in the Group's car segment sales revenue in the fourth quarter was limited to 18.5%. For 2025, the Group's car segment sales revenue was 11.9% lower than in the previous year. Weakness in the Estonian market was partially offset by more stable sales results of the subsidiaries in Latvia and Lithuania. In the continuing cooling economic environment, the Group's other retail segments also recorded a slight decline in sales revenue. In the fourth quarter, the security segment increased its sales revenue. Continuous improvement of work processes and optimisation of the supply chain in cooperation with the logistics centre have helped to keep labour costs under control. Labour costs increased by 0.4% in the fourth quarter, while the average number of employees decreased by 2.3%. For the reporting year, labour costs increased by 3.7%. The Group has also kept other operating expenses stable, with annual growth of 0.2%. Net profit was positively affected by a decline in interest on the Group's borrowings, providing relief of 1.5 million euros for the year compared to the previous year. The company's income tax expense decreased by 1.2 million euros in 2025 due to the recalculation of deferred income tax in accordance with International Financial Reporting Standards applicable in Estonia and Latvia. The comparative fourth quarter of the base year included one-off profit of 4.0 million euros. Of this, 2.1 million euros resulted from the revaluation of investment properties (the corresponding figure in the fourth quarter of 2025 was 0.3 million euros) and 1.9 million euros from extraordinary profit arising from the sale of two non-core properties in the Group's real estate segment in Latvia. As a result of the sale of these properties, the real estate segment's external sales revenue decreased in the reporting year.

The most significant investment of the year was the completion of the Group's new multi-brand car showroom in Vilnius, where sales and servicing of KIA and Škoda vehicles commenced. The new showroom provides a strong foundation for further growth in the Lithuanian market and across the Baltic States. In the Selver supermarkets segment, Jõgeva Selver was renovated in the fourth quarter. In the department stores segment, the comprehensive upgrade of the I.L.U. e-commerce platform, offering enhanced marketing capabilities, was completed, with the launch scheduled for the first quarter of 2026. Earlier in the reporting year, renovation works were carried out in the first quarter in the department stores segment on two floors of the Children's World at Kaubamaja Tallinn department store. The renewed Children's World was opened in March. In Estonia, construction works are ongoing to establish a new bodywork workshop adjacent to the Peetri car dealership. Preparations have also commenced for the planned development of a new Selver store in Pärnu Papiniidu and for the expansion of Laulasmaa Selver, both scheduled for opening in 2026.

At the end of the reporting period, the number of loyal customers exceeded 750 thousand, representing a 0.9% increase year-on-year. The share of loyal customers in the Group's turnover was 85.9% (86.0% in the 2024).

As of 31 December 2025, the total assets of the Group amounted to 698.0 million euros, a decrease of 1.3% compared to the end of 2024, excluding the impact of IFRS 16.

<u>Selver supermarkets</u>

The consolidated sales revenue of the Selver supermarkets business segment in the fourth quarter of 2025 was 157.0 million euros, representing a 4.3% decrease compared to the same period of the previous year. Consolidated sales revenue for 2025 amounted to 611.9 million euros, increasing by 0.3% year on year. In the fourth quarter of 2025, profit before tax was 3.5 million euros and net profit to 1.4 million euros, which were respectively 1.1 million euros and 4.2 million euros lower than in the base period. The difference between profit before tax and net profit arose from a change in deferred income tax liability calculated on dividends. For the reporting year, the consolidated profit before tax of the supermarket segment amounted to 12.2 million euros, which was 3.8 million euros below the comparative base. Net profit for 2025 amounted to 9.5 million euros, decreasing by 6.0 million euros compared to the previous year. The average monthly sales revenue of goods per square metre of sales area in 2025 was 0.40 thousand euros (the comparable figure in 2024 was 0.41 thousand euros), and in the fourth quarter 0.41 thousand euros (the comparable figure in 2024 was 0.43 thousand euros). On the comparable stores, the average monthly sales revenue of goods per square metre of sales area in 2025 was 0.41 thousand euros (the same figure in 2024 was also 0.41 thousand euros), and in the fourth quarter 0.42 thousand euros (the same figure in 2024 was 0.43 thousand euros). In 2025, a total of 44.4 million purchases were made in stores, remaining at the level of the previous year.

When analysing the financial results, it should be considered that the comparative data for the period under review do not fully reflect the operations of the Raadi and Rocca al Mare Selver stores, which were opened in the fourth quarter of 2024. At the same time, the base data include the results of Maardu Selver, which was closed in February 2025. The renovation and expansion of Jõgeva Selver had a negative impact on financial performance in the fourth quarter, as this involved one-off additional costs and a temporary suspension of sales activities. Selver's fourth-quarter sales results continued to be affected by the general weakness of the Estonian economy and the retail environment, as well as by the decline in customers' purchasing power resulting from increases in income tax and the VAT rate. According to Statistics Estonia's data for the first eleven months of 2025, sales revenue at current prices in the retail segment of non-specialised stores, where food products, tobacco and alcohol predominate, increased by 2.3%, while sales volumes have remained in decline at approximately 3%. Selver's sales revenue growth in the most recent quarter was slower than that of the market segment. The main reasons for the decline were the increased share of promotional products and products with a lower price image in the shopping basket, as well as a deeper decline in sales of everyday consumer goods and industrial goods. The financial results for the fourth quarter of 2025 were affected by a decrease in sales volumes. At the same time, the Group has successfully coped with pressure from rising input prices for various services and materials and with the optimisation of expenditure volumes, as a result of which the segment's operating expenses increased by only 1%. Pressure on wage costs and sales revenue growth lagging behind wage growth have led to a slight decline in labour productivity.

The supermarket segment continues to operate responsibly and with a strong commitment to sustainability, with the aim of continuously improving its operations to reduce environmental impact. The recently renovated Jõgeva Selver has taken a major step towards sustainability by switching to energy-efficient solutions that reduce the store's environmental footprint by approximately one third. The building's refrigeration systems were converted to a CO_2-based solution, the waste heat of which is smartly used for heating premises and water. Across the segment, the optimisation of product assortments and processes remains a key focus. To better adapt to changing customer demand, Selver added the Scandinavian white-label brand First Price to its assortment this year; the brand is available exclusively at Selver and Delice. The First Price range represents affordable pricing and reliable Scandinavian quality, expanding the selection of the most competitively priced everyday products. During 2025, the logistics centre established in Maardu in 2024 was brought fully into operation. Focus also remains on increasing activity volumes on the Bolt Market and Wolt platforms and on the further development of Selver's e-shop. The circular economy is also supported, as mono-material bags are used at the baking points of all Selver stores. This improvement makes subsequent sorting and recycling of packaging significantly easier for consumers.

At the beginning of 2025, Selver's e-shop was selected as the Estonian people's favourite store in the food and consumer goods category in a public vote organised by the Estonian E-commerce Association. In April, Selver joined the Vägivallavabaks (Violence-Free) employer initiative launched under the leadership of the President Kaljulaid Foundation, which brings together employers' efforts to combat domestic violence. In CVKeskus.ee's 2025 survey, Selver ranked among the twenty most desirable employers in Estonia, achieving 19th place.

As of the end of December, the supermarket segment included 72 Selver stores, 2 Delice stores, a Mobile Store, and a café, with a total sales area of 123.8 thousand square metres. In addition, there is e-Selver, which is the largest online store in Estonia by service area, and the central kitchen, Kulinaaria OÜ.

Department stores

The sales revenue of the department stores business segment in the fourth quarter was 32.2 million euros, remaining 3.0% below the level of the previous year. Sales revenue for 2025 totalled 103.0 million euros, representing a decrease of 1.1% compared to the preceding year. Profit before tax for the fourth quarter amounted to 2.2 million euros, which was 25.3% higher than in the comparable period of the previous year. For 2025, the department stores segment recorded a loss before tax of 0.5 million euros, which was 0.2 million euros lower than the result a year earlier.

The average monthly sales revenue per square metre of sales area at Kaubamaja department stores in 2025 amounted to 0.32 thousand euros, which was 0.8% lower than in the previous year. In 2025, promotional campaigns performed consistently very well, with both the autumn Ilu Aeg campaign and Osturalli proving to be the most successful to date. However, fourth-quarter results were negatively affected by warmer-than-average winter months, which reduced demand for winter boots and warm outerwear, while the first frosts only arrived at the beginning of 2026. In Kaubamaja's food retail operations, the distinctive product assortment compared to competitors continued to attract new loyal customers to the Food Worlds, and sales results exceeded expectations. December delivered the best results of all time for Kaubamaja Food Worlds. In November, a completely renewed café was opened in the Women's World area in cooperation with top chef Anni Arro, which generated increased interest among Kaubamaja visitors. In the first months of the year, renovation works were carried out on two floors of Tallinn Children's World, and in March the department was reopened with a fully renewed concept. New brands were added along with lifestyle-based displays, which attracted strong customer interest. Kaubamaja has also received positive attention from exclusive special collections available only at Kaubamaja. During the spring season, an exclusive anniversary collection was launched in cooperation with Lilli Jahilo, the autumn campaign featured a jewellery collection by Sigrid Kuuse, and a new private label PAI brand ("PAI", inspired by the Estonian word for a gentle touch) bedding collection designed by Kätlin Kaljuvee. Customer interest in the e-store sales channel increased significantly, showing double-digit growth compared to the previous year.

The sales revenue of OÜ TKM Beauty Eesti, which operates the I.L.U. cosmetics stores, amounted to 2.6 million euros in the fourth quarter of 2025, representing a decrease of 7.1% compared to 2024. Fourth-quarter profit amounted to 0.02 million euros, which was 0.1 million euros lower than the result for the fourth quarter of 2024. Continued consumer caution in purchasing decisions and high price sensitivity also characterised sales in the fourth quarter. Christmas sales likewise fell short of expectations, while meeting customer expectations required more aggressive pricing campaigns, which reduced sales margins. Sales revenue for 2025 totalled 8.2 million euros, which was 5.4% lower than in 2024. The loss for 2025 amounted to 0.15 million euros, which was 0.39 million euros weaker than the result of the previous year. The focus was on optimising inventory levels and shaping an appropriate brand portfolio for stores operating under the new concept. In addition, the key development activities of the renewed e-shop, offering broader marketing opportunities, were completed, with the launch scheduled for the first quarter of 2026.

Car trade

Sales revenue of the car segment in the fourth quarter amounted to 41.8 million euros, which was 18.5% lower than in the same period of the previous year. Sales revenue for 2025 totalled 176.9 million euros, representing a decrease of 11.9% compared to the previous year. A total of 5,140 new vehicles were sold during the year, including 1,115 vehicles in the fourth quarter. The segment's profit before tax for the fourth quarter of 2025 was 0.9 million euros, which was 1.3 million euros lower than in the corresponding period of the previous year. Profit before tax for 2025 amounted to 5.7 million euros, representing a decrease of 48.5% compared to the previous year.

The year 2025 proved to be highly uneven in the Baltic car market. The Estonian passenger car market declined by approximately 50% year on year, while the markets in Latvia and Lithuania grew by around 30% and 40%, respectively. In the fourth quarter, the downturn in the Estonian car market deepened further to 62%. The decline in sales volumes resulting from the collapse of the Estonian market was partially offset by the Group's cross-Baltic business model in the car segment, supported by more stable retail sales in Latvia and Lithuania and the continued import of KIA vehicles across the Baltic States. The most significant event of the year was the opening of the Group's new multi-brand showroom in Vilnius, where sales and servicing of KIA and Škoda vehicles commenced. The new showroom provides a strong foundation for further growth in the Lithuanian market and across the Baltic States. In Estonia, the establishment of Viking Motors' body repair workshop is progressing according to schedule, with completion planned for spring 2026, which will support the expansion of after-sales capabilities in Estonia.

In November, Kia's fully electric van PV5 entered the Baltic market and was awarded the international title "2026 International Van of the Year".

At the beginning of January 2026, as a significant post-balance-sheet event, an agreement was signed to acquire Rohe Auto AS and SKO Motors OÜ, whose principal activities are the retail and wholesale sale of Škoda-branded vehicles, spare parts and accessories, as well as the provision of maintenance and repair services in the Tallinn and Harju County region. The transaction will strengthen the position of the TKM Group's car segment in Estonia and the Baltic States, create synergies and add resilience to the Group's portfolio.

Security segment

The security segment's external sales revenue in the fourth quarter of 2025 was 6.4 million euros, increasing by 6.8% compared to the same period of the previous year. The segment recorded profit before tax of 0.2 million euros in the fourth quarter, representing an improvement of 0.2 million euros compared to the corresponding period a year earlier. The security segment's external sales revenue for 2025 amounted to 20.1 million euros, declining by 8.1% compared to the previous year. The segment recorded a loss before tax of 0.04 million euros for 2025, which was 0.3 million euros weaker than the result for the same period of the previous year.

In the fourth quarter, the segment's turnover returned to growth and profitability also improved. The strongest growth was recorded in manned guarding and technical project construction, where both sales revenue and profit increased. The economic environment remains challenging, with continued pressure from rising input costs, high customer price sensitivity and intense competition. The security segment is focusing on service development projects with the aim of bringing several new services to market. Improving operational efficiency and increasing sales remain key priorities.

Real estate

The real estate segment's external sales revenue in the fourth quarter of 2025 amounted to 1.9 million euros, declining by 12.5% compared to the reference period. The segment's profit before tax for the fourth quarter was 2.1 million euros, representing a decrease of 62.8% compared to the reference period. The segment's external sales revenue for 2025 amounted to 7.7 million euros, increasing by 5.1% compared to the same period of the previous year. In 2025, the real estate segment generated profit before tax of 9.0 million euros, which was 18.4% lower than in the previous year.

Sales revenue growth in 2025 was primarily supported by the addition of rental income from the logistics centre leased to an external third party, which commenced operations at the end of 2024. The decline in quarterly sales revenue was driven by the absence of external sales revenue from the Latvian real estate company, as the commercial properties leased to external parties were sold at the beginning of the year. Sales revenue also declined in fourth quarter at the real estate company managing Tartu Kaubamaja centre, in connection with a change of tenants in the centre. The decrease in profit during the reporting period was caused by comparative data that included one-off gains. Income in the comparative period reflects a gain of 1.9 million euros from the sale of the Ogre and Rēzekne commercial properties to external parties by the Latvian real estate company at the end of the previous year, as well as an annual gain of 2.1 million euros from the revaluation of assets to fair value. Changes in the fair value of assets did not have a material impact on profit in 2025, with revaluation gains amounting to 0.3 million euros. Profit for the reporting period was also positively affected by lower borrowing costs, as interest expenses in the segment declined by one quarter.

In cooperation with Enefit Volt, the installation of public electric vehicle charging stations in the car parks of Selver stores and shopping centres is continuing. Throughout 2025, marketing activities were consistently centred on the 20th anniversary of Tartu Kaubamaja and the 10th anniversary of Viimsi Centre, with the celebrations placing strong emphasis on engaging the local community. An important event at the beginning of the year was also the opening of a Vapiano restaurant in Viimsi Centre, which enhanced the centre's attractiveness for customers and increased footfall.

The logistics centre completed in autumn 2024 was awarded a BREEAM Excellent certification in June and confirmed as compliant with A energy class requirements under the EU Taxonomy. In Vilnius, construction of the new KIA and Škoda showroom and service building was completed at the end of the year, and the showroom was opened for customer service. Extension and reconstruction works are ongoing at Laulasmaa Selver. In spring 2026, a bodywork workshop building adjacent to the KIA sales and service centre in Peetri, near Tallinn, will be completed.

Personnel

The Group's average number of employees in 2025 was 4,759, representing a decrease of 0.5% compared to 2024. Total labour costs (including wages and social security contributions) amounted to 116.4 million euros in 2025, increasing by 3.7% year on year. In the fourth quarter, labour costs increased by 0.4% compared to the previous year, while the average number of employees declined by 2.3%.

Approval of the chairman of the management board and signature to the report

The chairman of the management board confirms that the management report gives a true and fair overview of the most important events during the reporting period and their effects on the accounting report; it includes a description of the main risks and uncertainties during the remaining financial year and reflects transactions with related parties.

Raul Puusepp
Chairman of the Management Board

Tallinn, 16 January 2026

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT BOARD'S CONFIRMATION TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Chairman of the Management Board confirms the correctness and completeness of TKM Grupp AS condensed consolidated interim financial statements (unaudited) for the period of fourth quarter and 12 months of 2025 as set out on pages 13-37.

The Chairman of the Management Board confirms that:

1. the accounting policies used in preparing the interim financial statements are in compliance with International Financial Reporting Standard as adopted in the European Union;
2. the interim financial statements give a true and fair view of the financial position. the results of the operations and the cash flows of the Parent and the Group;
3. TKM Grupp AS and its subsidiaries are going concerns.

Raul Puusepp
Chairman of the Management Board

Tallinn, 16 January 2026

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros

	Note	31.12.2025	31.12.2024
ASSETS			
Current assets			
Cash and cash equivalents	2	29,516	45,454
Trade and other receivables	3	23,628	30,310
Inventories	5	101,186	97,091
Total current assets		**154,330**	**172,855**
Non-current assets			
Long-term receivables and prepayments	8	217	235
Investments in associates	7	1,860	1,733
Investment property	9	76,162	81,284
Property, plant and equipment	10	438,977	424,794
Intangible assets	11	26,429	25,785
Total non-current assets		**543,645**	**533,831**
TOTAL ASSETS		**697,975**	**706,686**

LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	12	63,536	44,436
Trade and other payables	13	104,955	110,997
Total current liabilities		**168,491**	**155,433**
Non-current liabilities			
Borrowings	12	256,942	279,958
Trade and other payables		1,386	1,285
Deferred tax liabilities	14	6,893	7,939
Provisions for other liabilities and charges		510	543
Total non-current liabilities		**265,731**	**289,725**
TOTAL LIABILITIES		**434,222**	**445,158**
Equity			
Share capital	15	16,292	16,292
Statutory reserve capital		2,603	2,603
Revaluation reserve		120,630	112,167
Retained earnings		124,228	130,466
TOTAL EQUITY		**263,753**	**261,528**
TOTAL LIABILITIES AND EQUITY		**697,975**	**706,686**

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In thousands of euros

	Note	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Revenue	16	239,217	256,635	919,648	944,568
Other operating income		817	4,719	2,075	5,971
Cost of merchandise	5	-170,123	-185,115	-665,038	-684,797
Service expenses	17	-16,470	-16,552	-61,654	-61,503
Staff costs	18	-31,469	-31,350	-116,442	-112,241
Depreciation, amortisation and impairment losses	10,11	-10,513	-11,488	-42,495	-43,174
Other expenses		-413	-219	-1,172	-1,250
Operating profit		**11,046**	**16,630**	**34,922**	**47,574**
Finance income		43	87	451	514
Finance costs		-2,939	-3,611	-11,344	-12,889
Finance income on shares of associates accounted for using the equity method	7	165	115	297	281
Profit before tax		**8,315**	**13,221**	**24,326**	**35,480**
Income tax expense	15	1,028	-2,690	-6,799	-8,003
NET PROFIT FOR THE FINANCIAL YEAR		**9,343**	**10,531**	**17,527**	**27,477**
Other comprehensive income: *Items that will not be subsequently reclassified to profit or loss*					
Revaluation of land and buildings	10	11,172	**0**	11,172	**0**
Other comprehensive income for the financial year		**11,172**	**0**	**11,172**	**0**
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**20,515**	**10,531**	**28,699**	**27,477**
Basic and diluted earnings per share (euros)	19	0.23	0.26	0.43	0.67

Net profit and total comprehensive income are attributable to the owners of the parent.

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros

	Note	12 months 2025	12 months 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		17,527	27,477
Adjustments:			
Interest expense		11,344	12,889
Interest income		-451	-514
Income tax expense		6,799	8,003
Depreciation, amortisation	10, 11	42,462	42,963
Gain/loss from fair value adjustment of investment property	9	-440	-2,429
Loss on write-off property, plant and equipment	10	33	211
Profit/loss on sale of property, plant and equipment	10	-90	229
Profit on sale of investment property	9	0	-2,107
Effect of equity method	7	-297	-281
Interest paid on lease liabilities	12	-5,782	-5,170
Corporate income tax paid		-100	-271
Change in inventories		-5,766	-879
Change in receivables and prepayments related to operating activities		6,700	-4,731
Change in liabilities and prepayments related to operating activities		-6,326	-2,326
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		**65,613**	**73,064**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	10	-23,475	-34,063
Proceeds from sale of property, plant and equipment	10	904	2,435
Purchase of investment property	9	-569	-510
Proceeds from sale of investment property	9	5,080	10,532
Purchase of intangible assets	11	-1,475	-2,000
Dividends received	7	170	280
Interest received		451	514
TOTAL CASH FLOWS USED IN INVESTING ACTIVITIES		**-18,914**	**-22,812**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	12	18,165	38,153
Repayments of borrowings	12	-22,004	-22,313
Change in overdraft balance	12	-713	-2,564
Payments of principal or leases	12	-18,188	-17,754
Dividends paid	15	-26,473	-29,324
Income tax on dividends paid	15	-7,824	-5,312
Interest paid		-5,600	-7,748
TOTAL CASH FLOWS USED IN FINANCING ACTIVITIES		**-62,637**	**-46,862**
TOTAL CASH FLOWS		**-15,938**	**3,390**
Cash and cash equivalents at the beginning of the period	2	45,454	42,064
Cash and cash equivalents at the end of the period	2	29,516	45,454
Net change in cash and cash equivalents		**-15,938**	**3,390**

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

In thousands of euros

	Share capital	Statutory reserve capital	Revaluation reserve	Retained earnings	Total
Balance as of 31.12.2023	**16,292**	**2,603**	**116,521**	**127,960**	**263,376**
Net profit for the reporting period	0	0	0	27,477	27,477
Total comprehensive income for the reporting period	**0**	**0**	**0**	**27,477**	**27,477**
Reclassification of depreciation of revalued land and buildings	0	0	-4,354	4,354	0
Dividends paid	0	0	0	-29,325	-29,325
Total transactions with owners	**0**	**0**	**0**	**-29,325**	**-29,325**
Balance as of 31.12.2024	**16,292**	**2,603**	**112,167**	**130,466**	**261,528**
Net loss for the reporting period	0	0	0	17,527	17,527
Revaluation of land and buildings	0	0	11,172	0	11,172
Total comprehensive loss for the reporting period	**0**	**0**	**11,172**	**17,527**	**28,699**
Reclassification of depreciation of revalued land and buildings	0	0	-2,709	2,709	0
Dividends paid	0	0	0	-26,474	-26,474
Total transactions with owners	**0**	**0**	**0**	**-26,474**	**-26,474**
Balance as of 31.12.2025	**16,292**	**2,603**	**120,630**	**124,228**	**263,753**

Additional information on share capital and changes in equity is provided in Note 15.

The notes presented on pages 19 to 37 form an integral part of these consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM ACCOUNTS

Note 1. Accounting Principles Followed upon Preparation of the Condensed consolidated Interim Accounts

General Information

TKM Grupp AS ('the Company') and its subsidiaries (jointly 'TKM Group' or 'the Group') are companies engaged in rendering services related to retail sale and rental activities in Estonia, Latvia and Lithuania. TKM Grupp AS is a company registered on 18 October 1994 in the Republic of Estonia with the legal address of Kaubamaja 1, Tallinn. The shares of TKM Grupp AS are listed on the NASDAQ Tallinn Stock Exchange. The majority shareholder of TKM Grupp AS is OÜ NG Investeeringud, the majority owner of which is NG Kapital OÜ. NG Kapital OÜ is an entity with ultimate control over TKM Grupp AS.

Basis for Preparation

The Condensed Consolidated Interim Accounts of TKM Group has been prepared in accordance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting as adopted by the European Union. The condensed consolidated interim financial statements do not contain all the information that has to be presented in the annual financial statements and they should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The presentation currency of TKM Group is euro. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of each of the Group's entities is euro. All amounts disclosed in the financial statements have been rounded to the nearest thousand unless referred to otherwise.

The Manager is of the opinion that the Condensed Consolidated Interim Report of TKM Group for the fourth quarter and 12 months of 2025 gives a true and fair view of the Company's performance in accordance with the going-concern concept.

This Condensed Consolidated Interim Report has not been audited or otherwise reviewed by auditors.

Note 2. Cash and cash equivalents

in thousands of euros

	31.12.2025	31.12.2024
Cash on hand	1,224	1,243
Bank accounts	1,665	5065
Overnight deposit	25,666	37,967
Cash in transit	961	1,179
Total cash and cash equivalents	**29,516**	**45,454**

Note 3. Trade and other receivables

in thousands of euros

	31.12.2025	31.12.2024
Trade receivables (Note 4)	20,133	25,239
Other short-term receivables	941	397
Total financial assets from balance sheet line “Trade and other receivables”	**21,074**	**25,636**
Prepayment for goods	203	3,353
Other prepaid expenses	2,098	1,236
Prepaid rental expenses	15	12
Prepaid taxes (Note 14)	238	73
Total trade and other receivables	**23,628**	**30,310**

Note 4. Trade receivables

in thousands of euros

	31.12.2025	31.12.2024
Trade receivables	16,437	21,320
Allowance for doubtful receivables	-79	-128
Receivables from related parties (Note 20)	368	792
Credit card payments (receivables)	3,407	3,255
Total trade receivables	**20,133**	**25,239**

Note 5. Inventories

in thousands of euros

	31.12.2025	31.12.2024
Goods purchased for resale	100,466	96,291
Tare and materials	720	800
Total inventories	**101,186**	**97,091**

The income statement line “Cost of merchandise” includes the allowances and write-off expenses of inventories and inventory stocktaking deficit as follows:

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Write-down and write-off of inventories	3,427	3,484	13,621	13,291
Inventory stocktaking deficit	1,111	1,166	3,767	3,702
Total materials and consumables used	**4,538**	**4,650**	**17,388**	**16,993**

Aging of inventory and seasonal nature of fashion items is used as basis for write down of inventories.

Note 6. Subsidiaries

TKM Group consists of:

Name	Location	Area of activity	Ownership 31.12.2025	Year of acquisition or foundation
Selver AS	Estonia, Tallinn	Retail trade	100%	1995
TKM Kinnisvara AS	Estonia, Tallinn	Real estate management	100%	1999
TKM Kinnisvara Tartu OÜ	Estonia, Tartu	Real estate management	100%	2004
SIA TKM Latvija	Latvia, Riga	Real estate management	100%	2006
TKM Auto OÜ	Estonia, Tallinn	Commercial and finance activities	100%	2007
KIA Auto AS	Estonia, Tallinn	Wholesale trade	100%	2007
Forum Auto SIA	Latvia, Riga	Retail trade	100%	2007
KIA Auto UAB	Lithuania, Vilnius	Retail trade	100%	2007
TKM Beauty OÜ	Estonia, Tallinn	Retail trade	100%	2007
TKM Beauty Eesti OÜ	Estonia, Tallinn	Retail trade	100%	2007
Kaubamaja AS	Estonia, Tallinn	Retail trade	100%	2012
Kulinaaria OÜ	Estonia, Tallinn	Centre kitchen activities	100%	2012
Viking Motors AS	Estonia, Tallinn	Retail trade	100%	2012
Viking Security AS	Estonia, Tallinn	Security activities	100%	2014
UAB TKM Lietuva	Lithuania, Vilnius	Real estate management	100%	2017
Verte Auto SIA	Latvia, Riga	Retail trade	100%	2017
TKM Finants AS	Estonia, Tallinn	Commercial and finance activities	100%	2020
Walde AS	Estonia, Tallinn	Security activities	100%	2023
Motus Auto UAB	Lithuania, Vilnius	Retail trade	100%	2025

According to the demerger approval signed on 22.05.2025, UAB KIA Auto (the dividing company), which resumed using its previously used business name after the division, transferred the Škoda business line to the acquiring company, which is the company established on 28th of May 2025 during the division and named Motus auto UAB. The division was entered in the Lithuanian Commercial Register on 28th of May 2025.

The separation of the Škoda dealership and service business line will allow for more efficient focus on operations and thus achieve better results. TKM Group's strategic goal is to continue to expand in the automotive trade, focusing on developing the sales and service network of KIA and other car brands in the Baltic States, where the segment is the Group's second largest in terms of sales revenue and profit.

In 2025 and 2024, there were no business combinations.

Note 7. Investments in associates

in thousands of euros

TKM Grupp AS has ownership of 50% (2024: 50%) interest in the entity AS Rävala Parkla which provides the services of a parking house in Tallinn. The investment has been classified as associated company because the other owner has the power to appoint the members of supervisory board.

	31.12.2025	31.12.2024
Investment in the associate at the beginning of the year	**1,733**	**1,732**
Profit for the reporting period under equity method	297	281
Dividends received	-170	-280
Investment in the associate at the end of the accounting period	**1,860**	**1,733**

Financial information about the associate Rävala Parkla AS (reflecting 100% of the associate):

	31.12.2025	31.12.2024
Current assets	243	227
Property, plant and equipment	3,344	3,350
Current liabilities	65	115
Owners' equity	3,720	3,462

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Revenue	350	298	785	726
Net profit	331	225	598	538

Note 8. Long-term receivables and prepayments

in thousands of euros

	31.12.2025	31.12.2024
Prepaid rental expenses	183	206
Deferred tax asset	27	24
Other long-term receivables	7	5
Total long-term trade and other receivables	**217**	**235**

Note 9. Investment property

in thousands of euros	
Carrying value as at 31.12.2023	**64,971**
Purchases and improvements	510
Reclassification from property, plant and equipment (Note 10)	21,799
Disposals	-8,425
Net profit from fair value adjustment	2,429
Carrying value as at 31.12.2024	**81,284**
Purchases and improvements	569
Reclassification to property, plant and equipment (Note 10)	-1,051
Disposals	-5,080
Net profit from fair value adjustment	440
Carrying value as at 31.12.2025	**76,162**

Investment properties comprise with commercial buildings and constructions in progress in Estonia and Latvia, which the Group maintains predominantly for earning rental income and which are partially classified as investment properties and partially as property, plant and equipment.

The cost of investments for the 12 months of 2025 amounted to 569 thousand euros (2024: 510 thousand euros).

During the reporting period, construction work was carried out on real estate objects in Estonia in the logistics centre in the amount of 154 thousand euros, construction work was carried out in the Viimsi centre in the amount of 305 thousand euros, and renovation work was carried out in the Tartu Kaubamaja centre in the amount of 110 thousand euros.

In 2024, construction work was carried out on the Estonian real estate object in the Viimsi Centre in the amount of 7 thousand euros and in Tartu Kaubamaja Centre renovation works were carried out to update the commercial spaces on the 0th floor and the third floor in the amount of 490 thousand euros. In 2024, Latvian real estate objects were renovated in the amount of 5 thousand euros in Kuldiga and in the amount of 8 thousand euros in Salaspils.

During the reporting period, the property located at Veesaare tee 3, Peetri, Rae parish was classified from investment property to fixed assets. Viking Motors AS, which mainly sells and services Kia and Peugeot cars, will receive a new body and paint shop building with a net area of 3,600 square meters in Peetri by the first quarter of 2026. Viking Motors AS is a 100% subsidiary of TKM Grupp.

In 2024, the logistics centre completed in the fall, located at Paemurru str 1, Maardu city, in the amount of 21,799 thousand euros, was classified from property, plant and equipment to investment property. The logistics centre serves the cargo volumes of TKM Group, especially its subsidiary Selver AS. The logistics centre is operated by OÜ NG Logistics, which is a logistics company based on 100% Estonian capital and belonging to the NG Investeeringud group.

During the reporting period, SIA TKM Latvija sold investment properties in Salaspils and Kuldiga in Latvia for a total of 5,080 thousand euros.

In 2024, SIA TKM Latvija sold its investment properties in Ogre and Rezekne for a total amount of 8,425 thousand euros.

In 2025, as a result of the revaluation, the valuation of the Estonian investment property increased in the amount of 858 thousand euros (2024: 2,105 thousand euros) and decreased in the amount of 418 thousand euros (2024: 387 thousand euros).

In 2024, as a result of the revaluation, the investment property in Latvia was increased in the amount of 711 thousand euros.

Net fair value adjustment of investment property is recorded in profit or loss line “Other operating income” in the amount of 440 thousand euros in 2025 (2024: 2,429 thousand euros).

Note 10. Property, plant and equipment

in thousands of euros

	Land and buildings	Right-of use-assets: retail properties	Machinery and equip-ment	Other fixtures and fittings	Construc-tion and projects in progress	Total
31.12.2023						
Cost or revalued amount	211,550	247,112	73,723	59,922	24,175	616,482
Accumulated depreciation and impairment	0	-89,527	-43,264	-41,414	-8,971	-183,176
Carrying value	**211,550**	**157,585**	**30,459**	**18,508**	**15,204**	**433,306**
Changes occurred in 2024						
Purchases and improvements	2,613	0	3,994	6,513	20,943	34,063
Addition to right-of use assets	0	10,510	0	0	0	10,510
Other reclassifications	0	0	284	-45	0	239
Reclassification to investment property (Note 9)	0	0	0	0	-21,799	-21,799
Reclassification from intangible assets (Note 11)	0	0	864	0	0	864
Reclassification to inventory	0	0	-504	0	0	-504
Reclassification to property, plant and equipment from inventory	0	0	2,575	1	-29	2,547
Disposals	-1,887	0	-771	-6	0	-2,664
Write-offs	0	0	-24	-35	-152	-211
Decrease/increase in value through profit or loss	0	0	0	0	-293	-293
Adjustment to right-of use assets	0	10,685	0	0	0	10,685
Depreciation	-7,540	-20,376	-7,621	-6,412	0	-41,949
31.12.2024						
Cost or revalued amount	211,854	268,307	78,660	65,007	23,137	646,965
Accumulated depreciation and impairment	-7,118	-109,903	-49,404	-46,483	-9,263	-222,171
Carrying value	**204,736**	**158,404**	**29,256**	**18,524**	**13,874**	**424,794**
Changes occurred in 2025						
Purchases and improvements	1,098	0	1,697	5,089	15,591	23,475
Other reclassifications	9,188	0	257	192	-9,166	471
Reclassification from investment property (Note 9)	1,051	0	0	0	0	1,051
Reclassification to inventory	0	0	-457	-17	0	-474
Reclassification to property, plant and equipment from inventory	0	0	2,114	0	29	2,143
Disposals	0	0	-814	0	0	-814
Write-offs	-5	0	54	-82	0	-33
Decrease/increase in value through profit or loss	-132	0	0	0	-4	-136
Increase in value through revaluation reserve	11,172	0	0	0	0	11,172
Adjustment to right-of use assets	0	18,823	0	0	0	18,823
Depreciation	-7,486	-20,259	-7,717	-6,033	0	-41,495
31.12.2025						
Cost or revalued amount	219,622	284,433	79,354	63,777	29,591	676,777
Accumulated depreciation and impairment	0	-127,465	-54,964	-46,104	-9,267	-237,800
Carrying value	**219,622**	**156,968**	**24,390**	**17,673**	**20,324**	**438,977**

Capital expenditure for the 2025 amounted to 24,950 thousand euros (including investments of 23,475 thousand euros in tangible fixed assets and 1,475 thousand euros in intangible assets).

In the Selver supermarkets business segment, the cost of acquiring tangible fixed assets during the reporting period amounted to 4,075 thousand euros. During the reporting period, Jõgeva Selver underwent a comprehensive refurbishment. In addition, computer equipment was acquired and the fittings and security systems of Selver stores were

The cost of acquiring tangible fixed assets in the department stores business segment amounted to 1,540 thousand euros. During the reporting period, the Children's World of the Tallinn department store underwent refurbishment, and the Anni Arro café was opened in the Women's World of the Tallinn department store. In addition, computer equipment was acquired and interior fittings were renewed.

In the car segment, tangible fixed assets were acquired during the reporting period at a cost of 2,620 thousand euros.

In the security segment, tangible fixed assets were acquired during the reporting period at a cost of 439 thousand euros.

In the real estate segment, tangible fixed assets were acquired during the reporting period at a total cost of 14,801 thousand euros. During the reporting period, a new multi-brand car showroom was completed in Lithuania. In Estonia, preparations were initiated for the construction of a bodywork workshop adjacent to Viking Motors' Peetri car showroom. During the reporting year, several store building renovation projects were launched with the aim of modernising the buildings and bringing them into line with current business needs. Renovation works will increase the energy efficiency of the buildings. Preparations have also been made for the expansion of Laulasmaa Selver and Keila Selver.

The companies of TKM Group had no binding commitments for the acquisition of tangible fixed assets.

At the year-end 2025, the fair value of "Land and buildings" and recoverable amount of "Construction in progress" was assessed. The fair values of "Land and buildings" and the recoverable amounts of buildings under construction (based on the value in use) were determined based on management's judgment, using the estimates of certified independent real estate experts for determining the inputs to be used or the fair value of the items. The discounted cash flow model and market data (comparable transactions, rental income, etc.) were both used for determining fair values as well as recoverable amounts.

The discount rates used for estimation of "Land and Buildings" located in Estonia were 7.9%-10.0% (2024: 8.0%-11.0%) depending on the location of the property and the rental growth rates were 1.0%-3.0% (2024: 1.0%-2.5%). For the purpose of estimating the value of "Land and buildings", the rental agreements in force have been used for determining the input of the rental price, which management believes correspond to the market conditions.

As a result of the revaluation in 2025, the value of "Land and Buildings" located in Estonia increased by 9,293 thousand euros which was recognized through revaluation reserve and decreased through the income statement in the amount of 132 thousand euros. As a result of the revaluation in 2024 the value of "Land and buildings" located in Estonia was adjusted neither upwards nor downwards.

The discount rates used for estimation of "Land and Buildings" located in Latvia was 9.0% (2024: 7.5%- 9.0%) and the rental growth rates were 2.0%-2.5% (2024: 2.0%-2.5%). As a result of the revaluation in 2025 the value of "Land and buildings" located in Latvia increased by 1,006 thousand euros, which was recognized through revaluation reserve. As a result of the revaluation in 2024 the value of "Land and buildings" located in Latvia was adjusted neither upwards nor downwards.

The discount rates used for estimation of "Land and Buildings" located in Lithuania was 9.4% and the rental growth rate was 2.5%. As a result of the revaluation in 2025 the value of "Land and buildings" located in Lithuania increased by 873 thousand euros, which was recognized through revaluation reserve. In 2024, when assessing the value of "Land and buildings" located in Lithuania, no significant differences were detected between the fair value and book value of land and buildings.

In 2025 the value of "Construction in progress" located in Estonia was adjusted neither upwards nor downwards. The value of "Construction in progress" located in Estonia decrease in value was recognized through profit and loss in the amount of 50 thousand euros in 2024.

In 2025, the value of "Construction in progress" located in Latvia decreased by 4 thousand euros and was recognized through profit and loss. In 2024, the value of "Construction in progress" located in Latvia increased by 119 thousand euros and was recognized through profit and loss and decreased by 362 thousand euros.

The value of "Construction in progress" located in Lithuania was adjusted neither upwards nor downwards in 2025 and 2024.

Note 11. Intangible assets

in thousands of euros

	Goodwill	Trademark	Beneficial agreements	Capitalised development expenditure	Total
31.12.2023					
Cost	19,049	2,243	120	7,430	28,842
Accumulated amortisation and impairment	0	-1,153	-49	-2,270	-3,472
Carrying value	**19,049**	**1,090**	**71**	**5,160**	**25,370**
Changes occurred in 2024					
Purchases and improvements	0	0	0	2,000	2,000
Reclassification to property, plant and equipment (Note 10)	0	0	0	-864	-864
Amortisation	0	-295	-17	-409	-721
31.12.2024					
Cost	19,049	2,243	120	7,984	29,396
Accumulated amortisation and impairment	0	-1,448	-66	-2,097	-3,611
Carrying value	**19,049**	**795**	**54**	**5,887**	**25,785**
Changes occurred in 2025					
Purchases and improvements	0	0	0	1,475	1,475
Amortisation	0	-295	-17	-519	-831
31.12.2025					
Cost	19,049	2,243	120	9,459	30,871
Accumulated amortisation and impairment	0	-1,743	-83	-2,616	-4,442
Carrying value	**19,049**	**500**	**37**	**6,843**	**26,429**

In the reporting period, the Group capitalised costs of a web page update, loyalty card web page update, loyalty card - Monthly Card, e-shop as development expenditure and development of services were in the amount of 1,475 thousand euros (2024: 2,000 thousand euros).

Trademark at value of 180 thousand euros was acquired in 2014 through purchase of Viking Security AS shares. Trademark will be amortised during 7 years. Trademark has been fully amortised in 2021, but its use will continue.

Trademark at value of 1,911 thousand euros was acquired in 2020 through purchase of ABC Supermarkets AS shares. Trademark will be amortised during 7 years.

In 2021, Viking Security AS acquired from P.Dussmann Eesti OÜ its security services business in Estonia together with the assets and agreements belonging to it. Beneficial agreements at value of 120 thousand euros were acquired together with security services business. Beneficial agreements will be amortised during 7 years.

Trademark at value of 153 thousand euros was acquired in 2023 through purchase of AS Walde shares. Trademark will be amortised during 7 years.

Goodwill is allocated to cash generating units of the Group by the following segments:

in thousands of euros	31.12.2025	31.12.2024
Supermarkets	13,609	13,609
Car trade	3,156	3,156
Security	2,284	2,284
Total	**19,049**	**19,049**

The recoverable amount (based on value in use) was determined based on future cash flows for the next five years. In all units, it was evident that the present value of cash flows covers the value of goodwill and trademark as well as beneficial lease agreements and other assets related to the unit.

Note 12. Borrowings

in thousands of euros

	31.12.2025	31.12.2024
Short-term borrowings		
Overdraft	4,084	4,797
Bank loans	32,129	12,157
Lease liabilities	18,554	18,852
Other borrowings	8,769	8,630
Total short-term borrowings	**63,536**	**44,436**

in thousands of euros

	31.12.2025	31.12.2024
Long-term borrowings		
Bank loans	92,424	111,298
Lease liabilities	154,858	153,924
Other borrowings	9,660	14,736
Total long-term borrowings	**256,942**	**279,958**
Total borrowings	**320,478**	**324,394**

Borrowings received

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Overdraft	0	292	0	0
Bank loans	7,540	7,625	12,210	27,690
Other borrowings	855	3,648	5,955	10,463
Total borrowings received	**8,395**	**11,565**	**18,165**	**38,153**

Borrowings paid

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Overdraft	417	0	713	2,564
Bank loans	2,558	7,512	11,112	13,073
Lease liabilities	4,437	4,522	18,188	17,754
Other borrowings	2,256	2,737	10,892	9,240
Total borrowings paid	**9,668**	**14,771**	**40,905**	**42,631**

Bank loans are denominated in euros. Management estimates that the carrying amount of the Group's financial liabilities does not significantly differ from their fair value.
As of 31.12.2025, the repayment dates of bank loans are between 02.01.2026 and 07.05.2039 (2024: between 02.01.2025 and 07.05.2039), interest is tied both to 3-month and 6-month EURIBOR. Weighted average interest rate was 3.22% (2024: 4.60%).

Lease agreements that form lease liabilities have been concluded for the term until 01.09.2045. Lease liability recorded in the balance sheet is recognised as a result of adoption of IFRS 16. In discounting, an alternative loan interest rate has been used in concluding the contract or upon initial application of IFRS 16. Weighted average interest rate used was 2.97% (31.12.2024: 2.79%).

Net debt reconciliation
in thousands of euros

	31.12.2025	31.12.2024
Cash and cash equivalents (Note 2)	29,516	45,454
Short-term borrowings	-63,536	-44,436
Long-term borrowings	-256,942	-279,958
Net debt	**-290,962**	**-278,940**
Cash and cash equivalents (Note 2)	29,516	45,454
Gross debt – fixed interest rates	-173,412	-172,776
Gross debt – variable interest rates	-147,066	-151,618
Net debt	**-290,962**	**-278,940**

	Cash and cash equivalents	Overdraft	Borrowings	Lease liabilities	Total
Net debt 31.12.2023	**42,064**	**-7,361**	**-130,980**	**-169,336**	**-265,613**
Cash flow (principal and interest)	3,390	2,564	-8,092	22,924	20,786
Interest accrued	0	0	-7,748	-5,170	-12,918
New lease contracts	0	0	0	-10,510	-10,510
Revaluation of lease liabilities	0	0	0	-10,685	-10,685
Net debt 31.12.2024	**45,454**	**-4,797**	**-146,820**	**-172,777**	**-278,940**
Cash flow (principal and interest)	-15,938	713	9,438	23,970	18,183
Interest accrued	0	0	-5,600	-5,782	-11,382
Revaluation of lease liabilities	0	0	0	-18,823	-18,823
Net debt 31.12.2025	**29,516**	**-4,084**	**-142,982**	**-173,412**	**-290,962**

Note 13. Trade and other payables

in thousands of euros

	31.12.2025	31.12.2024
Trade payables	69,365	74,639
Payables to related parties (Note 20)	4,292	3,549
Other accrued expenses	315	629
Prepayments by tenants	2,109	2,664
Total financial liabilities from balance sheet line “Trade and other payables”	**76,081**	**81,481**
Taxes payable (Note 14)	13,102	13,883
Employee payables	11,097	11,399
Prepayments	4,540	4,065
Provisions for other liabilities and charges	135	169
Total trade and other payables	**104,955**	**110,997**

Note 14. Taxes

in thousands of euros

	31.12.2025		31.12.2024	
	Prepaid taxes	Taxes payable	Prepaid taxes	Taxes payable
Prepaid taxes	238	0	73	0
Value added tax	0	6,164	0	7,030
Personal income tax	0	1,962	0	1,943
Social security taxes	0	4,388	0	4,383
Corporate income tax	0	135	0	104
Unemployment insurance	0	281	0	278
Mandatory funded pension	0	172	0	145
Total taxes	**238**	**13,102**	**73**	**13,883**

As of 31.12.2025 deferred tax liability on dividends in the amount of 6,801 thousand euros (31.12.2024: 7,939 thousand euros) and deferred income tax liability arising from temporary differences in Lithuania in the amount of 92 thousand euros is recorded in the balance sheet.

Note 15. Share capital

As of 31.12.2025 and 31.12.2024, the share capital in the amount of 16,292 thousand euros consisted of 40,729,200 ordinary shares with the nominal value of 0.40 euros per share. All shares issued have been paid for. According to the articles of association, the maximum allowed number of shares is 100,000,000 shares.

In 2025, dividends were paid to the shareholders in the amount of 26,473 thousand euros, or 0.65 euros per share. Related income tax expense on dividends amounted to 7,824 thousand euros.

In 2024, dividends were paid to the shareholders in the amount of 29,324 thousand euros, or 0.72 euros per share. Related income tax expense on dividends amounted to 5,312 thousand euros.

Note 16. Segment reporting

The Group has defined the business segments based on the reports used regularly by the supervisory board to make strategic decisions.

The chief operating decision maker monitors the Group's operations by activities. By areas of activity, the operating activities are monitored in the department stores, supermarkets, real estate, car trade, beauty products (I.L.U.) and security segments. The measures of I.L.U. are below the quantitative criteria of the reporting segment specified in IFRS 8; these have been aggregated with the department stores segment because they have similar economic characteristics and are similar in other respects specified in IFRS 8.

The main area of activity of department stores, supermarkets and car trade is retail trade. Supermarkets focus on the sale of food products and convenience goods, the department stores on the sale of beauty and fashion products, the car trade on the sale of cars and spare parts. Among the others, in the car trade segment, cars are sold at wholesale prices to authorised car dealers. The share of wholesale trade in other segments is insignificant. The security segment main activity is providing security services solutions. The real estate segment deals with the development, management and maintenance of real estate owned by the Group, and with the rental of commercial premises.

The activities of the Group are carried out in Estonia, Latvia and Lithuania. The Group operates in all the five operating segments in Estonia. The Group is engaged in car trade and real estate development in Latvia and in Lithuania.

The disclosures of financial information correspond to the information that is periodically reported to the Supervisory Board. Measures of profit or loss, segment assets and liabilities have been measured in accordance with accounting policies used in the preparation of the financial statements, except for IFRS 16 measurement and recognition of right of use assets and lease liabilities which are shown in a separate sector. Main measures that Supervisory Board monitors are segment revenue (external segment and inter-segment revenue), EBITDA (earnings before interest, taxes, depreciation and amortisation) and net profit or loss.

in thousands of euros

IV quarter 2025	Super-markets	Depart-ment store	Car trade	Securi-ty	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**157,022**	**32,198**	**41,757**	**6,368**	**1,872**	**0**	**0**	**239,217**
Inter-segment revenue	245	1,283	76	1,742	3,886	-7,232	0	0
Total revenue	157,267	33,481	41,833	8,110	5,758	-7,232	0	239,217
EBITDA	**6,417**	**3,074**	**1,528**	**332**	**4,198**	**0**	**6,010**	**21,559**
Segment depreciation and impairment losses	-2,838	-749	-454	-127	-1,352	0	-4,993	-10,513
Operating profit	**3,579**	**2,325**	**1,074**	**205**	**2,846**	**0**	**1,017**	**11,046**
Finance income	196	216	0	1	278	-648	0	43
Finance income on shares of associates	0	165	0	0	0	0	0	165
Finance costs	-255	-505	-154	-27	-1,073	648	-1,573	-2,939
Income tax	-2,127	0	870	0	2,285	0	0	1,028
Net profit/(-loss)	**1,393**	**2,201**	**1,790**	**179**	**4,336**	**0**	**-556**	**9,343**
incl. in Estonia	1,393	2,201	2,130	179	3,127	0	-556	8,474
incl. in Latvia	0	0	-122	0	423	0	0	301
incl. in Lithuania	0	0	-218	0	786	0	0	568
Segment assets	**158,367**	**84,525**	**48,676**	**9,422**	**323,180**	**-83,163**	**156,968**	**697,975**
Segment liabilities	**104,831**	**57,238**	**20,703**	**6,899**	**122,540**	**-51,401**	**173,412**	**434,222**
Segment investments in property, plant and equipment	1,676	535	1,876	-40	3,124	0	0	7,171
Segment investments in intangible assets	6	382	2	0	0	0	0	390
Decrease in value through profit or loss (Note 10)	0	0	0	0	136	0	0	136
Increase in value through revaluation re-serve of property, plant and equipment (Note 10)	0	0	0	0	11,172	0	0	11,172
Fair value adjustment of investment property (Note 9)	0	0	0	0	440	0	0	440

in thousands of euros

IV quarter 2024	Super-markets	Depart-ment store	Car trade	Securi-ty	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**164,106**	**33,210**	**51,217**	**5,963**	**2,139**	**0**	**0**	**256,635**
Inter-segment revenue	255	1,216	90	1,598	3,675	-6,834	0	0
Total revenue	164,361	34,426	51,307	7,561	5,814	-6,834	0	256,635
EBITDA	**7,958**	**2,774**	**2,889**	**149**	**8,250**	**0**	**6,098**	**28,118**
Segment depreciation and impairment losses	-3,114	-780	-433	-172	-1,637	0	-5,352	-11,488
Operating profit	**4,844**	**1,994**	**2,456**	**-23**	**6,613**	**0**	**746**	**16,630**
Finance income	255	375	15	0	409	-967	0	87
Finance income on shares of associates	0	115	0	0	0	0	0	115
Finance costs	-510	-727	-215	-39	-1,511	967	-1,576	-3,611
Income tax	1,043	163	-525	0	-3,371	0	0	-2,690
Net profit/(-loss)	**5,632**	**1,920**	**1,731**	**-62**	**2,140**	**0**	**-830**	**10,531**
incl. in Estonia	5,632	1,920	1,712	-62	-1,508	0	-830	6,864
incl. in Latvia	0	0	27	0	3,681	0	0	3,708
incl. in Lithuania	0	0	-8	0	-33	0	0	-41
Segment assets	**161,352**	**87,057**	**54,592**	**10,211**	**321,962**	**-86,892**	**158,404**	**706,686**
Segment liabilities	**115,318**	**59,988**	**23,958**	**7,647**	**120,601**	**-55,130**	**172,776**	**445,158**
Segment investments in property, plant and equipment	1,730	946	521	129	3,046	0	0	6,372
Segment investments in intangible assets	0	405	0	2	1	0	0	408
Reversal of the impair-ment from previous years of property, plant and equipment through profit or loss (Note 10)	0	0	0	0	293	0	0	293
Fair value adjustment of investment property (Note 9)	0	0	0	0	2,429	0	0	2,429

in thousands of euros

12 months 2025	Super-markets	Depart-ment store	Car trade	Security	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**611,931**	**103,001**	**176,946**	**20,084**	**7,686**	**0**	**0**	**919,648**
Inter-segment revenue	1,122	5,093	337	6,524	14,986	-28,062	0	0
Total revenue	613,053	108,094	177,283	26,608	22,672	-28,062	0	919,648
EBITDA	**24,237**	**3,418**	**8,122**	**634**	**17,036**	**0**	**23,970**	**77,417**
Segment depreciation and impairment losses	-11,769	-3,165	-1,744	-591	-4,967	0	-20,259	-42,495
Operating profit	**12,468**	**253**	**6,378**	**43**	**12,069**	**0**	**3,711**	**34,922**
Finance income	801	1,012	44	1	1,164	-2,571	0	451
Finance income on shares of associates (Note 7)	0	297	0	0	0	0	0	297
Finance costs	-1,076	-2,064	-693	-85	-4,215	2,571	-5,782	-11,344
Income tax	-2,691	0	-1,390	0	-2,718	0	0	-6,799
Net profit/(-loss)	**9,502**	**-502**	**4,339**	**-41**	**6,300**	**0**	**-2,071**	**17,527**
incl. in Estonia	9,502	-502	4,083	-41	5,444	0	-2,071	16,415
incl. in Latvia	0	0	241	0	259	0	0	500
incl. in Lithuania	0	0	15	0	597	0	0	612
Segment assets	**158,367**	**84,525**	**48,676**	**9,422**	**323,180**	**-83,163**	**156,968**	**697,975**
Segment liabilities	**104,831**	**57,238**	**20,703**	**6,899**	**122,540**	**-51,401**	**173,412**	**434,222**
Segment investments in property, plant and equipment (Note 10)	4,075	1,540	2,620	439	14,801	0	0	23,475
Segment investments in intangible assets (Note 11)	110	1,345	17	3	0	0	0	1,475
Decrease in value through profit or loss (Note 10)	0	0	0	0	136	0	0	136
Increase in value through revaluation re-serve of property, plant and equipment (Note 10)	0	0	0	0	11,172	0	0	11,172
Fair value adjustment of investment property (Note 9)	0	0	0	0	440	0	0	440

in thousands of euros

12 months 2024	Super-markets	Depart-ment store	Car trade	Security	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**610,390**	**104,175**	**200,833**	**21,859**	**7,311**	**0**	**0**	**944,568**
Inter-segment revenue	1,144	4,861	395	6,580	14,640	-27,620	0	0
Total revenue	611,534	109,036	201,228	28,439	21,951	-27,620	0	944,568
EBITDA	**29,342**	**3,730**	**13,603**	**1,008**	**20,141**	**0**	**22,924**	**90,748**
Segment depreciation and impairment losses	-12,341	-2,903	-1,631	-641	-5,282	0	-20,376	-43,174
Operating profit	**17,001**	**827**	**11,972**	**367**	**14,859**	**0**	**2,548**	**47,574**
Finance income	1,119	1,651	58	2	1,693	-4,009	0	514
Finance income on shares of associates	0	281	0	0	0	0	0	281
Finance costs	-2,080	-3,099	-909	-139	-5,501	4,009	-5,170	-12,889
Income tax	-564	0	-1,615	0	-5,824	0	0	-8,003
Net profit/(-loss)	**15,476**	**-340**	**9,506**	**230**	**5,227**	**0**	**-2,622**	**27,477**
incl. in Estonia	15,476	-340	8,563	230	1,082	0	-2,622	22,389
incl. in Latvia	0	0	376	0	4,272	0	0	4,648
incl. in Lithuania	0	0	567	0	-127	0	0	440
Segment assets	**161,352**	**87,057**	**54,592**	**10,211**	**321,962**	**-86,892**	**158,404**	**706,686**
Segment liabilities	**115,318**	**59,988**	**23,958**	**7,647**	**120,601**	**-55,130**	**172,776**	**445,158**
Segment investments in property, plant and equipment	6,680	4,338	1,460	409	21,176	0	0	34,063
Segment investments in intangible assets	0	1,987	2	10	1	0	0	2,000
Reversal of the impair-ment from previous years of property, plant and equipment through profit or loss (Note 10)	0	0	0	0	293	0	0	293
Fair value adjustment of investment property (Note 9)	0	0	0	0	2,429	0	0	2,429

External revenue according to types of goods and services sold

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Retail revenue	214,439	228,179	818,028	828,905
Wholesale revenue	9,346	12,572	45,362	58,387
Rental income	2,885	3,143	11,831	11,385
Revenue for rendering services	12,547	12,741	44,427	45,891
Total revenue	**239,217**	**256,635**	**919,648**	**944,568**

External revenue by client location

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Estonia	213,855	232,279	821,611	847,095
Latvia	14,103	13,819	59,949	59,360
Lithuania	11,259	10,537	38,088	38,113
Total	**239,217**	**256,635**	**919,648**	**944,568**

Distribution of non-current assets* by location of assets

in thousands of euros

	31.12.2025	31.12.2024
Estonia	507,895	503,953
Latvia	20,354	25,239
Lithuania	13,536	2,906
Total	**541,785**	**532,098**

* Non-current assets, other than financial assets and investment in associate.

In the reporting period and comparable period, the Group did not have any clients whose revenue would exceed 10% of the Group’s revenue.

Note 17. Services expenses

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Rental expenses	191	277	754	839
Heat and electricity expenses	3,168	3,019	12,121	12,845
Expenses related to premises	2,932	3,048	11,526	11,322
Cost of services and materials related to sales	2,070	2,071	7,650	7,369
Marketing expenses	2,870	3,139	10,477	10,292
Other operating expenses	1,569	1,527	5,198	5,466
Computer and communication costs	2,292	2,094	8,884	8,340
Expenses related to personnel	1,378	1,377	5,044	5,030
Total services expenses	**16,470**	**16,552**	**61,654**	**61,503**

Note 18. Staff costs

in thousands of euros

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Wages and salaries	23,917	23,782	88,577	85,327
Social security taxes	7,552	7,568	27,865	26,914
Total staff costs	**31,469**	**31,350**	**116,442**	**112,241**
Average wages per employee per month (euros)	1,700	1,652	1,551	1,486
Average number of employees in the reporting period	4,690	4,798	4,759	4,785

Note 19. Earnings per share

For calculating the basic earnings per share, the net profit to be distributed to the Parent's shareholders is divided by the weighted average number of ordinary shares in circulation. As the Company does not have potential ordinary shares, the diluted earnings per share equal basic earnings per share.

	IV quarter 2025	IV quarter 2024	12 months 2025	12 months 2024
Net profit (in thousands of euros)	9,343	10,531	17,527	27,477
Weighted average number of shares	40,729,200	40,729,200	40,729,200	40,729,200
Basic and diluted earnings per share (euros)	0.23	0.26	0.43	0.67

Note 20. Related party transactions

in thousands of euros

In preparing the consolidated interim report of TKM Grupp AS, the following parties have been considered as related parties:

a. owners (Parent and the persons controlling or having significant influence over the Parent);
b. associates;
c. other entities in the Parent's consolidation group;
d. management and supervisory boards of the Group companies;
e. close relatives of the persons described above and the entities under their control or significant influence.

Parent company of TKM Grupp AS is OÜ NG Investeeringud (Parent company), operating in Estonia. Majority shareholder of OÜ NG Investeeringud is NG Kapital OÜ, operating in Estonia. NG Kapital OÜ is the ultimate controlling party of TKM Grupp AS.

The TKM Group has purchased and sold goods, services and non-current assets as follows:

	Purchases 12 months 2025	Sales 12 months 2025	Purchases 12 months 2024	Sales 12 months 2024
Parent	285	385	254	420
Entities in the Parent's consolidation group	32,260	4,771	32,486	4,887
Members of management and supervisory boards	36	97	0	88
Other related parties	105	10	98	24
Total	**32,686**	**5,263**	**32,838**	**5,419**

A major part of the purchases from the entities in the Parent's consolidation group is made up of goods purchased for sale. Purchases from the Parent are mostly made up of management fees. Sales to related parties are mostly made up of services provided.

Balances with related parties:

	31.12.2025	31.12.2024
Receivables from entities in the in the Parent's consolidation group	368	792
Total receivables from related parties (Note 4)	**368**	**792**

	31.12.2025	31.12.2024
Parent	41	26
Entities in the Parent's consolidation group	4,249	3,520
Other related parties	2	3
Total liabilities to related parties (Note 13)	**4,292**	**3,549**

Receivables from and liabilities to related parties, arisen in the normal course of business, are unsecured and carry no interest because they have regular payment terms.

Entities in the Parent company consolidation group are important suppliers for the Group.

For arranging funding for its subsidiaries, the Group uses the group account, the members of which are most of the Group's entities. In its turn, the Group as a subgroup is a member of the group account of NG Investeeringud OÜ (hereinafter head group). From 2001, TKM Grupp AS has been keeping its available funds at the head group account, earning interest income on its deposits. In 2025, the Group has earned interest income on its deposits of available funds in the amount of 367 thousand euros, interest rate 1.26% (2024: 412 thousand euros, interest rate 2.58%). As at 31. December 2025 and 31 December 2024, TKM Grupp AS had not deposited any funds through head group and had not used available funds of head group. According to the group account contract, the Group's members are jointly responsible for the unpaid amount to the bank.

Remuneration paid to the members of the Management and Supervisory Board

Short term benefits to the management boards' members of the TKM Group for the reporting period including wages, social security taxes, bonuses and car expenses, amounted to 3,187 thousand euros (2024 12 months: 3,248 thousand euros). Short-term benefits to supervisory boards' members of the Group in reporting period including social taxes amounted to 995 thousand euros (2024 12 months: 949 thousand euros).

The termination benefits for the members of the Management Board are limited to 3 to 6 month's salary expense.