EKSPRESS GRUPP

2024

Annual report

Interactive Online Report

AS Ekspress Grupp Annual Report can also be accessed online at:

http://2024-annual-report.egrupp.ee

As well as company information and an extensive financial section, the online report offers many extra features, including videos and additional web links.

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GENERAL INFORMATION

Beginning of reporting period	1 January 2024
End of reporting period	31 December 2024
Company name	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt 13, Tallinn 10151
Country of incorporation	Republic of Estonia
Phone	+372 669 8381
E-mail	egrupp@egrupp.ee
Homepage	www.egrupp.ee
Main field of activity	Publishing and related services (5814)
Management Board	Mari-Liis Rüütsalu
	Karl Anton
	Argo Rannamets (until 29. January 2025)
	Lili Kirikal (since 30. January 2025)
Supervisory Board	Priit Rohumaa
	Hans H. Luik
	Sami Jussi Petteri Seppänen
	Triin Hertmann
Auditor	KPMG Baltics OÜ

The Annual Report consists of management report, sustainability report, corporate governance report, remuneration report, consolidated financial statements, the Management Board's confirmation of the annual report, independent auditor's limited assurance report, independent auditor's report, proposal for profit allocation and declaration of the Management Board and Supervisory Board. The document comprises 175 pages.

MANAGEMENT REPORT

BRIEF OVERVIEW OF THE GROUP

Ekspress Grupp with its more than 30-year history is the leading media group in the Baltic States that owns seven media companies in Estonia, Latvia and Lithuania. In addition, the Group owns several portals and companies providing trainings and digital entertainment solutions. It organises cultural and sports as well as other events on socially important topics in all Baltic States. The key focus is to provide the best solutions to media consumers, advertising customers and cooperation partners using modern digital solutions and services.

- **Key activity:** production of journalistic content and sale of advertisements to digital platforms in all Baltic States. Publishing of newspapers, magazines and books in Estonia.
- **Key activities are supported by** IT development, solutions of audio-visual production, programmatic advertising.
- **Development of digital business lines:** At the end of 2024, digital products/services contributed 86% to the Group's total revenue (2023: 83%).
- Management of the **ticket sales platform** and **ticket sales sites** in Estonia and Latvia.
- Advertising sales on **digital outdoor screens** in Estonia and Latvia.
- Importance of organisation of **entertainment events, trainings and conferences** will increase.

The customers of Ekspress Grupp are divided into three major groups:

- Consumers of media content (both retail and business customers),
- Advertising buyers,
- Other private and legal customers that buy the services of group companies.

The shares of AS Ekspress Grupp have been listed on NASDAQ Tallinn Stock Exchange since 5 April 2007. The key shareholder is Hans H. Luik, whose ownership interest as the final beneficiary through various entities is 72.94%.

Ekspress Grupp in figures

- **Sales revenue** EUR 76.2 million (+4%)
- **The share of digital revenue of group's revenue** 86%
- **Digital subscriptions** in Baltics 238 thousand (+15%)
- **EBITDA** EUR 10.7 million (+4%)

STATEMENT OF THE CHAIRMAN OF THE MANAGEMENT BOARD

Mari-Liis Rüütsalu, Chairman of the Management Board

Dear shareholders, colleagues and partners,

The past year again reaffirmed the vital role of independent and financially self-sustaining journalism in our society. At a time of uncertainty prevailing in the world, our commitment to serving democracy through quality journalism is more important than ever.

Recognitions and challenges

The year was characterised by important global events: from the US presidential elections to the growing influence of social media platforms, where in the era of the noise created by artificial intelligence and the increasing merging of politics and business, fact-checking is being increasingly disregarded. These developments confirm the extraordinary importance of reliable, fact-based journalism in preserving an informed society.

The dedication of Ekspress Grupp's media publications to quality was recognised with numerous prestigious prizes in all Baltic States, from the Journalist of the Year title awarded by the Estonian Association of Media Companies to Vilja Kiisler, to several important recognitions for the journalistic work of our Latvian and Lithuanian colleagues. We are extremely proud of the success of our journalists: a more detailed list of the most important recognitions is provided in the chapter of this report "Media Recognitions and Awards in 2024".

Digital development and market situation

The journey of the digital transformation of Ekspress Grupp continues. In terms of digital subscriptions, we have managed to achieve a position in the global leadership group. Estonia's achievements are especially noteworthy – we can proudly say that we are at the top in the world in terms of digital news subscriptions. In addition to the solid work of our journalists, the high level of digitalisation among the Estonian people and the strong competitive situation in the journalism landscape have also contributed to this.

In 2024, the digital revenue of the Ekspress Grupp increased by 9%, and as a result, the share of digital revenue in the Group's total revenue was 86%. It already exceeds the 85% target set for digital revenue by 2026. Our success has led to growing international recognition – we are increasingly invited to share our digital transformation story at conferences around the world and several European media houses have visited us to gain experience.

The advertising market was controversial in 2024. While Lithuania achieved strong results, Latvia and Estonia faced challenges, as we saw in 2024 one of the steepest market declines in recent years. This was primarily due to the general economic slowdown in both countries – the economic recession continued in Estonia and Latvia, and consumer confidence remained low, directly impacting the advertising budgets of companies. However, our diverse revenue base helped us maintain stability, with digital outdoor advertising and ticket sales showing particularly robust growth.

Business diversification and investments

Our technology investments continued to pay off – the complete introduction of Delfi 2.0 platform in all countries will update our back-office architecture and create opportunities for the countries to cooperate and optimise content production costs. An important step was also the creation of a separate innovation and artificial intelligence department, the main focus of which is on making internal processes more efficient, making maximum use of group-wide synergies, and increasing product quality for consumers. This allows us to react even more quickly to the opportunities arising from the development of the artificial intelligence and to ensure the continuous development of our services and products according to the expectations of our users.

The extension of the digital outdoor network has significantly contributed to both revenue and EBITDA growth. While these investments with higher interest costs affected our net profit, they will help us achieve a stronger position in the future.

The success of the ticket business, especially in Latvia, showed the benefits of the diversification strategy. We have built a stable customer base with well-diversified concentration risks, benefiting both from the volume growth of events as well as inflation-related price adjustments.

The Group's expansion continued with strategic acquisitions in the conference business. UAB Kenton Baltic, acquired in Lithuania, will add two strong and well-known conference brands EBIT and HR Week to our portfolio. In Estonia, we strengthened our positions through Delfi Meedia, which acquired the business of the Estonian Training and Conference Centre, thereby expanding its activities in the training and conference market.

Social responsibility

Our commitment to supporting Ukraine remains solid. We will continue covering the war with the same intensity, regularly sending journalists to the scene, while understanding that it is not just news coverage, but part of our main mission to serve democracy.

In the era of growing cyber threats, we have significantly strengthened our security measures to protect platforms and data, as well as copyright issues. The largest media companies in Estonia, together with Ekspress Grupp, founded the Baltic Press Publishers Association for the collective representation of press publishers. The association will start promoting the interests of Estonian, Latvian and Lithuanian press publishers, related to the economic copyrights and copyright-related rights, including defining a fair market situation and working towards fair taxation of major platforms in target countries.

Strategy and future

Looking forward, we have set clear strategic targets until 2026. We have already surpassed one important goal – the share of digital revenue accounting for 85% of total revenue. The next major goal is to increase the number of digital subscriptions in the Baltic States to 340 000. This is an ambitious yet realistic goal, the achievement of which depends on only on us, but also on the development of the general economic environment.

Trust in our flagship Delfi continues to grow in all Baltic States. Behind the growing trust is our conscious work for high-quality journalism – whether it is investigative articles on corruption, in-depth coverage of war events in Ukraine or analysis of the risks and opportunities related to the development of artificial intelligence.

The media landscape continues to evolve rapidly, but our commitment to quality journalism, technological innovation and serving democracy remains unchanged. I would like to express my gratitude to our dedicated team whose work and commitment have made our achievements possible, and to our shareholders for their continued support.

Yours sincerely, Mari-Liis Rüütsalu

STRATEGY AND GOALS OF THE GROUP

Mission – to serve democracy

Our goals

- Produce award-winning content, appreciated by our readers and media experts alike
- Be the leading digital publisher in Baltics (in terms of digital subscriptions, user time spent and number of real users)
- Maintain our quality paper-based media products for the audiences who value this format
- To act with social responsibility in mind and build strong and trusted brands
- Increase the value of the company for our shareholders

Group strategy

Ekspress Grupp continues focusing on the organic growth of the existing digital business as well as finding opportunities to increase its business volumes through acquisitions. The Group's goal is to increase the company's value by creating a synergy between the new businesses acquired and current media operations.

In the digital media segment, we are implementing a strategy of rapid growth, the goals of which are market development and at the same time increasing market share. In the printed media, we monitor cost efficiency and offer the highest quality journalism in the market. The Group is strengthening its existing core businesses with investments in organic growth and also increases the share of digital revenues through other digital businesses that potentially offer good synergies with the media. The growth of both the media and the supporting digital businesses is supported by financially optimal distribution of investments, moderate use of leverage and dividend policy that takes into account the growth objectives.

To implement the Group's strategy, our goal remains production of award-winning content valued by our readers and media experts alike while being a leading digital publisher in the Baltic States both in terms of digital subscriptions, the time spent online and the number of actual users. We wish to continue providing high-quality printed media in the market for those readers who value this format.

The Group's long-term strategic financial targets set by the Supervisory Board are related to business growth, digitalisation, profitability, and ability to pay dividends. The targets are based on the changes in the operating environment, the competitive landscape, and the progress of the transformation strategy. The Group's long-term financial targets have been confirmed on 1 April 2022.

Ekspress Grupp long-term strategic financial targets

Target by end of 2026	2026 target	2024 actual	2023 actual	2022 actual	2021 actual
Digital subscriptions in Baltics	>340 000	238 182	207 328	146 608	130 731
Share of digital revenues	>85%	86%	83%	78%	76%
EBITDA margin	>15%	14%	14%	14%	15%
Dividend pay-out rate	≥30%	n/a	55%	37%	59%

GROUP'S BUSINESSES

Delfi Meedia AS / Estonia

Delfi Meedia produces the most up-to-date and versatile journalistic content in Estonia. The main channel for its distribution is the internet portal Delfi, which is visited by more than 700,000 weekly users. Delfi Meedia also publishes the flagships of newspapers (Eesti Ekspress, Maaleht, LP) and magazines (Maakodu, Eesti Naine, Tervis+, Oma Maitse, Anne&Stiil, Pere&Kodu, Kroonika) in Estonian media landscape. In 2021, new innovative ticket sales platform Piletitasku as a new business line was launched, and in the middle of 2024, Delfi Meedia entered the training business by acquiring the business operations of Eesti Koolitus- ja Konverentsikeskus. As of the end of 2024, Delfi Meedia has more than 114 thousand digital subscriptions, with this, Delfi Meedia belongs to the absolute top in the world considering the size of the market.

Delfi UAB / Lithuania

Delfi Lithuania has more than 1.4 million monthly users and 500 thousand daily real users. In 2024, Delfi Lithuania acquired two strong and well-known conference brands EBIT and HR Week.

Delfi A/S / Latvia

Delfi Latvia has been recognised as the most trustworthy and most beloved news media brand in Latvia, with more than 800,000 monthly users DELFI is a leading news media channel in Latvia, in both languages - Latvian and Russian.

Geenius Meedia OÜ / Estonia

Geenius Meedia manages precisely targeted media whose content is fact-based, understandable and useful. We are a noise-free and independent platform for talented authors, valued experts and ideas that make life better through science and technology.

Lrytas UAB / Lithuania

Lrytas.lt is one of the largest news portals in Lithuania, launched in 2006. The portal's mission is to collect and submit objective, reliable and operational information, prepare it and present it to various groups of society about current events in Lithuania and the world. Our vision is to be an advanced and leading online portal in Lithuania. The portal lrytas.lt is visited by an average of 410 thousand readers per day, and the monthly audience reaches 1.2 million real users. Lrytas.lt also has a video platform Lrytas.tv, where Lietuvos ryto TV content is hosted.

News agency ELTA UAB / Lithuania

News agency ELTA provides news from the Lithuanian and global press, informs about the upcoming events in Lithuania and is a reliable source of the content for national and regional press, radio stations, TV channels.

Biļešu Paradīze SIA / Latvia

Biļešu Paradīze operates the electronic ticket platform (bilesuparadize.lv) and box offices to organise the sale of tickets to various entertainment events on behalf of event organisers. The company has provided online ticket distribution for more than 15 years and is the leading ticket service providers in Latvia.

Õhtuleht Kirjastus AS / Estonia

Õhtuleht Kirjastus publishes Estonia's largest daily newspaper Õhtuleht and news and entertainment portals with over 400,000 monthly users. In addition to the newspaper Õhtuleht and web portals, Õhtuleht Kirjastus's portfolio includes a selection of weekly and monthly magazines beloved by readers, as well as a crossword portfolio consisting of almost ten publications. Õhtuleht Kirjastus has a total of over 90,000 subscriptions, more than a quarter of which are digital subscriptions. In 2020, Õhtuleht won the Bonnier, the highest award for investigative journalism, and Õhtuleht has also been among the nominees for the Bonnier award in 2021 and 2022. It also won the title of Estonia's best news of 2021 and best feature story of 2023.

Digital Matter UAB / Estonia, Latvia, Lithuania

Digital Matter is the largest online advertising network in the Baltic States that offers modern programmatic advertising, audience and campaign optimisation.

Altero SIA / Estonia, Latvia, Lithuania

Altero is a leading financial comparison platform in the Baltics, in which Ekspress Grupp has 25.5% ownership. Altero started its operations in Latvia in 2016, in Lithuania in 2019 and in Estonia in 2020. By now, more than 100,000 Altero clients have compared financial offers - loans, business loans.

Kinnisvarakeskkond OÜ / Estonia

Kinnisvarakeskkond, in which Ekspress Grupp has 49% ownership, develops a modern real estate portal Kinnisvara24.ee in co-operation with local real estate agencies.

D Screens Estonia OÜ / Estonia

D Screens Estonia is a fast-growing outdoor media company that builds and operates well-positioned digital outdoor screens in several cities across Estonia. As of 31 December 2024, there are 47 outdoor screens in Estonia.

D Screens SIA / Latvia

D Screens is a fast-growing outdoor media company that builds and operates well-positioned digital outdoor screens in several locations across Latvia. As of 31 December 2024, there are 109 outdoor screens in Latvia.

Hea Lugu OÜ / Estonia

Hea Lugu is a book publishing company. Hea Lugu publishes both original and translated fiction, history books, autobiographies and memoires, books for children, reference books and practical handbooks. Hea Lugu operates trademarks Maailm ja Mõnda, 100 Rooga, Õhtuõpik and Raamat24. Books are also published in e- and audio formats.

A detailed list of the entities that are part of the Group structure is disclosed in Note 1 to the consolidated financial statements.

OUR BRANDS

Digital Matter
altero.ee
ELTA
BILEŠU PARADĪZE
Ds dscreens.ee
Ds dscreens.lv
HEA LUGU
Lrytas
KINNISVARA 24
geenius
Digiread
Õhtuleht Kirjastus
Delfi
Eesti Päevaleht
EESTI EKSPRESS
Maaleht
Kroonika
EESTI NAINE
anne & stiil
PERE ja KODU
MAAKODU
Oma Maitse
Tervis Pluss
piletitasku
Õhtuleht
Tiiu
Naisteleht
Naisteleht 55+
tv teleleht
Eesti Mets
Kalale!
LOODUSES
EESTI KOOLITUS- JA KONVERENTSIKESKUS
EBIT
#HR Savaitė Lietuva

DIGITAL MEDIA COMPANY

Karl Anton, Chief Innovation Officer of the Group

The year 2024 has been a year of continued digital growth for Ekspress Grupp. The number of the Group's digital subscriptions increased by 15%, reaching 238 182 subscriptions, and the share of digital revenue reached 86% of the Group's total revenue (2023: 83%).

Digital subscription growth in the Baltics

Digital subscriptions are the foundation of the Group's long-term stability, providing predictable and recurrent revenue flow even in more difficult times. The results of the year 2024 confirm the correctness of this strategy - even in the conditions of economic slowdown, the growth of digital subscriptions and the related revenue have remained stable.

The progress made has varied from country to country, but it has consistently been positive.

- In Estonia, Delfi Meedia continued strong growth, increasing the number of its digital subscriptions by 12% to 114 631 subscriptions. Õhtuleht Kirjastus increased the number of its digital subscriptions by 2% to 25 257 subscriptions and Geenius Meedia by 5% to 7356 subscriptions.
- In Latvia, Delfi was exceptionally successful, increasing the number of its digital subscriptions by 33% to 35 082 subscriptions.
- In Lithuania, strong progress was also evident – the number of Delfi's digital subscriptions increased by 11% to 44 170 subscriptions and Lrytas achieved 84% growth, reaching 11 686 subscriptions.

Global digital trends

During the year, the global digital media landscape was shaped by three key trends. Firstly, the artificial intelligence revolution, which has brought new opportunities for content creation, automation of workflows, and personalisation of user experience. Secondly, the rise of short-form videos, as shown by the growing popularity of TikTok, Instagram Reels, YouTube Shorts, and others. It has also forced traditional media companies, including the Ekspress Grupp, to adjust their content strategy. Thirdly, people's media consumption habits are changing, requiring media companies to be flexible in adapting their business models.

The development of business models is also significant. Revenue diversification has become increasingly important - in addition to traditional advertising, the company is looking for new sources of revenue through subscriptions, membership status, events and e -commerce. The importance of first-party data is increasing, allowing for personalised experiences and targeted marketing. The application of artificial intelligence in optimising content recommendations, marketing processes, and pricing strategies has become widespread.

Cyber security in digital business

With the growth of digital revenue, cyber threats are increasing, and cybersecurity has become an increasingly critical area for media companies. Ensuring security involves three main challenges facing the sector.

Subscriber data protection has become one of the key issues for media companies relying on digital subscriptions. More attention is being paid to security measures which would ensure secure handling of personal data and payment information, and compliance with data protection regulations.

The development of artificial intelligence has brought new challenges in detecting and preventing misinformation. Media companies are increasingly actively looking for solutions to help ensure the integrity of journalistic content and detect fake content. The security of content management systems has become particularly important in connection with the new risks associated with the development of artificial intelligence.

Digital revenue protection is also a growing trend. Media companies are increasingly contributing to fighting advertising and click fraud, and ensuring the security of payment solutions. These measures have become critical in ensuring the stability of both advertising and subscription revenue.

Technological innovation and new services at Ekspress Grupp

The year 2024 brought significant technological advancements. The complete implementation of the Delfi 2.0 platform across all Baltic States has modernised our back-office architecture and created new opportunities for the countries to cooperate. The new innovation and artificial intelligence department will focus on making internal processes more efficient and maximising cross-group synergies.

The digital development of the Group also extends to other business areas where we are looking for opportunities to increase efficiency through new technologies and services. The expansion of the digital outdoor screen network has significantly contributed to both the revenue and EBITDA growth, and the ticket business has shown particularly strong results in Latvia, where we have built a stable digital customer base. Strategic acquisitions made in the conference business - UAB Kenton Baltic in Lithuania and the business of the Estonian Training and Conference Centre – will create new opportunities for developing digital services and diversifying the revenue base. These steps support our goal of reducing reliance on traditional revenue while growing the digital business sector.

As a result of these developments, we have already surpassed one of our strategic goals - the share of digital revenue in total revenue has grown to over 85%. The next big goal is to increase the number of digital subscriptions in the Baltic States to 340 000 by 2026. This is an ambitious but realistic goal, towards which we are consistently moving across all markets.

One of Ekspress Grupp's strategic goal is to increase the volume of digital subscriptions in the Baltic States to 340 000 subscribers by the end of 2026

KEY EVENTS AND DEVELOPMENTS IN 2024

JANUARY

- The results of digital subscriptions for the 4th quarter of 2023 were published. The number of digital subscriptions in the Baltic States was 41% higher than a year earlier (4th quarter: 15%) and totalled 207 328 at the end of December 2023.
- Delfi Meedia announced that from April 2024, Eesti Päevaleht will be published in a new format: daily as a digital edition within Delfi portal and on Fridays, as a week-end print edition LP which publishes longer and more comprehensive articles. The trademark of Eesti Päevaleht will remain as part of Estonian journalism. This change is due to a change in the habits and preferences of readers, which has led to a decrease in the number of subscribers of printed publications and an increase in the popularity and reliability of digital media.

FEBRUARY

- Delfi Meedia organised for the third time the Eesti Päevaleht Energy Conference with the subtitle "Everything depends on the direction of the wind", in addition, the conference was broadcast online. The event received very good feedback from the participants.

- Consolidated unaudited interim report for the 4th quarter and 12 months of 2023 was published. Driven by digital revenue growth, the revenue increased by 14% in 2023, and the Group earned a profit of EUR 3.7 million. The share of digital revenues was 82%.

MARCH

- There were changes in the Supervisory Boards of significant subsidiaries of AS Ekspress Grupp at the beginning of March 2024. Argo Rannamets, a member of the Management Board of Ekspress Grupp, became a new member of AS Delfi Meedia Supervisory Board. The Supervisory Board of Delfi Meedia will continue in a composition of four members: Hans Luik (the Chairman), Mari-Liis Rüütsalu, Karl Anton and Argo Rannamets. Argo Rannamets also became a new member of the Supervisory Board of the Latvian subsidiary A/S Delfi and the Lithuanian subsidiary UAB Delfi. Hans Luik left the Supervisory Board of A/S Delfi, and the Supervisory Board will operate in the following composition: Mari-Liis Rüütsalu (the Chairman), Karl Anton and Argo Rannamets. The Supervisory Board of UAB Delfi will operate in a composition of four members: Mari-Liis Rüütsalu (the Chairman), Hans Luik, Karl Anton and Argo Rannamets.

APRIL

- The results of digital subscriptions for the 1st quarter of 2024 were published. The number of digital subscriptions in the Baltic States was 31% higher than a year earlier (Q1: 2%) and totalled 210 999 at the end of March.
- Consolidated unaudited interim report for the 1st quarter of 2024 was published. The revenue reached EUR 16.2 million, decreasing by 3% year-on-year. The Group earned a net loss of -1.2 million euros (-67%) due to seasonality and the weak economic environment. The share of digital revenues was 84%.

MAY

- The supervisory board of AS Ekspress Grupp has in accordance with clause 5.9 of the articles of association and the resolutions of the general meeting of shareholders from 04.03.2024 decided to increase the share capital of the company by 97 500.60 euros from EUR 18 478 104.60 to EUR 18 575 605.20, by issuing 162 501 new common shares with the nominal value of EUR 0.60 per share in connection with realisation of the employees' share option program.

- On 3 May 2024, the Annual General Meeting of the Shareholders of AS Ekspress Grupp was held, where the 2023 annual report and the proposal for distribution of profits were approved. According to the proposal AS Ekspress Grupp distributed dividend of 6 euro cents per share on 22nd May 2024.
- According to the decision of the Lithuanian Competition Council of December 22, 2023, AS Ekspress Grupp submitted a merger control notification to the Lithuanian Competition Council in connection with the acquisition of UAB Lrytas. The Lithuanian Competition Council started the merger control procedure on May 15, 2024.
- A unique and very strong Ukrainian investment conference was held, where we collaborated with the Ministry of Foreign Affairs, the Ministry of Defence and the Ministry of Climate.

- Kroonika magazine hosted spectacular Entertainment Awards, which was broadcast live by TV3. Kroonika magazine awards have a very important place among the stars.

JUNE

- Delfi Meedia AS, a wholly-owned subsidiary of AS Ekspress Grupp, and AS Õhtuleht Kirjastus, its joint venture with a 50% ownership interest, together with AS Postimees Grupp and AS Äripäev, signed the agreement to establish the Baltic Press Publishers' Collective Management Organisation, a collective management organisation of news media publishers. The association will promote the interests of Estonian, Latvian and Lithuanian press publishers, and exercise their economic copyrights and related rights.
- Delfi Meedia AS entered into the contract for the acquisition of business operations of OÜ Eesti Koolitus- ja Konverentsikeskus from 1 July 2024. The acquisition aims to facilitate Delfi Meedia's expansion into Estonia's training and conference business market. Ekspress Grupp identifies significant growth potential and opportunities for synergy with the Group's existing operations.

JULY

- The results of digital subscriptions for the 2nd quarter of 2024 were published. The number of digital subscriptions in the Baltic States was 27% higher than a year earlier (Q2: 5%; 6 months 7%) and totalled 222 558 at the end of June.

- Consolidated unaudited interim report for the 2nd quarter and 6 months of 2024 was published. The revenue increased to 19.6 million euros (+6% vs. Q2 2023) and net profit to 1 million euros (+67%). The share of digital revenues reached as much as 90%.

AUGUST

- CEO of Latvian Delfi Konstantins Kuzikovs will step down from his position on August 23, 2024. Until a new chairman is elected, board member Maira Meija will assume his duties.

SEPTEMBER

- The international basketball tournament Epicbet Cup was held, which also received positive attention outside Estonia.

OCTOBER

- The results of digital subscriptions for the 3rd quarter of 2024 were published. The number of digital subscriptions in the Baltic States was 24% higher than a year earlier (Q3: 0%; 9 months 7%) and totalled 222 611 at the end of September.
- AS Ekspress Grupp announces, that Argo Rannamets, the financial director and a member of the Management Board of AS Ekspress Grupp, will leave the company at his own request on January 29, 2025. Until the new board member is elected, the Group's Management Board will continue with two members: Mari-Liis Rüütsalu (Chairman of the Board) and Karl Anton. Starting from January 30, 2025, Lili Kirikal will become as a new member of the Management Board and the Chief Financial Officer.
- Consolidated unaudited interim report for the 3rd quarter and 9 months of 2024 was published. The revenue increased to 16.8 million euros (+2 percent vs. Q3 2023), but net profit fell to 0.3 million euros (-68%). The share of digital revenues was 89%.

NOVEMBER

- AS Ekspress Grupp announces, that Argo Virkebau, the Chairman of the Management Board and CEO of AS Delfi Meedia – the subsidiary of AS Ekspress Grupp –, will leave the company at his own request on December 31, 2024. Argo Virkebau has been working as CEO and the Chairman of the Management Board at Delfi Meedia since 2018.

- The Supervisory Board of AS Delfi Meedia has elected Erik Heinsaar, the long-time CEO of AS Õhtuleht Kirjastus, as a new member of the Management Board until December 31, 2027. Therefore, starting from January 1, 2025, the Management Board of AS Delfi Meedia will be as follows: Erik Heinsaar (Chairman of the Board), Piret Põldoja, Sander Maasik, Tarvo Ulejev, Erle Laak-Sepp and Urmo Soonvald.
- The Supervisory Board of A/S Delfi, the subsidiary of AS Ekspress Grupp in Latvia, has elected Jānis Grīviņš as a new Chairman of the Management Board. Jānis Grīviņš will assume the duties of CEO. Therefore, starting from January 2, 2025, the Management Board of A/S Delfi will be as follows: Jānis Grīviņš (Chairman of the Board), Maira Meija and Filips Lastovskis.
- There was a witty and up-to-date play "In firm hands. Mass of the Reform Party", offering a bold and critical look at the Estonian political landscape.

DECEMBER

- UAB Delfi, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of 100% of shares in the company UAB Kenton Baltic from Dainius Baltrusaitis and Arturas Laucius. UAB Kenton Baltic carries out activities related to organisation of conferences in Lithuania and Latvia. It's flagship, the business conference named EBIT brings together industry leaders and experts to share insights, discuss trends, gathering more than 2000 yearly attendees per both countries. Another popular conference named HR Week is dedicated to human resources management and leadership with 2300 yearly visitors. The acquisition of UAB Kenton Baltic is an organic step in Ekspress Grupp's strategy with the main goal of growing the conference business line. The investment aims to establish UAB Delfi as a very important provider of industry-specific conferences, boosting Delfi brand, fostering business relationships, and creating new revenue streams. This initiative will increase UAB Delfi conference-related revenue and strengthen industry presence, supporting strategic goal of expanding market visibility and creating new business opportunities.

- The Supervisory Board of AS Delfi Meedia, the subsidiary of AS Ekspress Grupp, decided to extend the powers of the Management Board member Urmo Soonvald until January 31, 2028. The Management Board of Delfi Meedia continues in former composition until December 31, 2024: Argo Virkebau (Chairman of the Board), Erle Laak-Sepp, Tarvo Ulejev, Urmo Soonvald, Piret Põldoja and Sander Maasik. From January 1, 2025, the Chairman of the Management Board is Erik Heinsaar.

MEDIA DISTINCTIONS AND AWARDS IN 2024

ESTONIA

In February 2024, the winners of the **2023 journalism awards** were announced. They included several employees and publications of Ekspress Grupp:

- The journalist of the joint editorial office of **Delfi** and **Eesti Päevaleht, Vilja Kiisler,** won the grand prize of the Estonian Association of Media Companies – Journalist of the Year 2023. She was recognised for covering a large variety of topics and her excellent interviewing skills.

- Private individuals with a background in journalism, Hans H. Luik, Igor Rõtov and Jüri Ehasalu granted the Young Journalist Award. The young journalist of 2023 is the journalist of **Eesti Ekspress, Ekvard Joakit**.

- The award for investigative journalism of the Swedish media group and newspaper Äripäev was shared: the winners are (i) the articles published by Estonian Public Broadcasting, which triggered and intensified the so-called eastern export scandal and (ii) the articles published in **Eesti Päevaleht** and **Eesti Ekspress**, which for the first time exposed the real behind-the scenes activities of the Slava Ukraini donation scandal and showed to whom, how and how much money was transferred. The authors of the articles are **Holger Roonemaa, Herman Kelomees, Matthias Kalev, Anna Mõrunjuk** and **Martin Laine.** The articles were published on 15 April "**Wealthy Deputy Mayor of Lviv, nail technician and the "person of the year" of Estonia. The million-euro secret of Slava Ukraini"** and on 19 May **""Somebody needs to keep watch so that she does not rob good people." How under the management of Johanna-Maria Lehtme the charity of Slava Ukraini became a business."**

- With the Estonian Association of Press Photographers, the best video award was granted to **Aleksander Algo, Daniel Leevik, Jasper Käänik** from **Delfi Meedia** for their video **"Serial protesters."**

- The journalists of **Õhtuleht**, **Risto Berendson**, **Helen Mihelson** and **Kadri Kuulpak** wrote the best feature article. The articles were published in October, and they were **"BIG SURVEY OF ÕHTULEHT: every fourth medical graduate disappears," "WHERE HAVE ALL THE DOCTORS DISAPPEARED? | New Medical Director of the North Estonia Medical Centre: we compete with the Finns every single day," "WHERE HAVE YOUNG DOCTORS DISAPPERED? | Half-jokingly saying, there is a hierarchy at the hospital: a doctor, a nurse, all kinds of hospital employees, a stool and then a medical student**."

LATVIA

- Delfi Latvia **won the most Loved media brand** prise in Latvia and in Baltics.

- **Olga Dragiļeva**, host of **Delfi**'s investigative journalism show **"Kāpēc"**, and **Andris Auzāns**, host and producer of the daily news **"Spried ar Delfi"**, received incentive awards in the category "hosts of on-demand audiovisual services" at the "Latvian Media Language Award" event organised by the The National Electronic Mass Media Council (NEPLP) and the Latvian State Language Center (VVC).

- In celebrations of Delfi 25 anniversary, special award for professionalism from the Baltic Media Excellence Center was received by **Delfi**'s journalist **Laine Fedotova**. The Baltic Media Excellence Center, which cares for and helps media develop and grow, provided Laine Fedotova with the opportunity to travel to Italy next spring and participate in an international journalism festival. Presenting the award to Laine, Gunta Sloga, the head of the Baltic Media Excellence Center, described her as "journalist, who thoroughly digs into every uncomfortable topic that falls into her hands."

- The Latvian Journalists Association's "**Excellence Awards 2024**" were presented. In the "Interview and features" category the award was received by **Olga Dragiļeva** for her interviews in the Delfi's investigative journalism show **"Kāpēc".**

- The **Normunds Naumanis Annual Award in Art Criticism** was received by poet, film and literary critic, and "Delfi" freelance author **Aivars Madris**. Prize was received specifically for content created for Delfi.

- In the celebrations of Delfi 25 anniversary, there were also audience, readers voting for their most favourite author. All together approx. 14k votes. The third most popular author was national news editor **Kārlis Arājs**. Honourable second place was taken by **Alina Lastovska**, a journalist who hosts Delfi's investigative journalism show **"Kāpēc"**. As the creator of this program, ex host and journalist of this Delfi's show Olga Dragiļeva, said, that Alina is one of the most knowledgeable journalists in Latvian political journalism. With a margin of only 32 votes, the audience recognised **Jānis Sildniks**, the creator of the podcast **"Science or bullshit"** and the head of the Delfi's Social Media Department, as the favourite content creator at "Delfi" in 2024.

- On the annual **Three Star Awards** were presented at the Riga Circus, honouring the outstanding figures in Latvian sports in 2024. The award for the most outstanding achievement in sports journalism, traditionally determined annually by the jury of the Arturs Vaiders Foundation, was received by the Delfi's sports department team of five authors, who created the article series **"Paralympic Business"** last fall - **Jānis Freimanis, Selīna Puķe, Almants Poikāns, Jānis Bendziks** and **Ingmārs Jurisons**.

LITHUANIA

- At the annual award ceremony organised by the Lithuanian Ministry of Finance and the Lithuanian Journalists' Union, a **special award** was presented to **Delfi** for its coverage of a wide range of topics and issues.

- **Dainius Sinkevičius**, a special correspondent for Delfi, was honored with the Sharpest Shot Award at the Vilnius Journalists' Forum for his impactful coverage of topics concerning crimes against children that resonated throughout Lithuania.

- **Tomas Janonis**, a special correspondent for Delfi, was awarded the Insight Award at the Vilnius Journalists' Forum for his outstanding coverage of topics exposing how public access to state-owned territories is increasingly restricted and others.

- At the "Tourism Success Awards" organised by "Keliauk Lietuvoje" **Orijus Gasanovas**' show "Orijus' Holidays in Lithuania" was named the most successful media project promoting travel to or within Lithuania.
- **Tomas Janonis** was named the winner of the 2024 Journalists' Creative Competition "Man and the Environment."

- Delfi's investigative journalism was recognised this year with two prestigious awards at the "Paparazzi" forum organised by communication agency Publicum. Special correspondent **Dainius Sinkevičius** received the "For Courage" award, while his colleague **Tomas Janonis** was honored with the "For Investigations" award.

- The international free press organisation "Free Press Unlimited," which supports media and journalists worldwide, announced the twenty winners of the 2024 Collaborative Journalism Fellowship. Among them was **Vytautė Merkytė**, editor of *Delfi Plius*.

SIGNIFICANT TOPICS RAISED BY THE MEDIA IN 2024

The media outlets of Ekspress Grupp place great value on raising important issues in society and cover them thoroughly for the purpose of launching positive changes. Our journalists covered a wide range of topics that resonated strongly in society, from the change of government to the rise and fall of an investment guru, as well as complex court cases and security issues. Entertainment topics were also not overlooked. The following topics and initiatives are worth highlighting in 2024.

ESTONIA

- **Eesti Ekspress** published an in-depth article about **the suspicious and questionable activities of the Minister of Justice Kalle Laanet**, that awarded the **Bonnier Prize** to our journalists **Märt Belkin, Holger Roonemaa,** and **Oliver Kund.**

- **Marta Vunš** and **Artur Izumrudov**, journalists of Rus.Delfi published a series of articles on **the influence of Telegram on Estonian security and the Russian strategic sabotage in Europe.**

- Our journalist **Tuuli Jõesaar** published an investigative article on the popular Swedish television series about **the sinking of ferry Estonia**, for which she was nominated for the best article of the year award.

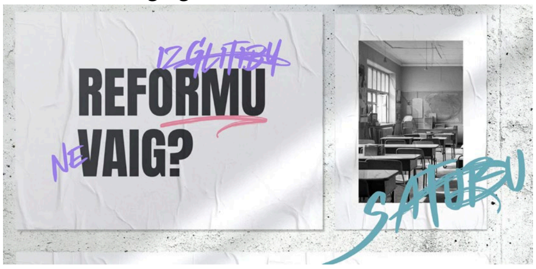
- During 2024 European Parliament election, we created positive impact and success through wide coverage of topics, including **a debate tournament event for politicians**.

- **Geenius Meedia** wrote their most popular investigative article about **the problems of B-category driver's license state exams.**

- During 2024, we have remained **the largest broadcaster and reporter of Estonia's local basketball competitions** and **media partners for Rally Estonia.**

LATVIA

- **Delfi Latvia** analytical series **"Reformu Vaig?"** ("Would you like (to have) the reform", misspelled intentionally to paraphrase a culturally popular expression) examined Latvia's education system, exposing inefficiencies in school networks, teacher shortages, and weak policymaking. Through expert insights and data analysis, it emphasised the need for clear evaluation criteria, better teacher support, and structured reforms. The series sparked public debate and led Delfi to submit its findings to the Latvian Parliament, urging action.



- **Delfi Latvia** made **a live text coverage of the U.S. presidential election in 2024** which attracted over 200 000 readers. The multimedia approach featuring interviews, social media updates, images, videos, and data tables offered an engaging and dynamic experience. The fast-paced reporting provided real-time analysis, making it one of Latvia's most in-depth election coverages and reinforcing Delfi as a key source for international news.

- **Delfi Latvia** published analytical piece on inclusive volunteering in sports led to change, prompting the Latvian Basketball Association to involve people with disabilities as volunteers at a national team game. Inspired by discussions in "Parasporta bizness" ("Business of parasport"), the initiative was organised by Apeirons, NGO advocating for people with disabilities. Even initial sceptics recognised its success. Delfi Latvia's reporting not only highlighted this milestone but also helped expand accessibility efforts in sports.

LITHUANIA

- Special correspondent of **Delfi Lithuania, Tomas Janonis** wrote about **a scandalous event of Foxpay**.

The investigation found that the price of Foxpay's services for the public sector is significantly higher than for private clients. The Public Procurement Service carried out an assessment and found that the state has significantly overpaid for Foxpay's services. According to the Authority, the end-users overpaid for Foxpay's inadequate prices. Following the Janonis' investigation, the State Agency for Digital Solutions abandoned Foxpay's services.

- Following a Delfi Lithuania investigation, **a house illegally built by businessman Antanas Bosas in Vilnius district was demolished.** The courts ruled that the municipality had issued an illegal building permit. The courts annulled the permit and ordered the house to be demolished. Already back in 2017, **Tomas Janonis**, our special correspondent for Delfi Lithuania, wrote that the construction of the house was illegal because it is forbidden to build residential houses in the forest.

- In 2024, **Delfi Lithuania uncovered and ignited a series of corruption investigations**. Our journalist **Vytenis Miškinis** discovered insights on a well-known business celebrity in Lithuania, who has presented himself as a business genius, however, the investigation shows the reality is much different: delayed projects, unhappy clients, unfulfilled promises, strange bankruptcies, court defeats and prosecutor's investigations. People who have come into contact with him suspected serious corruption, but the authorities did not look too deeply into it. The article was followed by an investigation by the police, which resulted in the arrest in March 2024.

COOPERATION PROJECTS THAT DESERVE TO BE HIGHLIGHTED IN 2024

We contribute more broadly to the development of the society through various cooperation projects. As a Group, we have expanded our business into event management, and also focus on sustainability issues, as part of our goal to be advocates for sustainable development issues.

ESTONIA

- In 2024, a collaboration with the **University of Tartu** began, where **Delfi Meedia journalists teach journalism students about modern web journalism**. The course's contact sessions take place in Tartu, while seminar days are held in Tallinn at the Delfi editorial office. The course focuses the development of digital media, communication processes in the media organisation, journalistic ethics and workshops on practical journalism.
- In 2024 **Delfi Meedia** and **Eesti Päevaleht** organised **the annual energy sector conference with a focus on future of the Estonian energy sector**, including energy prices and energy security of supply and cleaner environment.

- In 2024 **Geenius Meedia** organised two public debate/ stand-up **event Evening with Geenius**, where executives of start-up companies openly talked about their success stories, failures, mental health and the impact of business on private life. The similar format is expected to continue in 2025.

LATVIA

- **Delfi Latvia** partnered with Junior Achievement Latvia organisation **to educate students about journalism and the vital role of news media**.

- **Delfi Latvia** also collaborated with several conferences, one of them being **EBIT**, to emphasise the importance of news media subscriptions and their impact on quality journalism.

LITHUANIA

- In 2024, **Delfi Lithuania** became the proud member of **LAVA** (Lithuanian Responsible Business Association). LAVA is a national sustainable business ecosystem builder, uniting companies and organisations, as well as sustainability experts and enthusiasts. It aims to promote sustainable business development, create partnerships, strengthen competencies and bring together sustainability specialists. The Lithuanian Responsible Business Association unites 45 companies and organisations that care about environmental protection, social responsibility, good corporate governance practices, as well as 6 sustainability experts and enthusiasts.

- In 2024, **Delfi Lithuania** continued with **an annual sustainability conference** targeted at enterprises. The conference is focused on Lithuanian and foreign experts sharing their experience and knowledge in the integrated management of ESG, including the measuring of environmental impact and setting reduction targets. Most significant debates were broadcast also in Estonia and Latvia.

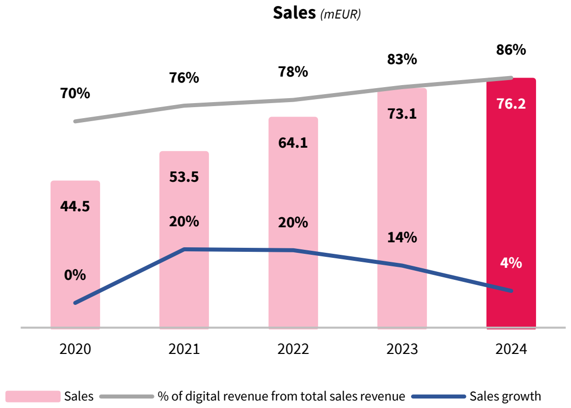
- During 2024, **Lrytas** organised four major projects/conferences. **Švietimo kodas**, the biggest educational conference in Lithuania focuses insights on the education situation, necessary changes, and how everyone can contribute to it. The largest practical security conference in Lithuania, **"Security Code"**, was organised in collaboration with the Ministry of National Defence and Vilnius Gediminas Technical University, sharing insights and advice on defence, psychological resilience, physical, cyber and economic security. Additionally, **Business Gene** and **My Space** were organised.

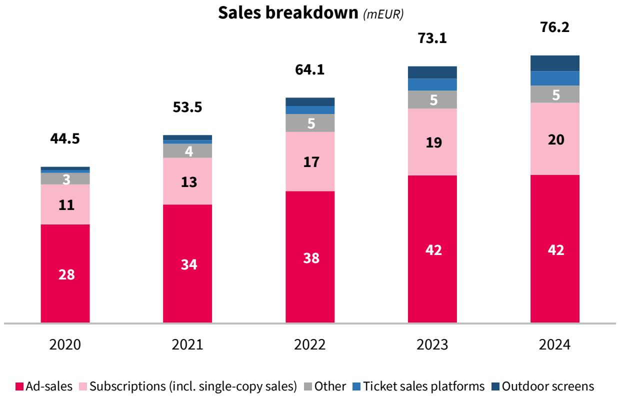
- In the end of 2024, **Delfi Lithuania** acquired the leading conference organiser in Lithuania, Kenton Baltic, gaining the rights for organising the biggest business conference **EBIT** and biggest HR conference **HR Week**. The organisation of the conferences allows combine both Delfi Lithuania’s and Delfi brand’s strong media visibility with new conference brands and experience in organising business conferences, Delfi is able to create a unique platform for knowledge sharing and networking across the Baltic region.

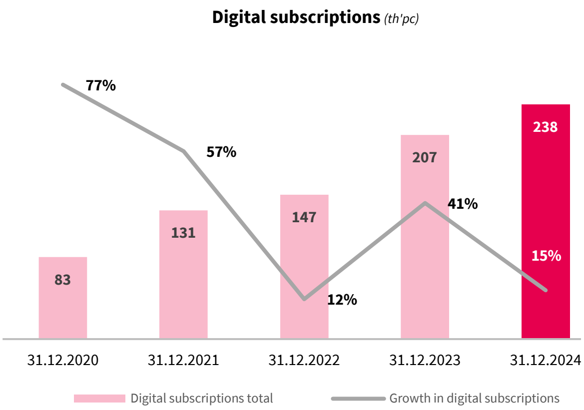
BUSINESS OPERATIONS

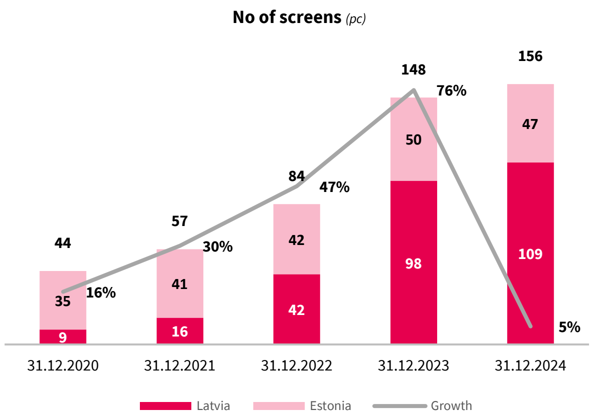
SUMMARY OF THE RESULTS

The following information is presented only for continuing operations unless otherwise stated.



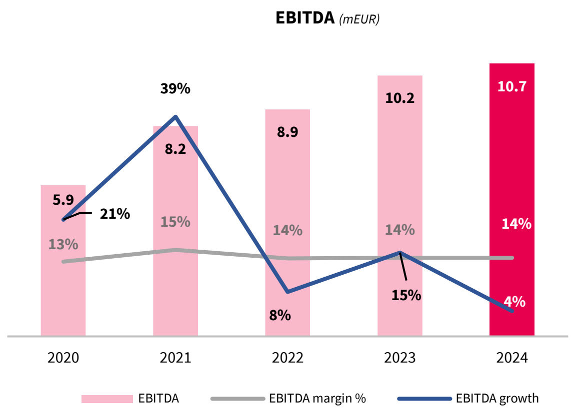


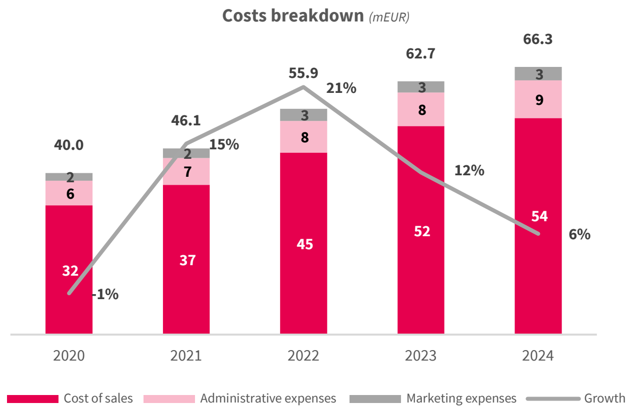




REVENUE

2024 consolidated revenue totalled EUR 76.2 million (2023: EUR 73.1 million), increasing by 4%. Organic growth is primarily attributable to the increase of digital revenue (+9%) as well as increase in the volume of ticket sales platforms and digital outdoor screens. As a result of the growth of digital subscription sales, the share of the Group's digital revenue in total revenue was 86% at the end of 2024 (2023: 83%).





EXPENSES

In 2024, the cost of goods sold, marketing, and general and administrative costs, excluding depreciation and amortisation totalled EUR 66.3 million (2023: EUR 62.7 million). Operating expenses increased by EUR 3.6 million (+6%). Labour costs increased the most, by EUR 1.2 million (+3%). In the conditions of a difficult economic situation, it was important to pay attention to controlling the cost base – for example, we were able to keep the increase in labour costs at 3% because the annual average number of employees decreased by 1%. The decrease comes mainly from Latvia, where the CEO was changed at the end of the year to go strongly against 2025.

PROFITABILITY

In 2024, the consolidated EBITDA totalled EUR 10.7 million (2023: EUR 10.2 million). EBITDA increased by 4% as compared to last year and the EBITDA margin was 14% (2023: 14%). The EBITDA growth received a boost from the successful sale of digital subscriptions as well as the increase in the volume of ticket sales platforms and digital outdoor screens.

The consolidated net profit for 2024 totalled EUR 3.3 million (2023: EUR 3.4 million), decreasing by -3%. The decrease in net profit is primarily related to higher interest rates due to the increase in Euribor rates at the beginning of the year, higher depreciation expenses arising from the Group's investments and increase in income tax expense. The profit from joint ventures and associates had a positive impact on the Group's net profit (+1.2 million euros vs 2023) in 2024. From July 2023, the unprofitable home delivery service of AS Express Post was closed and the Group will no longer incur an additional loss from this area. A good result in 2024 was also achieved by the joint venture AS Õhtuleht Kirjastus and Altero SIA, an associate operating the financial comparison and brokerage platforms.

CASH POSITION

At the end of the reporting period, the Group had available cash in the amount of EUR 9.0 million (2023: EUR 9.6 million) and equity in the amount of EUR 58.4 million (2023: EUR 56.5 million), which constituted 51% of total assets (2023: 53%). As of 31 December 2024, the Group's net debt totalled EUR 19.6 million (31 December 2023: EUR 16.5 million).

In 2024, the Group's cash flows from operating activities totalled EUR 10.2 million (2023: EUR 12.2 million), which was negatively affected by both increased income tax and interest payments, as well as the change in working capital due to the increased balance of trade receivables at the end of the year due to higher sales revenue in the 4th quarter.

In 2024, the Group's cash flows from investing activities totalled EUR -9.4 million (2023: EUR -3.9 million), of which EUR -4.6 million was related to the development and acquisition of tangible and intangible assets, of which the largest investments were in the development of Delfi platform and Delfi TV.

In 2024, the Group's cash flows from financing activities totalled EUR -1.4 million (2023: EUR -6.2 million), of which EUR -1.8 million was the dividend payment to the shareholders of AS Ekspress Grupp (2023: EUR -1.5 million). There was no share buy-back in 2024 (2023: EUR -1.0 million). The financing activities also include the net change (i) in borrowings in the amount of EUR 2.2 million (2023: EUR -1.7 million) due to the acquisition of training businesses that exceeded the repayments of amortising loans and (ii) in IFRS16 lease liabilities in the amount of EUR -2.3 million (2023: EUR -2.0 million) due to the normal reduction of the remaining lease term.

DIVIDENDS AND DIVIDENDS POLICY

At the regular general meeting of shareholders of AS Ekspress Grupp held on 3 May 2024, it was decided to pay a dividend of 6 euro cents per share in the total amount of EUR 1.85 million (2023: EUR 1.49 million or 5 euro cents per share). Dividends were paid to shareholders on 22 May 2024.

The Supervisory Board of AS Ekspress Grupp has approved the Group's dividends policy, according to which Ekspress Grupp will pay at least 30% of the annual profit as dividends starting from 2022.

Lili Kirikal, Chief Financial Officer of the Group

Despite the economic downturn, which shaped the entire economic environment in the Baltic States, the Group's revenue increased by 4% in a year and totalled EUR 76.2 million. At the same time, digital revenue increased by 9% and as a result, the share of digital revenue made up 86% of the Group's total revenue in 2024. This exceeds the 85% target set for the share of digital revenue by the year 2026.

In a year, the Group received nearly 31 000 new digital subscriptions (+15%) in the Baltic States, totalling 238 000 subscriptions at the end of 2024. The Group's digital revenue is thus increasingly based on digital subscription revenue and it makes up an increasingly larger recurring revenue base without the need for additional sales activity (and costs). We have enhanced the quality and volume of content offered by the Group's media companies in order to be the leader in the digital subscription field in all Baltic States. The Group is gradually moving towards its financial strategic goals and wishes to offer paid digital content to at least 340 000 subscribers by the year 2026.

The Group was also successful outside traditional media activities. The revenue of ticket sales platforms increased by 21% in a year, growing especially strongly in the Latvian market. The outdoor screen business also demonstrated significant 26% growth supported by the extension of the network to 156 screens. With this, the Group has increased its presence in the Latvian market, where the number of screens increased from 98 to 109 in a year, while there are 47 screens in Estonia. These two areas have shown resilience also in the conditions of slower economic growth.

The advertising revenues for 2024 remained at the previous year's level. The economic environment of the Baltic States was difficult in the first nine months of 2024. It was characterised by low consumer confidence, conservative investment policies of businesses and changing tax policies of countries. This put also pressure on advertising revenue. However, the 9% increase in advertising revenues in Q4 (compared to last year), which was driven by Lithuania (partially due to the elections in Lithuania in Q4), indicated economic recovery.

The earnings before interest, tax, depreciation and amortisation (EBITDA) of Ekspress Grupp totalled EUR 10.7 million, increasing by 4% in a year. The EBITDA growth received a boost from the successful sale of digital subscriptions as well as the increase in the volume of ticket sales platforms and digital outdoor screens. For us as the Group, the ongoing improvement of efficiency continues to be of importance, in order to maintain the EBITDA margin and achieve the minimum 15% level as laid down in our strategy. In the conditions of a difficult economic situation, it was important to pay attention to controlling the cost base – for example, we were able to keep the increase in labour costs at 3% because the annual average number of employees decreased by 1%. The decrease comes mainly from Latvia, where the CEO was changed at the end of the year to go strongly against 2025.

Implementation of our growth ambitions and the transition to digital media requires investments in technology. In 2024, we invested EUR 4.6 million in tangible and intangible fixed assets, the largest of which were investments in the development of Delfi platform and Delfi TV.

At the end of 2024, the Group had available cash in the amount of EUR 9.0 million and equity in the amount of EUR 58.4 million (51% of total assets). The Group’s future investment capacity continues to be in focus when shaping the liquidity position, and we consider it important to maintain our liquidity reserves for possible new acquisitions as well as possible cooling of the economy. We have an additional overdraft facility of EUR 3 million, which ensures the necessary liquidity buffer for future operations.

In 2024, Ekspress Grupp significantly expanded its activities in the conference business, making two important acquisitions. In July, Delfi Meedia acquired the business of Eesti Koolitus- ja Konverentsikeskus (the Estonian Training and Conference Centre) and in December, the Lithuanian subsidiary UAB Delfi acquired the conference company Kenton Baltic. These acquisitions support the Group's strategic goal of developing the conference business as a new revenue area that complements existing media activities and enables to find new synergies. By its nature, the conference business is content creation business and thus is a good match for the portfolio of Ekspress Grupp. The content produced at conferences can successfully be enhanced through the Group’s strong media outlets. In addition, this field of activity strengthens the position of Delfi’s brand among business customers and creates opportunities for new business relations and revenue.

When designing our further activities, we will take into consideration that the difficult economic situation can also continue in 2025, especially in Estonia and Latvia. Despite the economic situation, we are still positive at Ekspress Grupp about the growth of our future business volumes, both from the point of view of digital subscription revenue and all other revenue in the digital areas. In 2025, we will focus on developing the long-term business strengths in media, ticket sales platforms and outdoor media. We remain committed to our growth strategy and achieving our long-term financial goals.

FINANCIAL INDICATORS AND RATIOS

Performance indicators (EUR thousand)	**2024**	**2023**	**change %**	**2022**	**2021**	**2020**
Continuing operations						
Sales revenue	76 170	73 086	4%	64 141	53 516	44 514
Revenue from all digital channels (%)	*86%*	*83%*		*78%*	*76%*	*70%*
EBITDA	**10 677**	**10 217**	**4%**	**8 891**	**8 240**	**5 924**
EBITDA margin (%)	***14.0%***	***14.0%***		***13.9%***	***15.4%***	***13.3%***
Operating profit	4 857	5 499	-12%	4 797	4 864	3 071
Operating margin (%)	*6.4%*	*7.5%*		*7.5%*	*9.1%*	*6.9%*
Interest expenses	(1 836)	(1 499)	-22%	(738)	(709)	(860)
Profit /(loss) of joint ventures under the equity method	318	(661)	148%	(242)	(281)	102
Net profit from continuing operations	**3 252**	**3 351**	**-3%**	**4 055**	**4 133**	**2 566**
Net margin (%) - continuing operations	***4.3%***	***4.6%***		***6.3%***	***7.7%***	***5.8%***
*Return on assets (ROA) (%)**	*3.1%*	*3.3%*		*4.3%*	*2.4%*	*2.7%*
*Return on equity (ROE) (%)**	*5.8%*	*6.2%*		*7.6%*	*4.1%*	*4.9%*
Earnings per share (euro) - continuing operations						
Basic earnings per share	0.1058	0.1113	-5%	0.1335	0.1362	0.0852
Diluted earnings per share	0.1058	0.1081	-2%	0.1294	0.1316	0.0820

** return on assets ROA (%) and return on equity ROE (%) ratios are calculated on the basis of net profit, which also includes net profit from discontinued operations*

Balance sheet (EUR thousand)	**31.12.2024**	**31.12.2023**	**change %**	**31.12.2022**	**31.12.2021**	**31.12.2020**
As of the end of the period						
Current assets	23 908	23 094	4%	19 444	20 553	18 482
Non-current assets	90 128	82 672	9%	80 392	73 705	75 695
Total assets	**114 036**	**105 766**	**8%**	**99 836**	**94 258**	**94 177**
incl. cash and cash equivalents	*8 971*	*9 606*	*-7%*	*7 448*	*10 962*	*6 269*
incl. goodwill	*50 410*	*48 166*	*5%*	*48 779*	*45 576*	*43 085*
Current liabilities	32 359	27 438	18%	22 422	20 947	18 945
Non-current liabilities	23 237	21 787	7%	21 991	19 619	20 613
Total liabilities	**55 596**	**49 225**	**13%**	**44 413**	**40 566**	**39 558**
incl. borrowings	*28 541*	*26 118*	*9%*	*25 341*	*22 219*	*22 202*
incl. borrowings (excl. rental liabilities according to IFRS 16)	*22 068*	*20 177*	*9%*	*20 763*	*17 062*	*19 181*
Equity	**58 440**	**56 541**	**3%**	**55 423**	**53 692**	**54 619**
Net debt	**19 570**	**16 512**	**19%**	**17 893**	**11 257**	**15 933**
Total capital	**78 009**	**73 053**	**7%**	**73 316**	**64 950**	**70 552**

Financial ratios (%)	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
Equity ratio (%)	51%	53%	56%	57%	58%
Total debt to equity ratio (%)	49%	46%	46%	41%	41%
Net debt to capital ratio (%)	25%	23%	24%	17%	23%
Total debt/EBITDA ratio	2.67	2.56	2.85	2.70	3.17*
Liquidity ratio	0.74	0.84	0.87	0.98	0.98

** for 2020 total debt/EBITDA ratio is calculated on the basis of EBITDA, which also includes EBITDA from discontinued operations*

Cyclicality

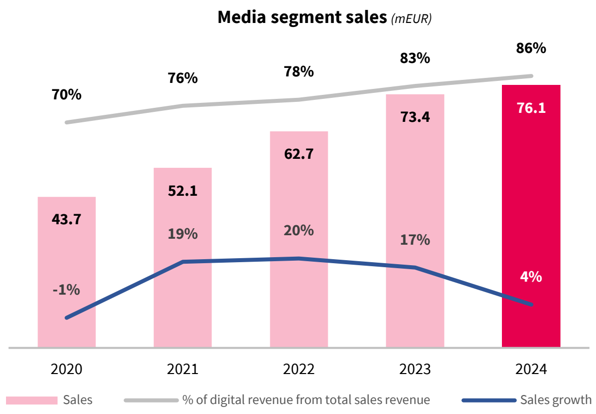
All operating areas of the Group are characterised by cyclicality and fluctuation, related to the changes in the overall economic conditions and consumer confidence. The Group's revenue can be adversely affected by an economic slowdown or recession in home and export markets. It can appear in lower advertising costs in retail, preference of other advertising channels and changes in consumption habits of retail consumers.

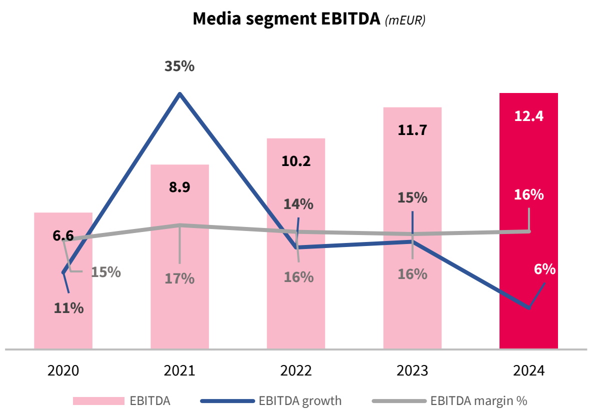
Seasonality

The revenue from the Group's advertising sales is impacted by major seasonal fluctuations. The level of advertising sales is the highest in the 2nd and 4th quarter of each year and the lowest in the 3rd quarter. Revenue is higher in the 4th quarter because of higher consumer spending during the Christmas season, accompanied by the increase in advertising expenditure. Advertising expenditure is usually the lowest during the summer months, as well as during the first months of the year following Christmas and New Year's celebrations. In terms of subscription revenues, fluctuations due to seasonality are minimal, especially in terms of digital subscriptions.

SEGMENT OVERVIEW

Starting from September 2021, the Group is operating only in one business area – the media segment. The media segment includes the Group's activities in Estonia, Latvia and Lithuania. It comprises the operations of online news portals, advertising sales in own portals in the Baltics and publishing of newspapers, magazines, customer and advertising fliers, publishing and publication of books as well as sale of digital outdoor advertising in Estonia and Latvia. The media segment also includes organisation of entertainment events, trainings and conferences, operation of the electronic ticket sales platform in Latvia and Estonia, and production studio for content creation in Lithuania and Estonia.





Key financial indicators for segments *(continuing operations)*

(EUR thousand)			Sales			
	2024	2023	change %	2022	2021	2020
Media segment	76 071	73 365	4%	62 690	52 093	43 728
advertising revenue	*42 234*	*42 074*	*0%*	*37 613*	*33 781*	*28 173*
subscriptions (incl. single-copy sales)	*20 457*	*19 016*	*8%*	*16 819*	*13 311*	*11 336*
ticket sales platforms	*4 157*	*3 434*	*21%*	*2 232*	*1 013*	*851*
outdoor screens	*4 445*	*3 530*	*26%*	*2 396*	*1 448*	*920*
sale of other goods and services	*4 778*	*5 311*	*-10%*	*3 630*	*2 539*	*2 448*
Corporate functions	752	2 642	-72%	4 500	4 118	2 761
Inter-segment eliminations	(653)	(2 920)		(3 050)	(2 695)	(1 975)
TOTAL GROUP	**76 170**	**73 086**	**4%**	**64 141**	**53 516**	**44 514**
incl. revenue from all digital channels	*65 786*	*60 460*	*9%*	*49 928*	*40 453*	*30 963*
% of revenue from all digital channels	*86%*	*83%*		*78%*	*76%*	*70%*

(EUR thousand)			EBITDA			
	2024	2023	change %	2022	2021	2020
Media segment	12 364	11 695	6%	10 183	8 927	6 601
Corporate functions	(1 699)	(1 477)	-15%	(1 122)	(669)	(720)
Inter-segment eliminations	11	(1)		(171)	(18)	43
TOTAL GROUP	**10 677**	**10 217**	**4%**	**8 891**	**8 240**	**5 924**

EBITDA margin	2024	2023	2022	2021	2020
Media segment	16%	16%	16%	17%	15%
TOTAL GROUP	**14%**	**14%**	**14%**	**15%**	**13%**

Formulas used to calculate the financial ratios	
EBITDA	Earnings before interest, tax, depreciation and amortisation. EBITDA does not include any impairment losses recognised during the period or result from restructuring.
EBITDA margin (%)	EBITDA / sales x 100
Operating margin (%)	Operating profit / sales x100
Net margin (%) - continuing operations	Net profit from continuing operations in financial statements/sales x100
Earnings per share	Net profit / average number of shares
Diluted earnings per share	Net profit attributable to owners of the parent/(weighted average number of ordinary shares outstanding during the period + number of all potentially issued shares)
Equity ratio (%)	Equity / (liabilities + equity) x100
Total debt to equity ratio (%)	Interest bearing liabilities / equity x 100
Net debt to capital ratio (%)	Interest bearing liabilities-cash and cash equivalents (net debt)/(net debt +equity) x 100
Total debt/EBITDA ratio	Interest bearing borrowings / EBITDA
Net debt/EBITDA ratio	Interest bearing liabilities-cash and cash equivalents (net debt)/EBITDA
Liquidity ratio	Current assets / current liabilities
Return on assets ROA (%)	Net profit / average assets x 100
Return on equity ROE (%)	Net profit / average equity x 100

MEDIA SEGMENT

The revenue of the media segment for 2024 totalled EUR 76.1 million (2023: EUR 73.4 million), increasing by 4%. Organic growth is primarily attributable to the increase of digital revenue (+9%) as well as increase in the volume of ticket sales platforms and digital outdoor screens. At the end of 2024, the share of the Group's digital revenue in total revenue was 86% (2023: 83%).

Advertising

In 2024, advertising revenues remained at the previous year's level. The economic environment of the Baltic States was difficult in the first nine months of 2024. It was characterised by low consumer confidence, conservative investment policies of businesses and changing tax policies of countries. This put also pressure on advertising revenue. However, the 9% increase in advertising revenues in Q4 (compared to last year), which was driven by Lithuania (partially due to the elections in Lithuania in Q4), indicated economic recovery.

Subscriptions

Subscription revenues increased by 8% in 2024 as compared to the same period last year. The growth is mainly due to the increase in the volume of digital subscriptions in all media houses. From the Group's point of view, it is important to grow its digital subscriptions and thereby have less dependence on advertising revenue in the long term.

Ticket sales platforms

Under ticket sales platforms, the Group reports sales revenue of ticket sales platforms in Estonia and Latvia. In 2024, the revenue of ticket sales platforms increased by 21%. The main impact comes from Latvia, where ticket sales volumes are increasing despite the weaker economic environment, and where the Group has achieved a market-leading position.

Outdoor screens

The advertising revenue of outdoor screens increased by 26% in 2024 as compared to last year. The growth has mainly been supported by the expansion of the outdoor screen network. As of 31 December 2024, the Group has a total of 156 outdoor screens, including 109 in Latvia and 47 in Estonia (31.12.2023 a total of 148, incl. 98 in Latvia and 50 in Estonia).

DIGITAL SUBSCRIPTIONS

Detailed overview of digital subscriptions:

(number of subscriptions)	**31.12.2024**	**31.12.2023**	*change %*
AS Delfi Meedia	114 631	102 793	*12%*
AS Õhtuleht Kirjastus (joint venture)	25 257	24 875	*2%*
Geenius Meedia OÜ	7 356	6 998	*5%*
Estonia total	**147 244**	**134 666**	***9%***
Delfi AS (Latvia)	35 082	26 427	*33%*
Delfi UAB (Lithuania)	44 170	39 872	*11%*
Lrytas UAB (Lithuania)	11 686	6 363	*84%*
Ekspress Grupp total	**238 182**	**207 328**	***15%***

The 15% annual growth in the number of digital subscriptions of Ekspress Grupp's media companies in the Baltics is a good result and demonstrates the sustainability of the digital subscription model even during more difficult economic times, when consumption as a whole is sluggish. Both the last quarter and the entire year were successful for Delfi Latvia, where the number of digital subscriptions increased by a total of 33%. The Group's newest media company, Lithuanian news portal Lrytas, has successfully launched subscription sales and increased its digital subscriptions by 84% in 2024. Delfi Lithuania and Delfi Meedia, the Group's largest media company operating in Estonia, also demonstrated good results. In 2025, we will continue the current digital growth strategy, focusing on all markets and media companies.

The digital revenue base of Ekspress Grupp is increasingly based on digital subscription revenue. The Group is making progress in attaining our financial goals and wish to offer digital paid content to at least 340 000 subscribers by the year 2026.

RISK MANAGEMENT

The management board of the Group is responsible for the Group's risk management. Risk management activities and the expected functioning of the process are supervised by the Group's Supervisory Board and the Audit Committee.

Risk management is an important and integral part of managing the Group's business processes, it identifies potential risks, develops internal controls designed to mitigate them, and offers the Group's management a regular overview of risk issues. The management's ability to identify, measure and control various risks has a significant impact on the Group's profitability. Risk is defined by the Group's management as a possible negative deviation from the expected financial result.

The Group's risk management objectives are as follows:

- to support strategy development and implementation;
- to help achieve the Group's financial and operational goals;
- to recognise new potential opportunities in business;
- to prevent undesirable events.

The main role upon the management of risks is vested in the management boards of the Parent and its subsidiaries. The Group assesses and limits risks through systematic risk management. For managing financial risks, the management of the Group has engaged the financial unit of the Group that deals with the financing of the Parent Company and its subsidiaries and hence also managing of liquidity risk and interest rate risk. The risk management at the joint ventures is performed in cooperation with the other shareholder of joint venture.

Risk assessment and updating are part of daily management activities. The risks of both existing and developing activities are assessed.

The risks associated with the Group's activities that have a more significant impact are operational and business risk, compliance risk and financial risk (including credit risk, liquidity risk, interest rate risk, price risk and capital risk).

The risk management of the Group is based on the requirements established by the Tallinn Stock Exchange, Financial Supervision Authority and other regulatory bodies, compliance with the generally accepted accounting standards and good practice, internal regulations and policies of the Group and its subsidiaries. The management of risks at the Group level includes the definition, measurement and control of risks. The Group’s risk management programme focuses on unpredictability of financial markets and finding of possibilities to minimise the potential negative impacts arising from this on the Group’s financial activities.

OPERATIONAL RISK

Operational risk is a possible loss caused by insufficient or non-functioning processes, employees and information systems or external factors such as economic recession, war, etc. Operational risks are managed by applying risk management principles, management principles and performance indicators. Insurance has been used to reduce the impact of some operational risks.

The general economic situation significantly affects the Group's operations, especially advertising sales. During periods of economic growth or recovery from recession, there are positive trends in advertising revenue. In the event of an economic recession or negative financial outlook, companies tend to cut their advertising budgets. The Group monitors advertising sales forecasts and market developments of subsidiaries every week, and there is an action plan in case of possible fluctuations. The latter includes planning for different scenarios and tighter control over costs.

Russia's invasion of Ukraine and the resulting increase in geopolitical tensions have created a number of operational and business risks for the Group. The Group has forecasted different scenarios and action plans in case of possible power outages and (or) military intervention. The media company has an important role in society and the goal is to prevent disruption of daily news production.

Circulations of paper products are still decreasing and the pressure on input costs is increasing, with the largest share attributable to costs related to printing and home delivery services. The pressure of input costs is also transferred to sales prices, but is limited to the price level accepted by the end consumer. The Group partly mitigates the paper price risk by purchasing paper in advance for printing and expanding the list of suppliers, thereby improving the competitive situation.

It is strategically important to grow the digital subscription base. The ability to grow and attract new subscribers depends on the size of the readership and its satisfaction with the products. However, the ability to maintain and increase the readership depends on the content offered. The lasting quality of the latter depends in turn on the Group's ability to recruit, develop and retain talent and create conditions for people to do their jobs well.

The involvement of employees in the risk assessment process improves the general risk culture. For performing transactions, different limits are used to minimise possible losses. The four-eye principle in use, under which the confirmation of at least two employees independent of each other or that of a unit is necessary for the performance of a transaction or a procedure, and it reduces the possible occurrence of human errors and mistakes. Considering the scope and volume of the Group's activities, it is also important to manage the risk of fraud. In order to reduce the risk of fraud and the resulting damage, the proportion and effectiveness of preventive measures have been increased. A code of ethics has been adopted in the Group, and a hotline compliant with the Whistleblower Protection Directive is in use.

The management estimates that the dependence of the Group’s activities on IT systems is high and continuous investments are made to increase its security and reliability. We see a potential risk to our ability to grow and develop along with technical requirements and expectations. The Group's business developments are mostly driven by the needs of customers (readers/subscribers). Cyber risk, the risk of breaching data security and privacy requirements is also important. The ability to detect server attacks in a timely manner continues to be enhanced, staff is being trained on data security and data protection topics. The responsibility for managing operational risk lies with the Management Board of the Group and the management boards of the subsidiaries.

COMPLIANCE (LEGAL) RISK

The Group monitors several risks related to compliance with laws and regulations. It is important to stay informed of the developments in national, EU-level and international regulations and agreements. Since one growth opportunity is the acquisition of new companies and competitors, all transactions are supported by transaction advisors and lawyers.

All aspects related to data protection (GDPR) are important and the Group complies with all related laws and regulations. The Group conducts data protection audits of its subsidiaries and thereby supports the implementation of principles and procedures at the company level.

The four eyes principle mentioned in the operational and business risk section is also applied to legal and compliance matters, such as transactions, including all contracts and other legal documents. The management assesses the legal protection of the Group as good, and there are currently no additional significant legal and regulatory risks.

CREDIT RISK

Credit risk is expressed as a loss which may be incurred by the Group and is caused by the counterparty if the latter fails to perform its contractual financial obligations. Credit risk arises from cash and bank, trade receivables, other short-term receivables and loans granted.

The payment discipline of clients is continuously monitored to reduce credit risk. A credit policy has been established to ensure the sale or services to clients with an adequate credit history and the application of prepayments to clients in a higher risk category. According to the credit policy, different client groups are subject to different payment terms and credit limits. Clients are classified on the basis of their size, reputation, and the results of credit background checks and history of payment behaviour. At the first level, the advertising clients are divided into two groups: advertising agencies and direct clients, they are further grouped according to the above principles. The Group applies the same credit policy in all Baltic States, but is aware of different credit behaviour of clients. Subsidiaries in Estonia outsource reminder services in order to collect overdue receivables more effectively.

In the case of new clients, their credit background is checked with the help of financial information databases such as Krediidiinfo and other similar databases. At the beginning clients’ payment behaviour will be monitored with heightened interest. Upon following the payment discipline, it is possible to receive more flexible credit terms, such as longer payment terms, higher credit limits, etc. Upon violation of the payment discipline, stricter credit terms are applied. In case of large transactions, in particular in the segment of printing services, clients are requested to make prepayment or provide a guarantee letter.

The Group is not aware of any substantial risks related to the concentration of its clients and partners. The credit risk concentration related to accounts receivable is not material due to the extensive number of customers.

More information on credit risk is disclosed in Note 4 of the consolidated financial statements.

LIQUIDITY RISK

Liquidity risk means that the Group may not have liquid funds to fulfil its financial obligations in a timely manner.

The objective of the Group is to maintain a balance between the financial needs and financial possibilities of the Group. Cash flow planning is used as a means to manage the liquidity risk. To manage liquidity risk as effectively as possible, the bank accounts of the Parent Company and its subsidiaries comprise one group account (cash pool) which enables the members of the group account to use the finances of the Group within the limit established by the Parent Company. The group account operates in Estonia, but foreign subsidiaries in Latvia and Lithuania are also part thereof. According to the policy of the Group, all subsidiaries and joint ventures prepare long term cash flow projections for the following year, which are adjusted on a quarterly basis. For monitoring short-term cash flows the subsidiaries prepare thirteen-week cash flow projections on a weekly basis.

To manage the liquidity risk, the Group uses different financing sources which include bank loans, overdraft, continuous monitoring of trade receivables and delivery contracts.

Overdraft credit is used to finance working capital, long-term bank loans and lease agreements are used to make capital expenditures to acquire non-current assets. The Group’s overdraft loan is long-term and related to the term of the loan contract. This essentially works as a long-term line of credit, the use of which the Group can regulate at its own discretion.

More information on credit risk is disclosed in Note 4 of the consolidated financial statements.

FOREIGN EXCHANGE RISK

Foreign exchange risk arises when future business transactions or recognised assets or liabilities are fixed in a currency which is not the functional currency of the Group. Although the Group's business activities are international, the Group has not foreign exchange risk. The functional currency of the Group’s companies is euro. The subsidiaries are typically required to use the euro as the currency in foreign contracts. The amounts received in foreign currencies are converted into euros immediately after their receipt in order to reduce open foreign currency positions. No other means are used for hedging foreign exchange risk.

More information on credit risk is disclosed in Note 4 of the consolidated financial statements.

INTEREST RATE RISK

Interest rate risk means that a change in interest rates results in a change in the cash flow and profit of the Group. The Group’s interest rate risk is related to short-term and long-term borrowings which carry a floating interest rate and to which a margin is added. The interest rate risk is mainly related to the fluctuation of Euribor.

During the reporting period, the Group has not used financial instruments to hedge interest rate risk.

More information on credit risk is disclosed in Note 4 of the consolidated financial statements.

PRICE RISK

Circulations of paper products are still decreasing and the pressure on input costs continues to increase therefore the price of printing services and home delivery affects the activities of the Group the most. The pressure of input costs is also transferred to sales prices, but it is limited by the price level accepted by the end consumer. The Group hedges the price risk of the printing services and home delivery (i) by making advance payments to the printing house for the paper used for printing periodicals, (ii) by expanding the list of suppliers, improving the competitive situation, (iii) by fixing the prices of both paper and home delivery in long-term contracts, and (iv) keeping print circulations at an optimal level.

CAPITAL RISK

The main objective of the Group upon managing capital risk is to ensure the sustainability of the Group in order to ensure income for its shareholders and benefits for other stakeholders, while maintaining the optimal capital structure in order to reduce the price of capital.

The Group sees the availability of new financing options as part of the capital risk. The availability of financing options on acceptable terms is influenced by many factors, including (1) the company's debt burden and credit rating (or lack thereof); (2) the company's financial performance; (3) general capital market liquidity; (4) general economic situation, etc.

According to the common industry practice, the Group uses the debt to capital ratio to monitor its capital. The debt to capital ratio is calculated as the ratio of net debt to total capital and EBITDA. Net debt is calculated by deducting cash and bank accounts from total debt (short and long-term interest bearing liabilities, incl. lease liabilities arising according to the IFRS 16 standard, recognised in the consolidated balance sheet). Total capital is recognised as the aggregate of equity and net debt.

More information on credit risk is disclosed in Note 4 of the consolidated financial statements.

The main risks of the Group and the measures used to mitigate them are presented below:

Risk	Description	Risk mitigation measures	Probability of risk materialising	Impact of risk
1	General deterioration of the economic situation	Weekly monitoring of sales forecasts, forecasting of short- and long-term cash flow	Medium	Medium
2	Geopolitical tensions	Different action plans and scenarios in case of escalation	Medium	Strong
3	Declining profitability of printed products	Transfer of price pressure to the end consumer and changes in the raw material (paper) purchasing process	High	Medium
4	Failure to grow digital subscriber base	Creation of quality content, continuous monitoring of the digital subscriber market, completion of relevant trainings, improvement of user experience, continuous investments in product and technology development	Low	Medium
5	Cyber security	Personnel training, investments to increase security and reliability	Medium	Strong
6	Requirements arising from the GDPR regulation	Training employees, involving the Group's data protection specialist in making important decisions and conducting regular compliance audits	Medium	Medium

SHARES AND SHAREHOLDERS OF AS EKSPRESS GRUPP

On 2 May 2024 the supervisory board of AS Ekspress Grupp has in accordance with clause 5.9 of the articles of association and the resolutions of the general meeting of shareholders from 04.03.2024 decided to increase the share capital of the company by 97 500.60 euros from EUR 18 478 104.60 to EUR 18 575 605.20, by issuing 162 501 new common shares with the nominal value of EUR 0.60 per share.

The increase of the share capital and issue of new shares was directed to the option holders of the option programme, approved on 29.09.2020, who subscribed for all 162 501 issued shares. Option holders acquired shares for a price equal to their nominal value 0.60 Euros per share in accordance with the option program and shareholders' decision from 04.03.2024. The share capital increase has been entered in the Commercial Register on 20.05.2024.

In 2024, within the framework of the share option program the option owners were also transferred 661 336 treasury shares. As of 31 December 2024, the Company had 3030 treasury shares (31.12.2023: 664 366).

As of 31 December 2024, the company's share capital is EUR 18 575 605 (31.12.2023: EUR 18 478 105), which is divided into 30 959 342 (31.12.2023: 30 796 841) shares with a nominal value of 0.60 euros per share.

All shares are of one type and there are no ownership restrictions. The company does not have any shares granting specific controlling rights and the company lacks information about agreements dealing with the restrictions on voting rights of shareholders. The articles of association of the public limited company set no restrictions on the transfer of the shares of the public limited company. The agreements entered into between the public limited company and the shareholders set no restrictions on the transfer of shares. In the agreements concluded between the shareholders, they are only known to the company to the extent related to pledging of securities and that is public information.

Structure of shareholders as of 31 December 2024

Name	Number of shares	%
Hans H. Luik and companies under his control	22 581 045	72.94%
Hans H. Luik	*7 963 307*	*25.72%*
OÜ HHL Rühm	*14 617 738*	*47.22%*
LHV Bank and funds managed by LHV Varahaldus	2 493 440	8.05%
Members of the Management Boards*	333 583	1.08%
Other minority shareholders	5 548 244	17.92%
Treasury shares	3 030	0.01%
TOTAL	**30 959 342**	**100.0%**

** Members of the Management Board of AS Ekspress Grupp and its key subsidiaries*

The authorities of the Management Board of AS Ekspress Grupp are specified in the Commercial Code and they are limited to the extent determined in the articles of association of the company.

Shares held by members of the Management Board and Supervisory Board as of 31.12.2024

Mari-Liis Rüütsalu controls 116 924 shares through Norg OÜ.

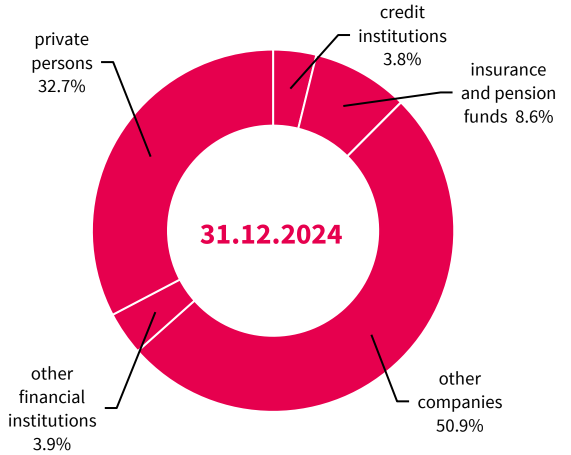
Karl Anton does not hold shares.

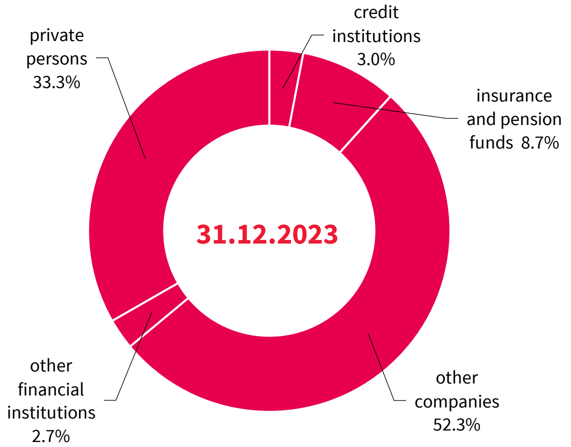
Argo Rannamets does not hold shares.

Hans H. Luik holds 7 963 307 shares and OÜ HHL Rühm holds 14 617 738 shares, the ownership interest of Hans H. Luik as the ultimate beneficiary of AS Ekspress Grupp is 72.94% (22 581 045 shares).

Distribution of shareholders by category

Category	31.12.2024 Number of shareholders	31.12.2024 Number of shares	31.12.2023 Number of shareholders	31.12.2023 Number of shares
Private persons	4 831	10 118 027	4 913	10 252 055
Other companies	268	15 773 281	282	16 098 689
Other financial institutions	35	1 204 857	37	846 635
Credit institutions	10	1 190 428	10	930 147
Insurance and pension funds	7	2 672 330	7	2 668 896
Non-profit organisations	2	419	2	419
TOTAL	**5 153**	**30 959 342**	**5 251**	**30 796 841**





Geographical distribution of shareholders

Country	31.12.2024 Number of shareholders	31.12.2024 Number of shares	31.12.2023 Number of shareholders	31.12.2023 Number of shares
Estonia	5 091	29 402 027	5 190	29 652 065
Finland	19	34 181	20	33 578
Latvia	6	150 957	6	76 888
Lithuania	5	416 767	5	157 081
Germany	4	161 265	5	139 900
Sweden	4	96 942	2	74 118
Netherlands	4	7 044	4	6 404
United Kingdom	2	227 146	2	227 146
Luxembourg	2	52 510	1	103 807
Spain	2	3 220	1	2 000
Italy	2	1 607	2	1 607
Belgium	2	160	2	160
Denmark	2	101	2	101
Switzerland	1	254 581	1	243 681
United States	1	83 077	1	11 108
Monaco	1	60 356	1	60 356
Ireland	1	6 262	1	5 000
Canada	1	1 000	1	1 000
Portugal	1	100	1	100
Hong Kong	1	33	0	0
Australia	1	6	2	611
Czech Republic	0	0	1	130
TOTAL	**5 153**	**30 959 342**	**5 251**	**30 796 841**

AS Ekspress Grupp share information and dividend policy

Share information

ISIN	EE3100016965
Ticker symbol	EEG1T
List/segment	BALTIC MAIN LIST
Issuer	Ekspress Grupp (EEG)
Nominal value	0.60 EUR
Issued shares	30 796 841
Listed shares	30 796 841
Date of listing	05.04.2007

Dividend policy

In October 2021, the Supervisory Board of AS Ekspress Grupp approved the Group's dividends policy according to which Ekspress Grupp will pay at least 30% of its annual net profit as dividends starting from 2022. The capital structure of Ekspress Grupp needs to be strong and sustainable to maintain the targeted operating freedom and make use of the growth opportunities of various economic cycles. The Group's task is to maintain a conservative capital allocation in order to provide the Company with the flexibility to make new investments in accordance with the requirements set for raising debt.

To support growth, Ekspress Grupp has set a goal of maintaining an optimal level for CAPEX, loan repayments and profit allocation from the point of view of the Group and its investors.

The Group will pay at least 30% of its previous year's net profit as dividends under the condition that there will be enough cash to fund its key operations and make new strategic investments. In the years of economic deceleration or when the cash flows are lower for other reasons, the Group may decide to lower the dividend pay-out rate or not to pay dividends.

Dividends

At the regular general meeting of shareholders of AS Ekspress Grupp held on 3 May 2024, it was decided to pay a dividend of 6 euro cents per share in the total amount of EUR 1.8 million. Dividends were paid to shareholders on 22 May 2024.

Date of the General Meeting	06.06.2018	04.11.2021	02.05.2022	04.05.2023	03.05.2024
Period for which dividends are paid	2017	2020	2021	2022	**2023**
Dividend payment per share (EUR)	7 cents	10 cents	8 cents	5 cents	**6 cents**
Total payment of dividends (EUR thousand)	2 085	3 028	2 425	1 488	**1 848**
Dividend pay-out ratio (%) - calculated on the net profit from continuing operations	212%	119%	59%	37%	**55%**
Dividend pay-out ratio (%)	66%	121%	108%	37%	**55%**
Date of fixing the list of dividend recipients	20.06.2018	19.11.2021	16.05.2022	18.05.2023	**17.05.2024**
Date of dividend payment	03.07.2018	23.11.2021	20.05.2022	24.05.2023	**22.05.2024**

Securities trading history 2020–2024

Price (EUR)	2024	2023	2022	2021	2020
Opening price	1.29	1.49	1.59	0.79	0.83
Closing price	0.90	1.29	1.50	1.56	0.80
High	1.33	1.69	1.90	1.90	0.86
Low	0.89	1.27	1.36	0.77	0.59
Average	1.06	1.51	1.64	1.17	0.68
Traded shares, pieces	1 012 477	418 182	1 136 944	3 166 936	2 886 728
Sales, EUR million	1.07	0.63	1.87	3.72	1.95
Capitalisation at balance sheet date, EUR million	27.99	39.73	46.20	48.04	24.48
P/E ratio (price earnings ratio)	8.60	11.86	11.41	21.42	9.76

The price of the share of Ekspress Grupp (EEG1T) in euros and the trading statistics on NASDAQ Tallinn Stock Exchange from 1 January 2020 until 31 December 2024.

The share price comparison (%) with Nasdaq Tallinn Stock Exchange index from 1 January 2020 until 31 December 2024.

INDEX | EQUITY	OPENING VALUE	CLOSING VALUE	CHANGE %
OMX Tallinn_GI	1,279.7	1,733	+35.42
EEG1T - Ekspress Grupp	0.82	0.9	+9.58

SUSTAINABILITY STATEMENT

GENERAL INFORMATION

It is the third year that Ekspress Grupp publishes a separate ESG (environmental, social and governance) report as part of its annual report. The separate ESG report consolidates the financial report in the same volume as the annual report and covers the operations of the parent company and all its subsidiaries as part of its annual report. 2024 is the first year, when Ekspress Grupp publishes its sustainability statement in compliance with the EU Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS) and the Estonian Accounting Act (RPS).

As before, the Group's sustainability activities and, in connection with it, the report are based on the ESG strategy created in 2022. The focus of the statement is set on the material topics identified in the strategy creation and during double materiality assessment (DMA). We measure and analyse our development in these areas with the help of metrics directly related to the strategy, as well as with the metrics required in the ESRS topical standards. In 2024, we have collected more data on ESRS metrics than the year before, and we plan to add and disclose additional data on policies, assessments and activities also during 2025, when we will further implement ESG governance practices throughout the Group.

In assessing material focus topics, we have taken into account the extent of our supply chain and the view of our customers. For the most part, our policies, metrics and targets only cover the activities of our companies and their impact on customers and end-users. The metrics also generally only contain information about our Group’s own activities. Where we have included value chain data, it is highlighted separately with the relevant metric or policy description.

Basis of preparation

BP-1 – GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

This sustainability statement has been prepared on a consolidated basis with the same scope as the financial statements for AS Ekspress Grupp for the financial year 2024 in accordance with EU's Corporate Sustainability Reporting Directive (CSRD), the associated European Sustainability Reporting Standards (ESRS) and Estonian Accounting Act as outlined in ANNEX I to Commission Delegated Regulation (EU) 2023/2772 and Taxonomy Regulation (EU) 2020/852. Associates and joint ventures are not included in the consolidated data. Consolidation of all data follows the principles above, unless otherwise specified in the accounting policies.

The impacts, risks and opportunities identified through the double materiality assessment pertain to both Ekspress Grupp’s own operations and value chain (as detailed in specific disclosures), while the extent to which policies, actions, metrics and targets go beyond the Group’s own operations varies depending on the nature of the topics and is indicated in the topical standards.

Ekspress Grupp has not omitted any classified or sensitive information and information on intellectual property, know-how or results of innovation, as described in ESRS 1 section 7.7. Additionally, we have not used the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU.

BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Value chain

The sustainability statements cover Ekspress Grupp’s upstream and downstream value chain as the related impacts, risks, and opportunities have been identified and assessed during the double materiality assessment process. Selected policies, actions, and targets that we have described in the relevant subsections extend to our value chain. The extent to which policies, actions, metrics and targets go beyond the Group’s own operations varies depending on the nature of the topics and is indicated in the topical standards.

Measurement basis

The accounting policies have been applied consistently in the financial year and for comparative figures. Calculation factors used are listed on the pages with the relevant metrics, together with references.

External review

AS Ekspress Grupp's auditor KPMG Baltics OÜ has performed assurance of our sustainability statements (please see the auditor's limited assurance report). For existing metrics tied to our ESG strategy, we have worked with outside consultants on our ESG strategy development, however these estimates have not been further validated by external bodies other than the assurance provider.

Use of estimates

Where estimates are used to provide, e.g. consolidated group-wide reporting, such estimates and practices are described in the accounting principles applicable to the data or information, including any related measurement uncertainty.

The majority of the disclosed quantitative data has been obtained directly from the Group's accounting systems. The collection of data through alternative means, such as estimation or inclusion of partners within the value chain, is explicitly indicated. In preparing the sustainability statements, subsidiaries' managements made use of assumptions, judgments and estimates that affect the amounts reported, especially in relation to the group's Scope 3 emissions. Due to evolving reporting practices also from the partner's side, there is an inherent uncertainty in GHG calculations. However, we believe the estimates and assumptions are reasonable under the circumstances. We have not used estimates but rely on the data provided to us by our value chain partners and invoices or other relevant documents. For example, due to high uncertainty, we are not able to disclose reliable data related to our companies' waste management under Environmental disclosure and some uncertainty is present in metrics under the Social Disclosure related to family related leaves and to the trainings offered for our own workforce.

The used estimates and underlying assumptions are reviewed on an ongoing basis to improve accuracy in future reported metrics, with any revisions potentially impacting the reported amounts. In order to enhance the level of accuracy in subsequent annual reporting, we are planning to increase our data collection systems and databases and further collaborate with our value chain partners to close the existing information gaps.

Changes and errors

The sustainability disclosures in this report have been expanded significantly compared to the previous year. This is done in order to comply with the requirements of the CSRD and ESRS for the first time in 2024. Where practices have changed, or in the event errors have occurred since the prior reporting period, such changes are described in the respective reporting principle or in the section where the topic is reported.

Sustainability governance

GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Management responsibilities and composition

Ekspress Grupp's governance enables to deliver on the necessary and respective sustainability matters as identified by the DMA in 2024 and published in this report. The governance of Ekspress Grupp follows the Corporate Governance Code. The Code of Corporate Governance is a guidance document created by the Estonian Financial Supervision and Resolution Authority primarily for the public listed companies.

For the Group, the general meeting is the highest management body of AS Ekspress Grupp. The ordinary general meeting is held once a year, no later than six months after the end of the financial year at the company's office. An extraordinary general meeting is convened in cases provided for by the Estonian law. Ekspress Grupp's administrative, management and supervisory bodies are the Management Board, the Supervisory Board and the Audit Committee. The organisational structure of Ekspress Grupp at the top three levels is defined by a blend of strategic and operational leadership. In our executive management and supervisory board, we have 3 executive and 4 non-executive members.

At the topmost level, the Supervisory Board provides governance and strategic direction to lead the company's day-to-day operations and implement strategies approved by the Supervisory Board. The work of the Supervisory Board is organised by the Chairman of the Supervisory Board. The main task of the Supervisory Board is to approve the Group's most important strategic and tactical decisions and to supervise the activities of the Group's Management Board. Members of our Supervisory Board have long experience from several sectors like media, technology, telecommunications, finance and investments. Multiple members have previous or current experience as members of supervisory board in other large companies that allow for strategic decision-making. In its activities, the Supervisory Board is guided by the company's articles of association, the guidelines of the general meeting and Estonian laws. The Supervisory Board can consist of three to seven members, elected for 5-years tenure on the General Meeting.

During2024, Ekspress Grupp's Supervisory Board consists of 4 non-executive members, with 3 male and 1 female representatives (25% gender diversification ratio and 50% independent members):

- **Priit Rohumaa, Chairman of the Supervisory Board and Member of the Audit Committee until 16.06.2025**
- **Hans H. Luik, Founder and major owner of Ekspress Grupp, Member of the Supervisory Board until 20.05.2029**
- **Triin Hertmann, Independent Member of the Supervisory Board until 02.05.2027**
- **Sami Seppänen, Independent Member of the Supervisory Board until 31.08.2027**

Below the Supervisory Board, sits the Executive Management, whose purpose is to execute day-to-day management which aligns with the strategy set by the Board. Their tasks include ensuring compliance with general policies and guidelines and applicable regulations; continuously reporting to the Board on the Group's activities, financial state, and other significant matters; decision-making on resource allocation; ensuring sustainability and business conduct align with the company's long-term plans. Our executive management has the responsibility of leading the whole group and our subsidiary companies. At the group level, there is a regular exchange of information between the management board of the parent company of Ekspress Grupp and the managers of the subsidiaries, which ensures the involvement of a wider circle of decision-makers and transparency in the case changes and decisions. Through continuous communication with subsidiary executive management, all relevant business-related aspects are covered, including the representation of workforce and people.

According to the articles of association, the board may have one to five members. The member(s) of the Management Board of Ekspress Grupp are elected on the basis of gender neutrality and assessing the actual competence of the persons. Similarly to the Supervisory Board, our three Executive Management members have vast experience in working with large-scale companies in Estonia. The Chairman of the Management Board has long-term experience in the media sector as managing director of both Delfi Meedia and Ekspress Meedia. Other board members have relevant experience in innovation, marketing, business management and finance, serving as management board members of multiple companies. As sustainability in general is an increasingly more important topic and closely related to our activities, strategy and initiatives, our executive management and company leadership teams are constantly educating themselves in their field of operation with regards to sustainability topics.

During 2024, Ekspress Grupp's Executive Management consists of 3 executive members, with 2 male and 1 female representatives (33% gender diversification ratio, 0% independent members):

- **Mari-Liis Rüütsalu, Chairman of the Management Board and Chief Executive Officer until 31.12.2025**
- **Karl Anton, Member of the Management Board and Chief Innovation Officer until 05.06.2026**
- **Argo Rannamets, Member of the Management Board and Chief Financial Officer until 29.01.2025**

Oversight of sustainability IROS

Sustainability management, including oversight of the impacts, risks and opportunities (IROs) in the Group is integrated into the overall management model and is part of the Group's and its subsidiaries' daily business. Ekspress Grupp's Supervisory Board has approved the Sustainable Development Strategy in 2023. The Sustainable Development Strategy is based on ESG requirements and provides general directions and goals for implementing a responsible business practice throughout Ekspress Grupp's areas of activity.

The implementation of the strategy and oversight of sustainability related matters and IROs on the Group level fall under the responsibility of the Group's CFO, who is responsible and provides companies with the main directions for implementing a responsible business culture. The management and oversight of material IROs is supported by the implemented Sustainable

Development Strategy and the Group annually collects sustainability data from its subsidiaries and monitors the achievement of its sustainability goals. The individual subsidiaries in the group are responsible for the daily operations based on their relevant sub-sector. The businesses are supported by group functions in terms of the sustainability aspects of navigating the management of business relationships and incorporating considerations of end-user and consumer impacts in daily operations. While we have not set any responsibilities to IRO related matters for individual subsidiaries, we have implemented sustainability reporting principles described below and are planning to further develop them to streamline processes and create a more aligned chain of command for IRO oversight. We have additionally used external experts and consultants to work on our ESG strategy and data collection.

Back in 2023, we implemented a Group-wide Risk Management Policy based on the requirements set by the Tallinn Stock Exchange, the Financial Supervision Authority and other regulatory bodies, generally accepted accounting standards, best practices, and the internal regulations and policies of the Group and its subsidiaries. Group-wide risk management includes the identification, measurement and control of risks, and we also use this policy when analysing sustainability-related risks. The internal control of sustainability reporting takes place through periodic reporting: subsidiaries provide the Group with an overview of their ESG activities, key performance indicators and provide an overview of anticipated bottlenecks and progress towards a general strategical goal. As specific action-based targets, as explained in each topical section, are currently not in place we will develop additional guidelines, policies and governance practices on a group level to further monitor material topics and data collection processes. While our Management Board has relevant knowledge and expertise to manage the material IROs based on the relation to our Group activities in the field of a media company, going forward, we are planning to continue working together with external experts and consultants to work on our ESG strategy and governance process and create additional training opportunities for our key parties related to material IROs and their oversight. For example, our management is well aligned with IROs related to our social and governance topics but going forward we expect additional further guidance from both external consultants and internal subject-matter experts on our environmental IROs in creating a strong environmental strategy, that supports our activities and transition towards our goals.

GOV-2 – INFORMATION PROVIDED TO, AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Supervisory Board is informed of and addresses sustainability issues throughout the year. The reporting lines for information on material IROs are disclosed in the section "Oversight of sustainability IROs". The Board receives updates on sustainability through annual DMA reports, ESG reports and general annual reporting, showing policy results, actions, metrics, and targets. As 2024 was the first year of reporting under CSRD and included a more thorough assessment of IROs through DMA, each included entity's responsible person was involved in the process and has addressed the material IROs, that have been further approved by the Supervisory Board. The Management Board is informed of relevant material sustainability matters on a day-to-day basis by either the CFO or subsidiary CEOs.

In addition, at quarterly meetings of the Supervisory Board of subsidiaries, the person responsible for ESG related topics in the subsidiary provides an overview of material ESG-related impacts, risks and opportunities, and the performance of policies, measures, metrics and objectives related to the impact, risks and opportunities. Once a quarter, the Management Board of the Group presents the status of the ESG topics to the Supervisory Board of the Group. Executive Management meets with business unit heads in quarterly meetings where ongoing sustainability matters are monitored and discussed and action taken if needed. So far we have not identified the material need to significantly act on changing our business model and general governance strategy nor trade-offs associated with the material IROs. The list of material IROs addressed by the Board and Executive Management during the reporting period is disclosed alongside the topical disclosures and in disclosures under IRO-1.

GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

In accordance with the general strategy, Ekspress Grupp builds sustainable growth by being part of the opportunities presented by the digital transformation. The objective of the Group is to increase shareholder value through revenue growth and improved profitability. Ekspress Grupp is developing and expanding its media business and seeking growth opportunities in new digital media or media-related businesses. The Group's remuneration policy is aimed at promoting the long-term financial success and competitiveness of the Group and creating shareholder value. The structured approach to salaries, extras, and position categorisation ensures that all employees are treated fairly, with compensation based on objective criteria rather than subjective or discriminatory factors.

The remuneration and employment terms of the members of the Supervisory Board are determined by the Annual General Meeting, which also evaluates the work of the Supervisory Board. The Chairman of the Supervisory Board receives remuneration. The other members of the Supervisory Board do not receive any remuneration unless the General Meeting decides otherwise. No other fees are paid to the Supervisory Board members or Chairman for the participation in the work of the committees. The Supervisory Board is responsible for preparing the remuneration policy for the Management Board. To ensure that these principles are used for the intended purpose, the Supervisory Board prepares and proposes amendments to the remuneration policy. The Supervisory Board decides on the remuneration of the Management Board members and other terms and conditions of the Management Board members' contracts of employment. The remuneration of the Management Board currently does not specifically link to sustainability matters through the use of sustainability-related metrics or targets and is comprised of the following elements:

- a fixed salary;
- a short-term incentive paid annually in cash;
- a long-term incentive in the form of shares;
- other benefits.

GOV-4 – STATEMENT ON DUE DILIGENCE

In Ekspress Grupp, we acknowledge the importance of performing due diligence on environmental and social impacts, including human rights, within our value chain. Due diligence is an ongoing process that responds to and may initiate changes in our strategy, business model, activities, business relationships, operating, sourcing and selling contexts. Our process of due diligence involves an ongoing analysis of the actual and potential impacts of our business activities on people or the environment through consultations with impacted stakeholders, feedback mechanisms and research on publicly available information. Ekspress Grupp bases its activities on the Code of Corporate Governance of the Financial Supervision Authority of Estonia, the OECD Guidelines and the UN Guiding Principles on Human Rights. An integral part of the Group's contracts is the Code of Ethics and Corporate Governance, which is an important tool for fulfilling the due diligence obligations of companies regarding sustainability. The outcome of our due diligence process is incorporated in our double materiality assessment.

CORE ELEMENTS ON SUSTAINABILITY DUE DILIGENCE

Embedding due diligence in governance, strategy and business model

We don't have a formalised due diligence process in place yet, however we consciously embed sustainability in our strategy and business model, as described in our ESG strategy section. Read more in chapters Sustainability Governance, Oversight of Sustainability IROs and Double Materiality Assessment

Engaging with affected stakeholders in all key steps of the due diligence

We maintain a continuous dialogue and open communication with our stakeholders, including suppliers, employees and clients. Read more in chapters Stakeholder Engagement

Identifying and assessing adverse impacts

Read more in chapter Double Materiality Assessment

Taking actions to address those adverse impacts

Read more in chapters Climate Change, Circular Economy, Our People, Our End-Users

Tracking the effectiveness of these efforts and communicating

We have implemented a comprehensive sustainability KPIs tracking system and we communicate the results in our annual sustainability statement. Read more in respective topical chapters.

GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Following the partial implementation of Sustainability reporting already in 2023, we have further expanded and developed our internal control systems to encompass the full scope of the sustainability reporting process. Our sustainability reporting control systems follow an approach similar to the financial reporting control system. As the sustainability reporting scope has increased in 2024, we have established a range of internal controls following an ongoing evaluation of the risks related to data accuracy and completeness. This has been done in close cooperation with internal data owners and our external consultants.

Generally, sustainability data and reporting risks can be addressed case-by-case through discussions with data owners and the executive Management, depending on materiality. The main risks identified relate to value chain data, as Ekspress Grupp does not extract or has control over them. To mitigate this risk, subsidiaries engage with value chain partners to ensure a common understanding of the data needs and required methodologies, which as a result have improved the automatic and voluntary reporting of relevant information in some supplier invoices and contracts. Additionally, we continue to improve the quality of our internal data collection by developing a more detailed understanding of data collection expectations regarding our annual reporting. Previously, risks related to the accuracy and availability of data has been present, but these are further mitigated with each year going forward and our plan to enhance our data gathering capabilities. The data collection and control during sustainability reporting is conducted by the group finance department, led by the CFO and supported by group financial controllers, who send out data collection forms. On the same principle, any discrepancies or irregular findings on the data related to our IROs will be reported to the responsible parties and if needed to the higher management after which further discussions are conducted to identify the root cause and find potential solutions and future mitigation measures.

Business model and strategy

SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

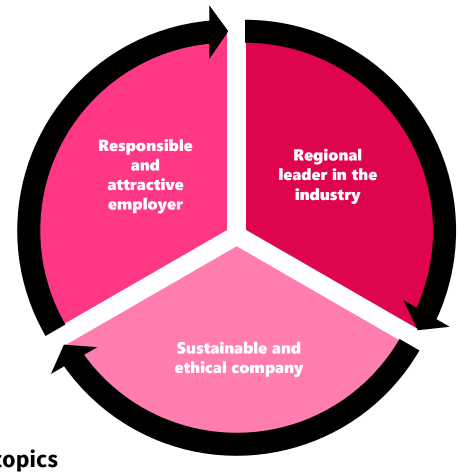
A detailed description of the key elements of our general strategy together with a description of our business model, are presented in section Strategy and Goals.

The ESG strategy of Ekspress Grupp is based on the international standards of a responsible enterprise, EU environmental initiatives, CSRD, and the sector's best practices. When creating the ESG strategy back in 2022, we also mapped out preliminary material topics (materiality analysis) in cooperation with external experts. This was complimented by a more detailed double materiality assessment conducted in 2024, which is compliant with the European Financial Reporting Advisory Group (EFRAG) guidance on the use of the double materiality principle and the involvement of stakeholders necessary to comply with the Sustainability Reporting Standards (ESRS).

As a result of the analysis of significant topics, we identified nine ESG focus areas, which do not significantly differ from the identified impact areas and focus themes from 2022. We have consolidated these themes under three areas of social impact and responsibility and have assigned priority levels to them. We have not yet assessed in detail the quantitative financial impact of these points beyond the DMA assessment, but we are planning to do it during 2025. We are further in each topical section covering the relation of mapped IROs with our ESG strategy, the main opportunities, challenges, activities and set metrics. As we are further developing our ESG governance, we are aiming to set more specific targets for our evaluated material topics in the upcoming reporting period.

Focus topics

- Personal and professional development
- Employee well-being
- Diversity, Equality and Inclusion



Focus topics

- Impactful and independent media
- Responsible advertising platform
- Customer rights and interests

Focus topics

- Resource use and climate impact management
- Responsible governance
- Supply chain sustainability

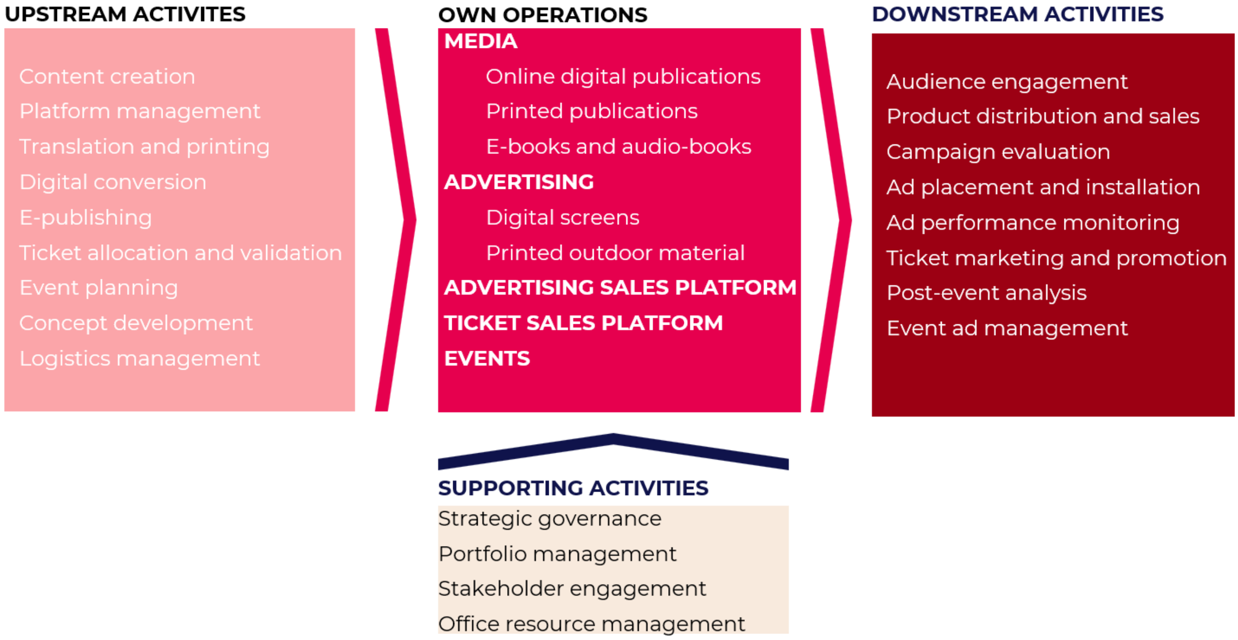
Brief overview of the ESG strategy

Focus theme	Commitment	Target
	Leading ethical and responsible media group	
Independent and impactful media group	The goal of Ekspress Grupp is to be the leading supporter of freedom of speech in the Baltics and to promote the society, providing access to fact-based and quality information.	Publications of Ekspress Grupp do not publish unethical or irresponsible information. Zero violations of Ekspress Grupp's journalism code of ethics (in preparation).
Responsible advertising platform	Our goal is to be a well-known, trusted, ethical and responsible advertising platform for our customers and readers.	Zero cases where advertising or content marketing published on our platforms does not comply with our internal rules.
Subscribers' rights and well-being	We shall ensure the security and privacy of our users/customers/readers and make sure that our media content and services are accessible to all stakeholders.	Zero violations of personal data protection requirements. Access is ensured to all media content, taking also into consideration the needs of people with special needs.
	Responsible and attractive employer	
Personal and professional development of employees	We are a leading employer in the media sector of all three Baltic countries. We facilitate and actively offer possibilities for personal and professional development. We support employees in adapting to the changing media landscape, in particular in the development of digital competence.	We have drawn up personal study and development plans for all our employees.
Employee well-being	We provide a working environment that promotes employee health and well-being and where employees can fulfil themselves.	We preserve high employee satisfaction level. Zero cases of work-related health damage.

Focus theme	Commitment	Target
Equal treatment, diversity and engagement	➢ Equal treatment, diversity and engagement are inherent to all companies and the organisational culture of Ekspress Grupp.	➢ Zero percent wage gap between men and women. ➢ To reach compliance with the EU Directive on gender balance in business leadership.
Responsibly and sustainably managed company		
Reduction of environmental impact: resources efficiency and climate impact	➢ We constantly reduce the climate impact of the organisation as well as services/products. ➢ We improve the resource efficiency of our activities and products.	➢ Digital companies of Ekspress Grupp reduce the climate impact across the value chain by 2030, in compliance with Paris agreement, and reach climate neutrality by 2050*.
Honest and responsible management	➢ Honest and responsible managementGroup companies must be managed with integrity, lawfully and ethically.	➢ Zero cases of corruption or violation of business ethics related to Group companies or employees.
Supply chain sustainability	➢ We require that our suppliers comply with our sustainability ambitions and values, and follow the same ESG practices. ➢ When purchasing products and services we take into account the environmental impact when it is relevant and possible.	➢ All our main suppliers comply with ESG principles.

*We are committed to reducing our carbon footprint and have set a preliminary target to achieve this goal. During 2025, we will conduct a comprehensive evaluation of the necessary actions to reach this target. Based on our findings, we may refine our approach and adjust our targets as needed to ensure they remain ambitious, achievable, and aligned with best practices.

Our value chain



Ekspress Grupp as a media company and its subsidiaries operate in multiple different segments, including digital and printed media, advertising solutions, ticket sales and events creation in Estonia, Latvia and Lithuania. The Group provides supporting activities, including strategic governance and management of our subsidiaries, stakeholder engagement and resource management. Further details are outlined in the Management Report and in the financial disclosures in the financial report (Consolidated Financial Statements). As a multinational group operating in the Baltic States with many different media activities within our own operations, we serve many different client groups from paper and digital media consumers and event participants, like the general public to companies seeking for advertisement services and platforms, ticket sales etc.

All our sectoral activities are considered equally important for our group companies, aligned with our strategy to offer integrated media services. From the value chain perspective, we use multiple key suppliers for all our up- and downstream activities like printing and content creation to home delivery and advertisement management. Given that the Group operates in several segments, the assessed IROs for the Group are present throughout each subsidiary's own operations but also across the value chain. As our company operates through a dynamic and interconnected value chain, where each activity contributes to the whole, we are ultimately able to create value at every step for our employees through our business conduct and employment, our partners through supplier contracts, clients and end-users and the community through our media and entertainment offering and environment in general. As such, we are able to fulfil our strategic goals and position ourselves as a key player in achieving long-term sustainability.

Interests and views of stakeholders

SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

In Ekspress Grupp, we highly value the interests of our stakeholders, which are at the core of our sustainability strategy, both internal and external. Through collaborative engagement, we are able to establish valuable relationships and encourage open dialogue between respective parties to allow stakeholders to express their voice, statements, opinions and concerns clearly. Constant engagement serves as way to identify valuable insights on the views and interests of the stakeholders, which are relevant for our general strategy and business model.

Additionally, these opinions help us evaluate our commitment towards sustainable initiatives, giving us a better understanding of how to tailor our activities and approaches, if needed based on the identified impacts, risks and opportunities. When identifying relevant stakeholder groups within the context of our business and our operations, we considered all the activities in our value chain for which we have more direct control over and stakeholder groups with whom we have open communication, which is described in the chapter above, including those indirectly affected by our activities. Through a thorough mapping and analysis of the value chain, we made sure that all relevant stakeholders were included to the extent possible and their opinions accounted for. Our mapping identified several groups of stakeholders, including our employees, consumers and customers, suppliers, cooperation partners, investors, local communities, governmental bodies and the society at large. The stakeholder engagement process was based on our mapping of the value chain, including all relevant parties in our upstream and downstream activities.

Based on the material topics and SASB sector specific impacts we have gathered insights on relevant stakeholders from all our subsidiaries, whose opinions were collected and analysed. The ways of approaching said stakeholder groups and topics of interest addressed are presented in the table below. During the stakeholder engagement, we have gathered valuable insights to our material topics and stakeholder expectations that align with our material topics. Furthermore, we have not identified any contradictions related to our material IROs and therefore there is no need to change our approach, strategy or business models. Both our group and company managements are informed on stakeholder opinions and acted upon if major changes affecting everyday operations should take place.

Stakeholder group	Why we engage	How we engage
Employees	➢ Professional development ➢ Sense of inclusion and well-being ➢ Drive towards sustainability ➢ Clear communication	➢ Performance development and open dialogue ➢ Employee surveys ➢ Open dialogue during social events
Customers	➢ Enable clients to address goals and targets ➢ Understand impacts to customers ➢ Support transition to more digital media	➢ Feedback from customers ➢ Public perception and opinion
Investors	➢ Ensure accurate communication and shareholder value	➢ Formal engagement through the Annual General Meeting and quarterly reports
Suppliers and partners	➢ Revenue and growth opportunities ➢ Sustainability performance	➢ Formal engagement through contracts and sustainability due diligence ➢ Annual survey
Communities	➢ Promote independent and transparent media ➢ Support transition to more digital media	➢ Through public and company reviews

Double materiality assessment process and results

IRO-1 - DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Similarly to the previous year, we conducted a thorough double materiality assessment to evaluate all impacts, risks and opportunities as described in the ESRS. Identified and evaluated IROs are outlined in the DMA process and further described under each topic reported on in the sustainability report. In general, material IROs are closely related to the core activities of our business model and the geographies we are present in and dispersed throughout the value chain, both upstream- and downstream. The DMA process involved relevant company representatives and the Group CFO, overseeing the DMA process and governing the necessary contribution as expected. The DMA results were verified by all company representatives, further confirmed by the CFO, who is responsible for the sustainability aspects across the Group. The final results of the DMA were informally presented to the Supervisory Board before conclusion.

Mapping of IROs

The first stage of Ekspress Grupp's double materiality process in 2024 involved preparing a list of sustainability-related issues based on the so-called "long list" included in ESRS 1 Appendix A, Application Requirements 16, an analysis of Ekspress Grupp's business activities, and a review of industry reports, existing sustainability reporting standards and guidelines, as well as sustainability reports published by entities operating in areas similar to Ekspress Grupp sectors: digital media, printed media, advertising screens and portals, tickets sales and events. The long list of topics considered for valuation was further refined to match the actual activities of our group companies based on their area of activities or sector specific aspects. As differences in IROs can be highlighted between different entities, no geographical distinction has been considered as out activities take place in the three Baltic states, that are similar in terms of daily operations and business landscape. While mapping the IROs based on our activities and the long list of topics, after mapping of relevant impacts, we have further considered potential risks and opportunities that are interconnected with these impacts and if they can have a material effect on both our entities and the group in general.

From an impact materiality perspective, a sustainability matter should be reported if it has a significant impact. This includes:

- the actual or potential, negative or positive impact of Ekspress Grupp on people or the environment in the short, medium, or long term. The impact is considered actual when it has already occurred, while it is potential when there is a likelihood of it occurring and
- the impact related to Ekspress Grupp's own business operations, its products and services, as well as through its business relationships, such as impacts arising from supplier activities.

From a financial perspective, a sustainability matter is considered material if it involves financial risks or opportunities that can reasonably be expected to have significant financial effects, impacting the organisation's financial position, financial performance, cash flows, access to financing, or cost of capital in the short, medium, or long term. When assessing these risks, Ekspress Grupp should consider not only its own business operations but also its business relationships with other companies.

The resulting list served as the basis for creating a catalogue of impacts (positive and negative, actual and potential), risks, and opportunities that, according to the Ekspress Grupp's management, selected stakeholders may consider relevant in the context of Ekspress Grupp's activities and its value chain.

The prepared list of impacts, risks, and opportunities – along with the sustainability-related topics assigned to it – was placed in a materiality assessment format for the further evaluation and materiality identification. The purpose of it was to enable Ekspress Grupp to assess the materiality of the impacts, risks, and opportunities based on beforehand established criteria that reflect the characteristics of the business. While we have in the mapping process considered the risks related to our general daily business activities, in 2024, the risks arising from sustainability related topics are considered and managed separately and have not yet been implemented in our general Group level risk assessment policy. Going forward, with the integration of sustainability risks into our existing framework, we will further consider the need to set levels of prioritisation.

Time horizon and scope

In order to be able to forecast different aspects of sustainability performance, from immediate operational changes to strategic planning for long-term goals, each Ekspress Grupp's impact, risk, and opportunity from the "long list" was assigned to a relevant time horizon. By defining time horizons, ESRS enables companies to provide a more complete picture of how they are preparing for and managing sustainability matters, ensuring that their strategies are resilient, proactive, and aligned with broader sustainability goals.

Ekspress Grupp's time horizons are split into three categories and were identified for each topic in the "long list":

- short-term horizon covers the reporting year (0-1 year);
- medium-term horizon covers a period from one to five years (1-5 year);
- long-term horizon covers a period beyond five years (5+ years).

To enhance the evaluation of the topics and be able to estimate their progress over different time horizons, Ekspress Grupp also assessed each topic upon the question whether the topic will increase or decrease its materiality, also considering whether the topic could maintain its materiality and stay stable over different time horizons.

To ensure that sustainability reporting is accurate, meaningful, and aligned with stakeholder expectations, each impact, risk, and opportunity of Ekspress Grupp was assessed whether it concerns Ekspress Grupp itself, its entities, other entities within its value chain, or both. This relevance assessment is critical for both the quality and focus of the reporting process.

Impact materiality assessment

We assessed each of the identified impacts based on the criteria outlined below. Each criterion allows for an assessment of the impact on a scale from one to five.

Scale – the assessment indicates how serious the negative impact is or how beneficial the positive impact is, taking into account the durability of the harm/benefit, as well as the compliance of our or a value chain entity's actions or omissions with the law, and our policies and objectives.

Scope – the assessment indicates the extent of the impact, considering the area affected or the number of people or stakeholders impacted by the effect.

Irreversibility – assessed only for negative impacts, the evaluation indicates whether, and to what extent, the effects of the impact can be reversed.

Probability – the assessment indicates the likelihood of the impact occurring, taking into account our previous experience. The maximum rating is given to impacts whose occurrence in the future is certain, as well as to actual impacts.

After conducting an individual assessment of the impacts, the severity of each was calculated. This was done by taking the arithmetic average of the scores assigned to each impact under the relevant criteria (scale, scope, and irreversibility, or scale and scope). Then, the arithmetic average of the severity and probability scores was calculated for each impact, which represents the final impact score. Human rights related negative impacts were scored without taking into account probability unless including it would result in receiving highest score.

After evaluating all impacts, the arithmetic average of their final scores was calculated. The result represents the materiality threshold, and all impacts with a score equal to or greater than the materiality threshold were deemed material. The results of the evaluation were then assessed by the responsible representing person of each entity as well as the management.

Financial materiality assessment

Each risk and opportunity were assessed based on two criteria, each allowing for a risk or opportunity assessment on a scale from one to three.

Scale – the assessment indicates the financial impact of the risk or opportunity, with financial thresholds for the evaluations set by the Company.

Probability – the assessment indicates the likelihood of the risk or opportunity occurring, considering the Company's experience. The maximum rating is given to risks and opportunities whose occurrence in the future is certain.

After evaluating both criteria, the arithmetic average of their values was calculated, which represents the final risk or opportunity score. Then, the arithmetic average of all the scores was calculated, the value of which represents the materiality threshold. Risks and opportunities with a score equal to or greater than the materiality threshold were deemed financially significant.

To conclude the assessment, the identified IROs were validated with impacted stakeholders through methods described in the section "Interests and views of stakeholders" above. Final calibration of the material topics was done by the sustainability working group, consisting of the responsible person from each Group's subsidiary and the Group CFO. As a result of the stakeholder engagement, there were no major deviations from the DMA results done in 2024. As a result of the final calibration by the Group companies, no major changes from the initial results were made and the sustainability working group concluded the accuracy and conciseness of the assessment, with the material topics reflecting Ekspress Grupp's sustainability strategy related goals and targets. Going forward, the DMA is reviewed annually and expected to be updated as data and knowledge relating to certain IROs expand. The following table gives an overview of the 2024 DMA results, with each material topic, as well as more detailed descriptions of their associated IROs, are presented in the next sections across three categories, being Environmental, Social and Governance.

Topic	*Topic name*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*	*Impact materiality*	*Financial materiality*	*Double material*
E1 Climate change	Environmental impacts of products and services	Actual negative impact	Company and value chain	Short to long term	X		
	GHG emissions (scope 1-3)	Actual negative impact	Company and Value chain	Short to long term	X		
	Energy efficiency solutions	Opportunity	Company	Short and medium term		X	
E4 Biodiversity and ecosystems	Deforestation	Risk	Company and value chain	Medium and long term		X	
E5 Circular economy	Circular economy	Actual positive impact	Company	Short and medium term	X		
	Waste	Actual negative impact	Company	Short to long term	X		
G1 Business conduct	Responsible media, journalistic integrity and media pluralism	Actual positive impact, opportunity	Company	Short to long term	X	X	X
	Ethical leadership	Actual positive impact	Company and value chain	Short to long term	X		
	Whistleblowing activities	Actual positive impact	Company	Short and medium term	X		
	Stakeholder engagement	Actual positive impact	Company	Short and medium term	X		
	Competitive behaviour	Risk	Company	Short to long term		X	
	Responsible behaviour	Risk	Company and value chain	Medium term		X	
	Supply chain management	Risk	Company and value chain	Short to long term		X	

Topic	Topic name	Positive or negative impact, risk or opportunity	Own operations or value chain	Expected time horizon	Impact materiality	Financial materiality	Double material
	Collaboration with partners and supply chain	Opportunity	Company and value chain	Medium and long term		X	
	Responsible media	Opportunity	Company and value chain	Short to long term	X	X	X
	Intellectual property protection and media piracy	Risk	Company	Short to long term			
	Local regulations and guidelines	Risk	Company	Short to long term			
S1 Own workforce	Working time	Potential negative impact	Company	Short and medium term	X		
	Measures against violence and harassment in the workplace	Actual positive impact	Company	Short and medium term	X		
	Workforce diversity & inclusion	Risk	Company	Short to long term		X	
	Employee privacy & data security	Risk	Company	Short and medium term		X	
	Secure employment, employee recruitment and retention	Potential negative impact, risk	Company	Short to medium term	X	X	X
S4 Consumers and end-users	Customer data security and privacy	Potential negative impact, risk	Company	Short to long term	X	X	X

Based on our 2024 DMA, we have identified material IROs both for our company and our value chain across different time horizons. Most of the IROs are related to our business conduct and our employees. However, we have also identified IROs related to the climate change aspects of our own products, customer related potential impacts and risks associated with data security, as well as effects on biodiversity and circular economy.

SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Through Ekspress Grupp's 2024 double materiality assessment, we identified material IROs across our own operations as well as throughout our upstream and downstream value chain. The summary of material IROs can be found in the table above. The more detailed material topic description and its interaction with Ekspress Grupp's strategy and business model is further described separately in each topical chapter below. The detailed description includes explanations of how and why the topics are material to the Group and how these IROs interact with our strategy, including the management of these IROs. As of 2024, there are no financial effects from material IROs anticipated to result in material adjustments to the carrying value of our assets and liabilities in the next annual reporting period.

As mentioned above, to ensure compliance with the CSRD and the Estonian Accounting Act, we have increased our resources from last year, with additional capacity arising from the use of external consultants and assurance providers. Similarly, the number of people working in this area at both from the Group and company level has increased. As our material IROs are related to our main business activities and ability to grow, our initiatives to improve opportunities and mitigate impacts and risks are partially included in our current established governance structures. We will take further action on enhancing our ESG governance, but based on 2023 and 2024 DMA results, our resilience is deemed high within the time horizons. Though the resilience assessment does not follow the ESRS requirements, we have based our opinion on qualitative input by external subject-matter experts, including an overall assessment of the mitigating factors in place across all IROs, as gathered in the DMA process.

ENVIRENMENTAL INFORMATION

ESRS E1 Climate change

E1 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE RELATED IMPACTS, RISKS AND OPPORTUNITIES

Although the environmental impact of the media sector is relatively limited compared to other sectors, climate and environmental impact management is essential for a sustainable and responsible company. We have mapped our material areas of influence in the environmental field during the creation of the ESG strategy, considering the supply chain, which significantly influences our overall environmental impact. The process of strategy creation and identification of areas of influence is described in more detail in chapters "Business model and strategy" and "Double materiality assessment results".

The environmental impact of Ekspress Grupp is largely driven by printing processes - our companies publish newspapers, magazines and books. For online formats, monitoring energy sources used for infrastructure operation is key, along with assessing the environmental effects of energy consumption by digital media devices. In the case of a paper newspaper or magazine, a positive contribution is made if the reader shares it with family members or colleagues and later recycles it as wastepaper.

Topic	*Description*	*Positive or negative impact, risk or opportunitu*	*Own operations or value chain*	*Expected time horizon*
ESRS E1 Climate change	Negative impact related to the use of products and services offered: (i) digital media - energy use of suppliers & end users, hardware production; (ii) printed media - paper production, distribution; (iii) screens - technology production, energy use, end of life electronic waste; (iv) events - energy use, logistics, waste	Actual negative impact	Company and value chain	Short to long term
	GHG emissions (scope 1-3)	Actual negative impact	Company and Value chain	Short to long term
	Opportunity for cost reduction through energy efficiency measures in own operations	Opportunity	Company	Short and medium term

For E1 climate change, based on our 2024 DMA, we have concluded the actual negative impact of our resource usage needed for products and services offered. For example, the amounts of energy used in digital media creation and usage, both for our own operations and within the value chain have an effect on the environment. A similar situation is related to printed media – paper production as an energy intensive activity also affects the availability of natural woody resources, which if not managed properly, can lead to deforestation, described under chapter E4. From the other perspective, we have identified climate change related opportunity in the form of introducing energy-efficiency measures and activities, which decreases from one side our energy consumption but also the dependence on fossil resources. Climate action is highly important to our business for many reasons and is also one pillar of our ESG strategy to become a leading sustainable media company in the Baltics. Our ambition is to set the benchmark for sustainability topics in the media sector by reducing our environmental footprint, promoting responsible content creation, and driving positive change within our industry and community. In Ekspress Grupp, we are committed to minimising our consumption and related impacts to the extent possible, including the gradual decrease in the number of printed media publishing, at the same time transitioning our business model and the end-users towards digital media consumption. Additionally, we want to adhere to and align with the ambitions and expectations of our business partners. Namely, based on the experience from previous years, we feel that as a leading media company in the Baltics, we can play an important enabling role in helping our partners in decarbonising their businesses.

In our 2024 DMA and related analysis, we have assessed the identified IROs, specifically evaluating potential climate-related risks or hazards. We consider our business model and current assets and locations to be exposed to a low degree of climate-related risks and assess our qualitative resilience to be at a high level. This valuation is based on assessment during the reporting period that activities considering our own operations are based in an urban environment, where climate impacts are relatively limited. Similar approach is considered for the main value chain partners (printing houses, home delivery) that operate in urban environments, where climate related risks are minimised. Based on our DMA analysis, we have not identified any climate related material physical or transition risks that would have a material effect on our operations that would cause us financial obligations or increased costs.

Our approach and ambitions

E1-1 TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Currently, we do not have a transition plan for climate change mitigation, which would ensure our strategy and business model are compatible with (i) the transition to a sustainable economy and (ii) limiting global warming to 1.5 degrees in line with the Paris Agreement but have initiated work to assess how to best approach this, based on the full GHG disclosures established for 2024. However, as the qualitative resilience assessment for 2024 was based on the DMA process, we are further planning to conduct a climate scenario and detailed resilience assessment during 2025 to adopt the transition plan during the next reporting year.

E1-2 – POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Our ESG strategy serves as a guiding framework for our sustainability efforts and outlines our commitment to environmental preservation, including the mitigation of climate change, use of renewable energy and optimised use of resources. Even though the ESG strategy covers our activities and plans for reducing our carbon footprint, as well as plans to manage risks and opportunities associated with climate change, it is not considered a separate policy document. Based on the existing ESG strategy, we are planning to create and implement an environmental policy, which will also include more detailed climate change mitigation and adaptation issues. The policy will be completed and rolled out in 2025 and will apply to all subsidiaries under Ekspress Grupp. The environmental policy creation will be led by the Executive Management, the CFO of the group and for a detailed assessment and to ensure coverage of all relevant topics. External consultants will be onboarded, who will work together with the sustainability working team (CEOs or responsible persons from each subsidiary). In creating the environmental policy, we will engage our biggest cooperation partners to identify also their needs and requirements towards us to ensure transparency. So far our ESG strategy as a guiding document has been part of our public annual report since 2022 and similarly, our developed climate policy will be made available for all interested sustainability statement users.

E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION

Media is among the industries with the lowest environmental impact, including climate impact. Our main environmental footprint is related to value chain impact of print media segment – paper sourcing and transport, printing, distribution, and end-of-life. However, we are aware that everything that concerns “digital” is the area with one of the fastest growing climate emissions – digital products and platforms, their energy consumption, networks and servers, additionally our network of screens. Looking forward, we currently do not anticipate significant increases in our climate change related impacts that would arise from expanding our operations. On the contrary, with media and advertisement moving towards more digitalised solutions due to end-user demand and our operations becoming more efficient and conscious towards environmental aspects, we expect our climate impact to decrease. In Ekspress Grupp, we have previously set separate goals under our ESG strategy for our GHG emission targets. These targets were initially set in 2022 with the development of our ESG strategy, accounting for the emission calculations for Delfi Meedia and Delfi Lithuania. Together with external sustainability experts, targets were set based on the potential GHG reduction for Delfi companies, that were further expanded to the whole Group. Based on this, we have set the general movement towards our targets which have not been developed in accordance with Science Based Targets:

- **Delfi Meedia (digital and print) to reduce the total greenhouse gas emissions 80% by 2030, compared to base year of 2020**
- **Rest of the Group (digital) to reduce the total greenhouse gas emissions by 2030 in line with Paris Agreement and Science Based Targets (from base year 2022) and reach net-zero emissions by 2050.**

Based on the 2024 assessment of our material topics and the disclosure points related to climate change mitigation, if needed we will further reconsider and re-evaluate the previously disclosed base year and any methodologies set for the existing targets during 2025. Updating of the base years for the GHG reduction is related to the continuous enhancement of data availability and level of detail in the GHG estimates, which has resulted inaccurate baseline values and therefore we do not disclose the current progress towards the previously set goals. As we currently do not have a dedicated environmental policy to provide guidance and monitoring the success of the set GHG reduction targets, we consider it not material to disclose current level of reduction reached due to the scope of GHG emission calculations provided in the segment below. In addressing our group and company level GHG targets, we refer to the total amount of emissions by the respective company in the country of operations and throughout own operations and the value chain as per GHG Protocol definitions. Though not currently guided by any policies, we still on a yearly basis monitor the achievements made in the absolute level of emissions and for internal purposes compare them with the previous years. Even though we have not set any clear short-term ambitions for the yearly valuation, we aim to indirectly monitor our progress towards our long-term goals.

Our initiatives and progress

E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE MITIGATION POLICIES

In order to decrease and minimise our negative impacts arising from greenhouse gas emissions and impacts related to the resource use for both digital and printed products and services offered, we have within our ESG strategy set both group and company level strategic initiatives that we will follow from 2025 onwards as we have identified the gaps during 2024. The targeted initiatives involve activities within our own company activities, considering the three Baltic States where we operate in. As far as stakeholder interests, as described in the Basis of preparation segment, we value our stakeholders' voice and consider the opinions and interests to the extent when critical changes are needed. Based on 2024 engagement, no critical changes have been pointed out.

As we have set ambitious strategic initiatives for our climate change mitigation, we will further set priorities and timeline for the actions during 2025 together with our environmental policy. As we have not taken a structured approach to specific actions on a group level, selected subsidiaries have still taken initiative. For example Delfi Lithuania, Digital Matter and Geenius Meedia have shifted towards purchasing renewable energy, most of our offices have implemented green office practices, our printing partners use certified suppliers etc. Going forward, we are engaging more detailed in a structured approach to governing these steps and actions.

Even though actively engaging in sustainability matters requires additional time from our employees, our current estimate and knowledge is that we do not expect the need to allocate significant additional resources to take the next steps in our climate action plans, that goes beyond the need to involve external subject-matter experts and reorganise relevant employee work obligations.

Group level strategic initiative	Steps and actions to be taken (G-Group; C-Company)
Set up proper and proportional approach for environmental and climate impact management and reporting	➢ (G) Climate change mitigation and adaptation policy. ➢ (G) Agree and enhance group-wide approach and methodology for climate impact analysis (separate for print media and others). ➢ (G) Set greenhouse gas reduction targets (in line with science-based targets / SBTi). ➢ (G) Consider investor demands in disclosing climate related risks to Ekspress Grupp in line with Task Force On Climate-Related Financial Disclosures / TCFD (e.g paper sourcing, distribution, network disruptions).
Improve resource efficiency and mitigate climate impact in all companies	➢ (C) Map energy efficiency gaps and opportunities, and further improve energy efficiency in offices (electricity, heating, cooling). ➢ (C) Purchase or produce renewable energy in all locations where possible, including data centres. ➢ (C) Implement travel policy that lowers the impact of employee transportation. ➢ (C) Implement green office programs in all locations (focus on energy, purchased materials, waste).
Systematically reduce life-time climate impact intensity of digital products	➢ (C) Set reduction measures and targets for digital product footprint (including collaboration with DIMPACT initiative). ➢ (C) Agree and apply principles and guide for employees for environmental considerations in digital product development – measures that reduce energy consumption (or its impact on the climate) of servers, network, and user devices. ➢ (C) Define and apply environmental criteria for 3rd party advertisements / banners.

Group level strategic initiative	Steps and actions to be taken (G-Group; C-Company)
	➢ (C) Optimise data archive to reduce its environmental impact.
Reduce environmental impact of print products	➢ (C) Use sustainable paper from certified sources (FSC). ➢ (C) Agree and apply principles for environmental considerations / criteria in printing, transport, and distribution. ➢ (C) Engage and collaborate with value chain partners (print, distribution) to find joint reduction opportunities in printing, distribution, end-of-life.

E1-5 – ENERGY MIX

As of 2024, we have fully assessed the Grupp's energy consumption following the similar principles as in the assessment of Scope 1, 2 and 3 greenhouse gas emissions. Ekspress Grupp's subsidiaries do not operate in sectors with a high climate impact within the meaning of ESRS: Sectors with a high climate impact are listed in the NACE sections A-H an L as defined in the Commission's Delegated Regulation (EU) 2022/1288. When assessing our energy consumption and also greenhouse gas emissions, financial control approach was used within the meaning of GHG Protocol and as defined in ESRS. In determining the energy mix figures, we have used the information gathered from all our subsidiaries within the scope. We have not made any further assumptions besides actual numerical data on energy consumption. A certain limitation that we are further planning to expand on is related to the level of detail for the data collected from our energy suppliers, which currently does not allow to disaggregate all relevant energy consumption by energy source. For the validation and verification of the calculations and the underlying results, we have not used external resources.

Energy consumption and distribution of energy sources	2024
Total fossil energy consumption (MWh)	2 853.7
Percentage of fossil sources in total energy consumption (%)	**70.6%**
Energy consumption based on nuclear sources (MWh)	0
Percentage of nuclear energy in total energy consumption (%)	**0%**
Fuel consumption of renewable sources (including biomass) (MWh)	0
Consumption of purchased or acquired electricity, steam and cooling based on renewable sources (MWh)	1 188.4
Consumption of self-produced renewable energy used for purposes other than fuel (MWh)	0
Total renewable energy consumption (MWh)	1 188.4
Percentage of renewable sources in total energy consumption (%)	**29.4%**
Total consumption of non-fossil non-renewable energy sources** (MWh)	0
Percentage of consumption of non-fossil non-renewable energy sources in total consumption (%)	**0%**
Total energy consumption (MWh)	4 042.1

E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

The financial control approach was chosen as the consolidation approach to cover our operations of all entities in the Baltics under Ekspress Grupp, and no sources/facilities/operations were excluded from the calculation for categories that were covered in this year's analysis. As we follow in our consolidation the financial control scope, we do not include any joint ventures or associates in the calculations. Our climate impact was measured through global warming potential (GWP100) and expressed as metric tons of carbon dioxide equivalent (t CO2eq) which considers seven greenhouse gases covered by the Kyoto Protocol (carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6) and nitrogen trifluoride (NF3)).

The following sources were used to gather emission factors: UK Government GHG Conversion Factors for Company Reporting 2023, 2024, IPCC 2006, 2019, Estonian GHG footprint calculation model 2024 (Ministry of the Climate of Estonia), Lithuanian National Inventory Report 2024, Association of Issuing Bodies (AIB) European Residual Mixes 2023, The Big Climate Database, CarbonCloud ClimateHub, Ecoinvent v3.8, Exiobase v3.8.2, US EPA Supply Chain Factors Dataset v1.3, BEIS/DEFRA 2021 EEIO factor, academic papers, IEA Life Cycle Upstream Emission Factors, Enerdata, Lithuanian District Heating Association, Latvian Ministry of Climate and Energy.

There were no significant events or changes in circumstances relevant to our GHG emissions which impacted our reporting and for the validation and verification of the calculations and the underlying results, we have not used external resources.

Metric	2024
GHG emission of Scope 1	
Total GHG emission of Scope 1 (in CO2 equivalent tons)	*266.1*
GHG emission of Scope 2	
Location-specific measured total GHG emission of Scope 2 (in CO2 equivalent tons)	*665.5*
Market-specific measured total GHG emission of Scope 2 (in CO2 equivalent tons)	*824.8*
Significant GHG emission in Scope 3	
Indirect (Scope 3) total amount of total GHG emission (in CO2 equivalent tons)	*6 573.2*
1. Purchased goods and services	*3 249.0*
2. Capital goods	*72.4*
3. Activities related to fuel and energy (which do not belong to Scopes 1 or 2)	*248.0*
5. Waste generated in the course of operations	*2.2*
6. Business travel	*146.9*
7. Employees' commute to and from work	*690.7*
8. Upstream leased assets	*369.1*
9. Transport in subsequent stages of the value chain	*1 481.8*
11. Use of sold products	*313.1*
Total GHG emission	
Total GHG emission (location-based) (in CO2 equivalent tons)	*7 504.8*
Total GHG emission (market-based) (in CO2 equivalent tons)	*7 664.2*

Ekspress Grupp GHG emissions by country	Estonia	Latvia	Lithuania
Total GHG emissions (location-based) (in CO2 equivalent tons)	6 123.2	448.1	933.5
Total GHG emissions (market-based) (in CO2 equivalent tons)	5 934.0	816.5	913.7

Since 2022, we have reported on our scopes 1, 2 and 3 emissions. In our efforts to improve data quality and the total scope of our emissions, we expanded our scope 3 reporting to include majority of the categories in 2024, including more detailed waste collection, products and services, business travels, use of end products, including the footprint of digital products and downstream transportation for paper media deliveries due to the sustainability push and improved data collection abilities of our collaboration partners.

Scope 1

Our scope 1 emissions derive mainly from fuel used by company owned cars. In total, as we do not generate any electricity or heat on site in our offices, the total scope 1 emissions make a minor proportion of our total GHG amounts (3.5%). The year developed as expected and with increased activity across all group entities, there was an increase in our Scope 1 emissions. Going forward, we will consider implementing opportunities in our Environmental Policy to mitigate our scope 1 emissions.

Accounting principles

Scope 1 greenhouse gas emissions refer to the direct emissions from sources that are owned or controlled by an organisation. Direct GHG emissions comprise the sum of greenhouse gases, which are converted to CO_2 equivalents. The emissions arise from the combustion of fuel products related to use of vehicles. To calculate GHG emissions, we have used the Estonian Ministry of Climate's latest emission factors and UK Government's conversion factors which are widely used in greenhouse gas emissions calculations.

Scope 2

Our scope 2 accounts for electricity and heating for our group company offices located in the three Baltic countries.

Accounting principles

Scope 2 greenhouse gas emissions refer to the indirect emissions resulting from the generation of purchased energy that is used by an organisation. Scope 2 emissions occur at the facility where the energy is generated, thus being classified as indirect emissions. The emissions are linked to the electricity and district heating consumption related to Ekspress Grupp and its subsidiaries' office activities.

Scope 2 market-based Emissions are calculated by taking the specific energy sources an organisation uses for its purchased electricity, heat, or steam. Renewable energy purchases and guarantees of origin are considered when accounting for indirect GHG emissions using the market-based approach in some of our offices where renewable electricity is used.

Renewable energy certificates - Certificates for purchase of renewable energy are only used as documentation if a GO/ cancellation statement is either in hand or a signed letter of intent assuring the arrival of such a statement is present at the time of reporting. To calculate GHG emissions, the 2022 version of the AIB country specific residual mix has been used for our entities. Scope 2 location-based Emissions are calculated by taking the specific energy sources an organisation uses for its purchased electricity, heat, and steam and using average emission factors for the national energy grid for each Baltic country separately. This method reflects the energy mix within the specific area of consumption and does not consider any purchase of renewable energy or credits. To calculate GHG emissions, the latest version of the country factors has been used.

Scope 3

Our scope 3 accounts for the indirect emissions from our value chain, including activities both in our upstream and downstream value chain. Based on the categories of scope 3 and the activities of our value chain partners, we have not identified any biogenic emissions arising from our scope 3. In total, gross scope 3 emissions make up the majority of our 2024 emissions as our own operations are limited to office activities. To Compared to 2023, we have included all companies and their activities under Ekspress Grupp and a significantly wider base of Scope 3 categories covered in the calculations. In 2024, our scope 3 reporting includes the following nine categories:

1 Purchased goods and services include GHG emissions associated with the Group's purchase of goods and services and are calculated as the direct cost including VAT or the amounts purchased associated with a specific type of product or a service, multiplied by a matching emission factor either on a direct-spend-based or item-based emission factors. The direct cost has been converted to EUR using the average annual exchange rate to align with the currency used in the spend-based emission factors.

2 Capital goods include GHG emissions associated with the Group's additions to tangible assets and are calculated as the specific type of item, multiplied by a matching emission factor from available sources, like product specific EPDs or average values of the purchased products.

3 Fuel-and-energy-related activities include emissions derived from the direct and indirect emissions reported under scope 1 and 2 and the development is therefore directly linked to these two emission categories.

5 Waste generated in operations include GHG emissions of waste generated in from the disposal and treatment of waste produced by a specific company's operations. The GHG emissions are calculated using actual waste data from each company's annual statistics derived from information provided by waste management company.

6 Business travel Emissions include GHG emissions arising from our employees travelling to different countries or other locations as part of their work obligations. Emissions calculated are based on data collection on the locations and distances travelled during 2024.

7 Employee commuting include GHG emissions from our employees travel to work and home. In 2023, we conducted an employee survey on our employees' commuting habits. As there have not been significant changes in the number of employees in the group and considering the total amount of employees, we see no significant changes compared to previous years. The employee questionnaire included answers for the average distances and type of commute used by our employees, multiplied with a respective emission factor.

8 Upstream leased assets include GHG emissions from leased assets by the undertaking company, for example IT equipment. For the calculations, we have included the number of leased assets and their lease type and used the relevant emission factor.

9 Transport in subsequent stages of the value chain include GHG emissions related to transportation activities of products before they are sold. As for our physical printed media products we are using direct data from our transportation partners Omniva and Lehepunkt on the distances travelled and fuels used.

11 Use of sold products include GHG emissions from the use our digital products. For the calculation a robust methodology has been used with broadest system boundaries possible to represent a comprehensive GHG footprint. The calculation includes the energy usage of data centres, energy usage by networks for data transfer and energy used by end-users interacting with a product or service. Each system segment is further broken down into two categories — operational and embodied emissions. This is done by first looking at the energy used by devices during their manufacturing and operation. These energy figures are converted to emissions by then multiplying them by a grid intensity factor. We have included only operational emissions calculations, though we provided the assessment of embodied emissions separately. To estimate operational emissions, first, we define the energy consumption intensity. To do so, we look at the global energy consumption for each segment, as well as total data transfer. By dividing the energy consumption by the total data transfer, we get the energy intensity based on data transfer for each.

Scope 3 categories - not material or relevant

The following categories are not relevant to our business model or activities or are constrained by data availability:

4 Upstream transportation and distribution – Upstream transportation is relevant to the materials delivery for the printing houses, but due to non-uniform data availability, we have excluded the category and are further looking at enhancing data collection and disclosure in the next reporting period.

10 Processing of sold products – Our sold products are not intermediate products and are not used for further processing and is therefore not material.

12 End of life treatment of sold products – All our unsold newspapers are collected by a waste management company and recycled (Read more about in chapter E5).

13 Downstream leased assets – The category has been valuated as non-material, as we do not act as a lessor.

14 Franchises - The category has been valuated as non-material, as we do not operate franchises.

15 Investments The category has been valuated non-material as the level of investments is limited, and the associated scope 3 emissions are minimal.

Data hierarchy

The reported environmental performance follows the data hierarchy principles: 1 - Actual consumption directly stated on the invoice from the vendors; 2- Data supplied by the vendor open request through written communication; 3-Data through vendor online portal or similar.

Emissions intensity

Ekspress Grupp does not participate in regulated emissions trading systems and does not apply internal carbon emission plans. For the GHG intensity based on net revenue has been calculated as gross scope 1, scope 2 location-based/market-based, and gross scope 3 emissions divided by reported net revenue in thousand euros, that can be found in the consolidated annual financial statements in the section “Consolidated statement of profit or loss and other comprehensive income”. For the validation and verification of the calculations and the underlying results, we have not used external resources.

GHG intensity based on net revenue	2024	Comparison period	% change 2023/2024
Total GHG emissions (location-based) per net revenue (tCO_2e/EUR thousand)	0.099	-	-
Total GHG emissions (market-based) per net revenue (tCO_2e/EUR thousand)	0.1	-	-
Total net revenue (thousand euros)	76 170	-	-

Taxonomy related activities of AS Ekspress Grupp

The Taxonomy Regulation sets out specific requirements and technical screening criteria for economic activities that would contribute to the EU's environmental objectives.

The delegated act on the climate objectives of the Taxonomy Regulation ("Taxonomy Climate Delegated Act") was adopted in 2021, setting out technical screening criteria for the activities of nine economic sectors. These criteria focused on the economic activities and sectors that have the greatest potential to contribute to the EU's climate goals. The basis for the criteria was the total greenhouse gas emissions of the economic activities or the potential to support the prevention, sequestration or long-term storage of greenhouse gases. In 2023, the Taxonomy Regulation was supplemented by the adoption of the Environmental Delegated Act (environmental act). The environmental act focuses on the remaining four environmental objectives: sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.

Ekspress Grupp's activities are covered in the activities outlined in the climate act, but not in the list of activities covered by the environmental act. Therefore, Ekspress Grupp's reporting according to the EUR taxonomy regulation is based on the climate act.

For the calculation of performance indicators, as a first step Ekspress Grupp assessed which activities of the Group were taxonomy-eligible. The Group used NACE codes of the activities listed in the climate act and the descriptions of the activities.

Among the activities related to the Group's sales revenue, two economic activities are described in taxonomy:

- Organisation of events that corresponds to the activity outlined in the climate act 13.1 Creative, arts and entertainment activities (NACE R90), which is an activity supporting adaptation to climate change according to the Climate Act. Ekspress Grupp and its subsidiaries organise public events in the form of sports events, theatrical performances and similar entertainment activities.
    - "On the basis of data on current and future climate risks, including uncertainty assessment and reliable data, the company demonstrates that the activity ensures the achievement or promotion of the use of a technology, product, service, information or practice that has one of the following main objectives:

      (a) increase the resilience of other people, nature, cultural heritage, assets and other economic activities to physical climate risks;

      (b) contribute to adaptation efforts that take into account other people, nature, cultural heritage, assets and other economic activities."
- Ekspress Grupp estimates that the corresponding technical screening criterion has not been met since the events organised in 2024 did not focus directly on the topic of climate change adaptation. Technical screening criteria for avoiding significant harm have not been established for the activity.
    - During 2024, Ekspress Grupp did not evaluate the potential impact of climate risks, especially related to specific economic activities as listed in the Taxonomy regulation. Additionally, Ekspress Grupp did not implement adaptation solutions as the eligibility has not been evaluated. Moreover, while organising events, companies adhere to local laws and standards but have not accounted for climate change adaptation targets nor do they track in detail whether these activities "do no significant harm". Based on the above justification, the economic activity at hand cannot be considered as taxonomy aligned or eligible as all substantial contribution criteria have not been met.
- Creating content or acquiring the right to distribute content and subsequently broadcasting that content, such as radio, television and data programs of entertainment, news, talk, and the like, including data broadcasting, typically integrated with radio or TV broadcasting that corresponds to the activity outline in the climate act 11.1, Programming and Broadcasting activities (NACE J60), which is an activity supporting adaptation to climate change according to the Climate Act. Ekspress Grupp' three subsidiaries operating under the Delfi brand have one line of activities related to Delfi TV, which includes broadcasting of multimedia content, including news, talks and similar.
    - Creating audio-visual content is in the core of Ekspress Grupp's main media activities, however climate risks related to this activity have not been evaluated during 2024. As during the reporting year, the impact of the underlying activity on the environmental goals cannot be determined, the activity is not considered as taxonomy aligned or eligible.

- During 2025, Ekspress Grupp will conduct the climate scenario and risk assessment that would allow for a further evaluation of the above Taxonomy activities and their substantial contribution to the listed criteria.

Minimum safeguards

Ekspress Grupp evaluated minimum safeguards criteria of the Taxonomy Regulation on the basis of Article 18 of the Taxonomy Regulation and the report *Final Report on Minimum Safeguards* of the Platform on Sustainable Finance, European Commission advisory expert group. According to the guidelines of the expert group, the company must have minimum protective measures in four areas:

- Human rights, including workers' rights
- Avoiding corruption and bribery
- Honest tax behaviour
- Fair competition

Minimum safeguards mean compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. With its ESG strategy, Ekspress Grupp confirms that the Group follows the abovementioned guidelines and principles in all of its activities. The respective business ethics principles have also been laid down in the Code of Conduct of Ekspress Grupp. The aim of implementing the ESG strategy is, in addition to following the guidelines and principles, to also initiate the implementation of the necessary due diligence process and its compliance.

Contextual information

Sales revenues:

Sales revenue 76 170 thousand comprises of total Group revenue from its financial accounts in the income statement as well as in sales revenue in Note 21.

- Creative, arts and entertainment activities (NACE R90) – the Group organises both public and internal events, as described above. During the reporting period, taxonomy eligible but not aligned makes up 0% of the Group’s total revenue.
- Motion picture, video and television programme production, sound recording and music publishing activities (NACE J60) – Group companies Delfi Meedia AS (Estonia), AS Delfi (Latvia) and Delfi UAB (Lithuania) create, publish and broadcast audio-visual content. However, due to the Group’s accounting policy, revenues of the three subsidiaries operating under the Delfi brand are pooled into a single subscription for the end-consumers and no distinction between audio-visual content and written news and articles can be reasonably made. Therefore, no justifiable assumptions on the actual consumption can be made based on the revenue composition. As a result, taxonomy eligible, but not aligned revenue makes 0% of the Group’s total revenue.

Capital and operating costs

Operational costs of 66,451 thousand euros represent the sum of the lines “Cost of goods sold”, “Marketing expenses”, “General and administrative expenses” and “Other operating expenses” in the income statement, from which depreciation expense has been deducted.

Capital costs 7 531 thousand euros include IFRS 16 contracts, derived from the statements of movements in fixed assets.

- Creative, arts and entertainment activities (NACE R90) – the Group organises both public and internal events, as described above. During the reporting period, taxonomy eligible but not aligned operating costs make up 0% of the Group’s total OPEX. No capitalised investments for the Taxonomy eligible activity were made during the reporting year. As the Taxonomy classification of activities is directly linked to the primary activities of the Group and its subsidiaries, the Capital and Operational costs do not include the rental costs and agreements (leases) from IFRS 16 (office space, land under advertisement screens) in the Taxonomy calculation as it is not part of the underlying Taxonomy activities of Creative, arts and entertainment activities or Motion picture, video and television programme production.
- Motion picture, video and television programme production, sound recording and music publishing activities (NACE J60) – Group companies Delfi Meedia AS (Estonia), AS Delfi (Latvia) and Delfi UAB (Lithuania) create, publish and broadcast audio-visual content. Operating costs include purchased items from image banks for TV production, vodcast production costs, stream and broadcast production costs, including rights, technical implementation etc; additional software licensing required for TV production and payments made to private individuals. During the reporting period, taxonomy

eligible, but not aligned operating costs make up 0% of the Group's total OPEX. Capitalised investments under the activity are related to the upkeep of Delfi TV platforms, considering the investments that would not have been made, if no broadcasting or other activities would be done on the platforms. Total taxonomy eligible, but non-aligned CAPEX makes 0% of the Group's total capital investments.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities in 2024

	2024			Substantial contribution criteria						
Economic activities	Code	Turnover, EUR' 000	Proportion of turnover %	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.)
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
A.1. Environmentally sustainable activities (taxonomy-aligned) total	**-**	**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Of which enabling		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		0	0.00%	0.00%						0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)										
13.1. Creative, arts and entertainment activities	CCA 13.1	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
13.3. Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) total		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
TOTAL (A.1 + A.2)		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES										
Taxonomy-non-eligible activities (B)		76 170	100.00%							
TOTAL (A + B)		**76 170**	**100.00%**							

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities in 2024

	2024			Substantial contribution criteria						
Economic activities	**Code**	**CapEx, EUR' 000**	**Proportion of CapEx %**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) CapEx, 2023**
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
A.1. Environmentally sustainable activities (taxonomy-aligned) total	**-**	**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Of which enabling		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		0	0.00%	0.00%						0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)										
13.1. Creative, arts and entertainment activities	CCA 13.1	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
13.3. Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) total		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
TOTAL (A.1 + A.2)		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
Taxonomy-non-eligible activities (B)		7 531	100.00%
TOTAL (A + B)		**7 531**	**100.00%**

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities in 2024

	2024			Substantial contribution criteria						
Economic activities	**Code**	**OpEx, EUR' 000**	**Proportion of OpEx %**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) OpEx, 2023**
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
A.1. Environmentally sustainable activities (taxonomy-aligned) total	**-**	**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Of which enabling		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		0	0.00%	0.00%						0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)										
13.1. Creative, arts and entertainment activities	CCA 13.1	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
13.3. Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	0	0.00%	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	0.00%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) total		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
TOTAL (A.1 + A.2)		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
Taxonomy-non-eligible activities (B)		66 451	100.00%
TOTAL (A + B)		**66 451**	**100.00%**

EU Taxonomy proportions per environmental objective

Proportion of turnover/ Total turnover		
	Aligned	Eligible
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Proportion of CAPEX / Total CAPEX		
	Aligned	Eligible
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Proportion of OPEX / Total OPEX		
	Aligned	Eligible
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

ESRS E4 Biodiversity and ecosystems

Based on our 2024 DMA process, we have identified one relevant material risk for Ekspress Grupp companies and value chain, which has a potential of realisation in the medium and long term related to deforestation. We have not identified any material negative impacts with regards to land degradation, desertification or soil sealing nor does any of our activities in our geographical locations affect any endangered species.

Across all our core activities (digital media, ads, events and printed media) paper consumption in printed media has the largest impact on the businesses. Almost half of the emissions for Delfi Meedia AS and other printed media companies like Geenius Meedia OÜ and Hea Lugu OÜ come from printed media and paper/ink consumption, which accounts for the largest portion of these emissions. With the significant use of paper in our main categories, there is a potential risk arising from regulatory aspects related to deforestation and use of natural resources for paper production – which can have several negative outcomes for Ekspress Grupp, especially related to our sustainability aspects, reputation, supply chain disruption and other aspects. While material topic, due to the fact of it being high upstream in our value chain, we have not collected data from our value chain nor conducted consultations with affected communities.

Topic	*Description*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*
E4 Biodiversity and ecosystems	Deforestation	Risk	Company and value chain	Medium and long term

Published back in 2023, the new EU Deforestation Regulation (EUDR) impacts the whole book and printed media publishing industry, with challenges regarding transparency of the deeper supply chain and complex information management, e.g. sourcing of paper and paper products, mapping of the supply chain and main suppliers and their certification. The primary risk for Ekspress Grupp companies lies in the potential additional costs for the publishers as a result of changes to their processes. Verifying the supply chain, conducting due diligence, and ensuring that paper is sourced from certified sustainable forests might lead to higher paper prices, which could impact production costs for books, magazines, and other printed materials, which essentially needs to be transferred to the end-user.

As none of our companies in the Baltics are directly linked with the risk due to the nature of our operations, the material risk of deforestation on biodiversity and ecosystems can affect our Group financially due to increased costs, but the actions leading to the potential risk take place high up in the value chain. Due this, we have decided to gradually phase-in the disclosures of data related to our upstream value chain to the extent possible.

As the risk described is high up in our value chain and we acknowledge the potential risk that can cause increased costs for our operations, we are already considering changes in our strategy and business model to make it more resilient. Even though we have not conducted a separate resilience analysis, as both a printed and media news company, we have acknowledged the consumer's demand towards more digital and less printed media, which is the reason we have gradually started to decrease the number of printed media outlets and are continuing with these activities every year, based on the reader numbers of our subsidiaries' outlets. By gradually changing our business model towards more digital solutions, we are decreasing the risk of higher costs and material availability arising from paper production to our company.

Transition plan, policies and considerations of biodiversity and ecosystems in our strategy and business model related to our actions

As we do not currently have a transition plan or any policies in place to minimise risks related to biodiversity impacts, both our digital and printed media segments are related to the topic and are also emphasised in our environmental strategy. As described later in section G1, we continuously emphasise our collaboration partners' and suppliers' progress towards ESG related activities, including their due diligence, sustainable value chain management, we select our partners and raw materials used based on certification and their processes. For example, as defined in our environmental actions, we emphasise and have set specific activities to use sustainable paper from certified sources and are planning to further agree and apply principles for environmental considerations / criteria in raw materials sourcing. Only by carrying out these activities and selecting our suppliers based on their actions and criteria, we are able to minimise the risk realising for the Group companies.

As in our business model and recent years' developments, we are less and less focusing on printed media and moving towards fully digital products and services. From one aspect it is within our business model and strategy to cater to the needs and demands of our customers and with our end-users shifting towards more digital content with less printed media used, we are planning to phase out certain printed outlets during 2025, continuing with further phase-outs of printed media in 2026. As we currently do not have any targets set for deforestation and its effects on us, as mentioned we are continuously paying attention to the aspect by monitoring the changes in regulations related to the use of wood-based paper and using suppliers who adhere to environmental standards and use certified raw materials. As discussed later in section G1, we are planning to further enhance our ESG value chain monitoring systems and approaches in selecting suppliers and will increasingly address the underlying topic in our environmental policy.

ESRS E5 Circular economy

Based on our DMA analysis done during 2024, we have identified a material actual positive impact and an actual negative impact that is related to our actions. As a positive impact, in all our companies, we emphasise the efficient use of resources including reuse of all paper products, some parts of digital out-door screens and the related equipment, sustainable procurement decisions, responsible waste management practices etc. As in our Group we produce physical newspapers and magazines, it is within our responsibility to also emphasise circular economy principles to our readers and we therefore expect our end-users to act and behave according to similar principles we have set within the Group.

Topic	*Description*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*
E5 Circular Economy	Circular economy	Actual positive impact	Company	Short and medium term
	Waste	Actual negative impact	Company	Short to long term

As far as printed product related activities are within our control, we continuously emphasise the circularity of paper and minimisation of waste creation due to our products. Based on our practices, all of the printed products that were unsold in time in retail stores are gathered and directed to recycling by providing them to Eesti Keskkonnateenused, who is responsible for waste management and directs the paper products back to papermills to be recycled into paper products that can be re-used by printing houses and other manufacturers.

In addition to our physical products, we emphasise green office practices in all our locations, with special focus on resource usage and waste management. All our offices collect waste set by local principles and guidelines, and we make sure these principles are followed by all employees. As Ekspress Grupp is also responsible for public physical advertisements and entertainment and creative event organisation, we have witnessed a negative impact arising from waste created during events and waste management in advertisement segments due to the high use of plastic products and packaging. In the case of a paper newspaper or a magazine, a positive contribution is made if the reader shares it with family members or colleagues and later recycles it as wastepaper.

Our policies, targets and actions related to circular economy

In Ekspress Grupp, we currently do not have a separate policy related to circular economy, but as we are planning to develop our Group level environmental policy during 2025, circular economy aspects, including our principles of enhancing recyclability and circularity of our products will be covered. Additionally, organisation of events by re-using existing materials is encouraged. In addition to circularity and waste of our products, waste management principles will be described to be implemented by all our locations.

Even though all our locations and offices already follow waste management guidelines, these will be more formally documented and outlined in our policy. As mentioned above, 100% of our physical unsold copies of newspapers, magazines and books are diverted to recycling, however we will further in the environmental policy bring out the importance of end-user behaviour, including sharing of physical products and the correct actions to direct wastepaper into recycling.

We have not identified any material targets relevant to disclose, however we are monitoring our proportion of printed materials unsold in retail that are directed to reuse, we are planning to further evaluate and set more detailed targets related circularity and waste during 2025.

Continuing in 2024, we have already largely stopped issuing invoices on paper. We have minimised the quantity of printed marketing materials, and our subsidiaries mostly use reusable materials, props and equipment when organising events. Going forward, we will continue rolling out our centralised approach to waste management processes within our offices and educating the end-users on how to responsibly handle our printed media products by shared use and proper waste management.

Resource inflows

As Ekspress Grupp's main economic activity is related to printed and digital media creation, but the Group outsources all printed media products, including newspapers, magazines, books and printed marketing materials, we have not considered any of the resource inflows material to our activities. We have collected data and information from our main printing houses on the amount of paper used, but due to unavailability of all relevant data, we do not disclose information on the amount of paper used.

Resource outflows

Similarly to resource outflows, we as Ekspress Grupp do not own any production facilities and all our activities are related to digital and printed media content creation and advertisement creation. We monitor the number of newspapers and magazines produced (in pieces) and the number of unsold products and the proportion taken for reuse.

In terms of our products' durability, typically newspapers are relevant for a limited amount of time, for which the consumer uses the product to be informed and up to date about our everyday life. We have not exclusively assessed the lifetime of a daily newspaper, but publications that have more general not time-constraint information have a longer lifetime and can be consumed multiple times – same goes for majority of our newspaper publications that are published once a week and focuses on different types of content. Given their recyclability, the newspapers and magazines can be fully recycled and directed into reuse by paper companies and due to the nature of a printed media product, newspapers and magazines do not require a separate packaging, which allows to further save the amount of plastic packaging used. In recycling unused products, we rely on the activities of the waste management company and derive the amounts of unused products from our downstream value chain, who is responsible for the product sales and collect information on the number of unused products. In disclosing information about the unused products diverted to recycling, we have not made any additional assumptions on the methodologies and the number has not been further validated by an external party.

Number of printed but unsold media product copies	2024
Delfi Meedia AS	962 278
Geenius Meedia OÜ	108 320
… of which directed to reuse	100%

Waste

As our main activities are related to digital and printed media content creation and almost all our daily operations are office related in terms of outsourced products, waste generated in our operations is related to only waste created in the offices. The waste created is more important from the downstream value chain perspective, i.e related to our printed media products and their end-of-life treatment. While we promote the reuse of our newspapers and magazines by multiple people and the proper recycling approaches, the waste created is currently out of our reach. At present, we do not have a complete overview of total waste generated due to limited data availability from our waste management operators and suppliers, mainly related to the treatment type of collected waste. As waste tracking relies on external reporting, we are working closely with our partners to enhance data collection and improve transparency.

To address this, we are implementing a structured engagement plan with waste service providers in 2025 to ensure more accurate and comprehensive data reporting. This includes refining contract requirements, setting up standardised reporting templates, and integrating waste data into our internal systems. We anticipate providing a more complete overview on resource outflows and waste in Ekspress Grupp's 2025 Sustainability Statement.

SOCIAL INFORMATION

In our social aspects, we have set the goal of providing a professional environment for our employees that is inclusive and supportive, allowing to create the value for our end users through responsible media publications.

ESRS S1 Own workforce

S1-SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In Ekspress Grupp, we have over 950 employees whose dedication at work helps to fulfil the Group's mission and goals. Quality tools, a flexible work organisation and a supporting team are an important part of creating a motivating work environment for quality media content.

Retaining and developing current employees as well as training and supporting the next generation are important to us. We need professional and motivated employees both now and in the future. Recruiting the best in the labour market starts with the satisfaction of current employees. This, in turn, depends on the salary and additional employee benefits, but also on the open and inclusive organisational culture, development opportunities and the comfortable working environment we offer to employees. That is why we continuously contribute to creating a motivating work environment and invest in our employee's well-being and competences.

Topic	*Description*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*
S1 Own employees	Working time	Potential negative impact	Company	Short and medium term
	Measures against violence and harassment in the workplace	Actual positive impact	Company	Short and medium term
	Workforce diversity & inclusion	Risk	Company	Short to long term
	Employee privacy & data security	Risk	Company	Short and medium term
	Secure employment, employee recruitment and retention	Potential negative impact, risk	Company	Short to medium term

All the companies in our Group employ people with different mother tongue and cultural background. We are tolerant and treat all our employees equally and with integrity. Discrimination of employees on the basis of gender, race, mother tongue, political beliefs, age or any other aspect is prohibited.

We consider it important that our employees are satisfied and healthy, and we provide benefits and subsidies to our employees for health promotion and family events. If desired, we provide flexible working hours. Employees are often invited to attend summer days and other joint events together with their families, because family members play an important role in every employee's life.

All our employees, both permanent and temporary employees, self-employed (freelancers and contractors) may be exposed to different impacts due to our wide variety of operations, as shown in the table above. During our DMA assessment, we further evaluated specific groups and characteristics of employees who are at risk of the impacts based on our previous knowledge and real-life examples that have taken place among our employees. As majority of the identified IRO topics are potential negative impacts due to the nature of the industry or risks arising from the market competition, we thrive towards minimising these potential negative impacts and risks to turn them into opportunities for Ekspress Grupp in the long run.

The main challenges include risks related to working time and security and privacy of journalists coming from the media sector specifics where journalists are facing threats from the wider public and additional risks in the form of high competition among media houses both on a national and regional level. We prioritise diversity, gender equality, equal pay, and inclusion among our employees, which allows us to better control the variety of activities in multiple sectors. As an actual positive impact created to our employees, we prioritise measures against violence and harassment to create a safe and supportive environment. Social dialogue, freedom of association, employees' rights, and collective bargaining are essential for bringing diverse perspectives about our activities to light.

We recognise training and skills development as essential, investing in our employees' growth and performance for their benefit, society's, and the success of our activities. By actively investing in the development of our employees and involving them in our sustainability related matters, we also aim to mitigate any potential negative impacts or risks that might arise from addressing our material environmental topics, excluding potential impacts arising from the transition plan created in the next reporting, as described in our Environmental Disclosure chapter. Understanding the importance of health and safety, we are committed to continuously developing safe and suitable working environment and providing several health and other benefits to our employees, including sports and mental health compensation, health insurance and regular health controls. Although not a material topic for our subsidiaries or countries of operation, we are consciously dedicated to actively preventing forced and child labour within our company and our value chain by using trustworthy cooperation partners and suppliers.

As described above in the Strategy section, we have previously developed the social strategy, focusing on three key pillars. The focus of the Group's HR area is mainly influenced by digitisation, creating synergies between business areas and continuing to make internal processes more efficient. The following section gives an overview of our commitments and strategic activities towards our social topics, covering employee development, well-being and diversity and engagement. While we have not yet updated our social strategy related to the material IROS or set measurable targets for our social topics, we have set strategic goals that we are pursuing. Based on this, we are planning to further develop specific strategical targets during 2025.

ESG strategy: personal and professional development of employees	
Ambition	➢ We are a leading employer in the media sector in all three Baltic States. ➢ We create conditions and actively offer opportunities for personal and professional development. ➢ We support employees in adapting to the changing media landscape, especially in developing digital competence.
Target	➢ Personal learning and development plans are drawn up for all employees.
Strategic activities	➢ We create a group-wide leadership development programme. ➢ We create employee development programs/talent academies in all subsidiaries.

ESG strategy: health and well-being	
Commitment	➢ We ensure a working environment that supports the health and well-being of employees, where employees can fulfil themselves.
Target	➢ We maintain a high score for employee satisfaction (eNPS). ➢ Zero occupational health damage cases.
Strategic activities	➢ We continuously improve/enhance employee well-being and satisfaction. ➢ We ensure a healthy and safe working environment, taking into account both physical and mental health and well-being. ➢ We enable and promote work-life balance.

ESG strategy: diversity and engagement	
Ambition	➢ Equal treatment, diversity and engagement characterise all companies and organisational culture of Ekspress Grupp.
Target	➢ Ekspress Grupp has no gender wage gap (separate target under diversity and engagement, but not a material topic). ➢ To achieve compliance with the European Union directive on gender balance in business leadership.
Strategic activities	➢ We recruit and retain diverse talent. ➢ We engage employees and ensure an open organisational culture. ➢ We guarantee everyone equal opportunities for career development within the company. ➢ We pay employees equal, competitive and decent wages.

S1-1 OUR POLICIES ON SOCIAL TOPICS

In Ekspress Grupp and its subsidiaries, we have implemented measures and policies aimed at the protection, development and well-being of our employees from any threats arising from our own operations or aspects in the value chain. As a group level policy created by the management, it is each subsidiary's responsibility to follow and implement the principles. In order to decrease the realisation of potential material impacts and mitigate the risks, we adhere to our Code of Conduct and several other internal entity-specific guidelines. We have in place policies and guidelines on occupational safety like regular health controls, first-aid provision and ways of working, including ways of sitting behind a table, taking rest breaks etc. These methods allow us to manage and minimise any material impacts and risks related to our employees. We also regularly include our employees in decision making and governance process, by enabling them to share opinions either via satisfaction surveys, NPS surveys or through open dialogue with direct supervisors and heads of departments.

For years, we have been using Ekspress Grupp's Code of Good Corporate Governance (Hea ühingujuhtimise tava), which is based on both national and international guidelines and principles, including the Estonian Financial Supervision and Resolution Authority's Code of Good Corporate Governance, OECD Guidelines for Multinational Enterprises, International Labour Organisation, UN Guiding Principles on Business and Human Rights and Equal Treatment Act. Through our Code of Conduct, we are committed to following the internationally recognised guidelines. Within our Code of Conduct, which sets the principles of behaviour and reaction to incidents, among other aspects, like encouraging openness, diversity and inclusion, we explicitly address the issues such as human trafficking, forced labour, compulsory and child labour, discrimination based on age, gender, race, skin colour, nationality or ethnic origin etc. Media industry employees are exposed to hate speech, public criticism towards the "messengers", possible aggressions, safety threats in conflict areas, regular negative news and crisis in the society, long and unusual working hours, we have set our principles in our Code of Conduct to battle these aspects and ensure that no harm is being done to our employees and that the well-being and satisfaction is ensured. As our Code of Conduct currently does not directly manage our material IROs related to employment security, retention and working time, we are planning to further expand on the principles as described below.

This makes us focus on stress prevention, mental health, and safety and security of our employees. Post-COVID working habits make many people work from home which requires even more attention to work-life balance, well-being and mental health matters. In occupational health and workplace ergonomics we aim to comply with official requirements and provide decent workplace. Even though we currently do not have a group-wide separate policy for working time, home-office policy, accident prevention policy, health and safety policy, policy for promoting equal opportunities for employees or policy against discrimination and harassment and have not changed principles in or Code of Conduct in 2024, we plan to in detail evaluate the contents of said document that cover these topics and assess further need to develop group-wide principles in 2025 on these aspects that would serve as an input to entity specific policies.

Another potential material risk we have identified is related to the employee privacy and data security. Editorial offices perceive as a growing threat the rise in the number of complaints attempting to silence journalists, which are often filed against journalists, hinder the operational work of the editorial offices and affect the financial status of companies. Some of our subsidiaries like Delfi Meedia and Geenius Meedia bears all the costs in the case of personal court proceedings. Given the rapidly growing role of the Delfi brand in actively exposing the activities of the criminal regimes of Russia and Belarus, in addition to the threat of physical attacks, more attention must also be paid to cyber-attacks, including doxing, which can endanger the sensitive data of both companies and journalists. For the protection of data and ensuring compliance to international regulations, we have developed our Security Policy and GDPR Policy. The purpose of the Security Policy is to establish the main principles of conduct that are to govern Ekspress Grupp to ensure the effective protection of people, of hardware and software assets and critical infrastructure, and of information, as well as of the privacy of the data processed, ensuring a reasonable level of security, resilience and compliance is achieved.

S1-2 ENGAGING WITH OUR PEOPLE

In Ekspress Grupp, our approach to engagement with our people encourages collaboration and dialogue, both directly with our own workforce via our employee engagement surveys as well as indirectly with workers' direct supervisors. As our companies mostly work in smaller teams, allowing managers to easily monitor and improve the microclimate. On the Group level, we have implemented employee engagement surveys that are managed centrally by the HR unit. Through the engagement we highly value and consider our employees' perspectives and opinions and take immediate action if needed. The employee feedback survey is conducted once per year and covers a wide range of topics related to life in Ekspress Grupp. Questionnaire is sent to all group employees, with the aim to obtain a high response rate to adequately address all potential topics and hear opinions. We have not taken extra steps to gain insights into the perspectives of our people who may be particularly vulnerable but encourage our people to openly communicate their opinions if the deem it necessary. The questions in the annual survey address areas such as team collaboration, goal clarity, work-life balance, the company's future prospects and brand identity. In 2024 we also conducted a more detailed employee engagement survey for the validation of our DMA results to understand the potential IROs we have identified on a Group level and as seen by the employees to ensure the opinions of employees are accounted for when taking action on our sustainability matters and material results clearly communicated.

The engagement survey results are taken by each team manager within their organisational unit or through organisation-wide initiatives coordinated by our HR department. This serves as the most effective way of openly communicating any changes and also give our employees the certainty, that their opinions are accounted for, if any actions take place. We highly value an open work culture and discussion, and in addition to managers holding regular one-on-one conversations with employees and performance assessment processes, opinions can be shared openly during regular daily communication. If any issues or topics need wider attention, they are escalated to the relevant responsible persons.

S1-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OUR WORKFORCE TO RAISE CONCERNS

Employees who experience discrimination or harassment are encouraged to seek support, while leadership has a duty to report any such cases they witness or are notified of. Reports of misconduct can be submitted by the victim directly to their direct supervisor, the HR department or through our whistleblower system, which guarantees confidentiality and protection of the person notifying. We continuously ensure that all employees are informed about the available grievance mechanisms through onboarding and encourage the use of the channel if needed, indicated in internal communications and ensuring that every report is handled anonymously.

Read more about our whistleblower platform in the Governance section.

Based on recent years' experience, there have not been many notifications made through the whistleblower channel (thirteen, six and five instances in 2022, 2023 and 2024 respectively). The number of reports and the fact that no violations were further investigated, leads to the conclusion that no major instances have taken place, and employees are more likely to turn to the HR department or their direct supervisor, which confirms the high score of our internal engagement survey. As the total number of incidents has been low over the years, we have not yet separately evaluated the effectiveness of said notification channels, mechanisms and processes.

S1-4 MANAGING IMPACTS ON OUR PEOPLE

Our policies, procedures, and processes serve as the foundation for our actions to prevent potential negative impacts and risks and foster positive outcomes and opportunities. These frameworks help us identify and implement actions to address potential negative and positive impacts on all employees within the Group. By conducting regular assessments and incorporating feedback from employees through channels such as our annual engagement surveys, daily open dialogues between employees, and formal HR channels, we ensure that our efforts align with their needs and contribute to a supportive and inclusive workplace. These channels and actions we implement are managed and monitored regularly by each entity's HR department or person.

We aim to ensure that our practices do not cause or contribute to negative impacts on our workforce by following our principles and procedures as we continuously work to address and mitigate risks related to our employees and align our efforts with our employees' including security, working time, diversity and equality. Diversity, equality and inclusion (DEI) are essential for a company to ensure long-term success. For the media sector, DEI forms a foundation of high-quality journalism and working environment as it helps to ensure the inclusion of various opinions. As mentioned, going forward to 2025, we are continuously enhancing the processes and implementing new procedures related to our material IROs, like monitoring the effectiveness of our actions to better manage the positive impacts and working environment of our company employees and preventing risks and potential negative impacts from materialising. For improvement of said procedures, no significant additional resources are needed, but a clear management decision that is based on the current as-is situation and analysis results that allow for the HR responsible people to engage on the actions.

S1-5 TARGETS RELATED TO SOCIAL TOPICS

Although we have not set specific measurable and time-bound targets besides qualitative descriptions, we continuously evaluate our initiatives and their impacts at appropriate management levels as part of our business conduct. We have set KPIs to be measured for topics like personal and professional development, well-being, including safety, health and work-life balance and DEI, but we have not set any underlying targets or goals related to these metrics, which we will further develop during 2025, with the Group-wide implementation of our ESG governance practices. Despite that, our established processes are anchored within the functions that have day-to-day responsibility for ensuring adherence to our policies, in addition to our continuous engagement channels and channels to raise concerns. This decision reflects our commitment to strategic focus and industry-specific priorities.

S1-6, S1-9, S-12 CHARACTERISTICS OF OUR EMPLOYEES

In connection with the first ESRS-compliant report, for employee related metrics, we will consider 2024 as the first reference year, based on the results of which further goals will be set, related to promoting positive impacts on the workforce, mitigating negative impacts, and managing significant risks and opportunities. The goal-setting process will be disclosed in the 2025 Consolidated Sustainability Statement. The following employee characteristics show average number of FTE throughout the year.

Number of employees	Estonia		Latvia		Lithuania	
	M	F	M	F	M	F
Number of permanent employees	210	296	55	86	118	198
Number of temporary employees	43	44	-	-	8	10
Number of non-guaranteed hours employees	-	-	-	-	-	-
Total average number of employees	963					
Number of self-employed people	34					
Number of trainees	67					

In classifying our employees, we adhere to the following definition in all our locations of operation:

Permanent employees have an open-ended employment contract, whereas temporary employees work with a fixed-term employment contract or physical persons with contract of services. Self-employed employees include people with contracts with the undertaking to supply labour. Different employment types are a common approach in the industry and geographies we operate in and depends on specific position and function the employee fulfils. On a Group level we define management as positions that are two levels below the administrative management and supervisory bodies, which may differ between our subsidiaries. Mainly this includes heads of relevant departments and for example in digital media companies also segment Editors in Chief.

Employee characteristics	Estonia		Latvia		Lithuania	
	M	F	M	F	M	F
Employees under 30	52	69	8	15	18	59
Percentage of employees under 30	12.56%		2.39%		7.99%	
Employees aged 30-49	124	165	44	60	86	121
Percentage of employees aged 30-49	30.06%		10.8%		21.49%	
Employees over 50	34	62	3	11	15	17
Percentage of employees over 50	9.95%		1.45%		3.32%	
Total average number of FTEs	963					
Persons whose labour is provided by entrepreneurs whose main activity is labelled as "employment activity"	0					
Number of employees with disabilities	5					
Percentage of employees with disabilities subject to data collection restrictions	0.52%					
Employees at management level	53					
Including women at management level	22					
Percentage of employees at management level	5.5%					
Share of women in management	41.5%					

During 2024, 184 employees left the Group either voluntarily or non-voluntarily, which makes the workforce turnover 24%. The workforce turnover calculation uses the number of employees at the beginning and the end of the reporting period of all people who have worked in the Group and the number of voluntary and non-voluntary leavers. On average, the Group employed on average 963 people, with a minor decrease from 2023. The average number of employees used for sustainability disclosures is linked to the average number of FTEs depicted in the Consolidated Financial Statement Note 25.

Due to legal restrictions under the EU General Data Protection Regulation (GDPR) covering all EU member states and EEA countries, as well as similar principles of personal data protection through national legislation we are unable to adequately report on the number of persons with disabilities within our organisation.

S1-13 TRAINING AND SKILLS DEVELOPMENT

Training and skills development	Male	Female	Not specified
Number of employees participating in performance review process, covered with personal learning and development plans	143	257	226
Percentage of employees participating in performance review process	37.17%	44.42%	N/A
Total number of training hours received during the period	8 876	13 186	N/A
Average number of training hours per person	23.08	22.78	N/A
Number of performance reviews per employee	0.65		

Training hours are defined as time spent on training and skills development. Training and skills development involves various methodologies such as on-site training, online courses, workshops, certification programs, educational opportunities, pop-up courses, and adherence to a Code of Conduct. It does not include our trainee programmes, the development of courses, or the time instructors spend teaching. Training hours per employee and by gender are calculated by dividing the total recorded training hours in by the headcount for each gender. This calculation is based on the reporting period and includes all employees in headcount within Ekspress Grupp, excluding freelancers and contractors. For the validation and verification of the calculations and the underlying results, we have not used external resources.

The percentage of employees participating in performance appraisals is calculated using the total employee headcount from the employee characteristic disclosure as the denominator. A regular performance review is defined as a review based on criteria known to the employee and his or her superior undertaken with the knowledge of the employee that takes place once per year. The company managements have not set a specified number of required performance assessments for employees. This rate includes employees who are not eligible for appraisals but are part of the total headcount. Therefore, the disclosed rate cannot reach 100% because it does not account for eligible employees participating in appraisals, as all employees in the excluded categories are recorded as non-participants.

S1-14 OCCUPATIONAL HEALTH AND SAFETY

Metric	2024
Number of days lost to (i) work-related injuries and (ii) fatalities from work-related accidents, (iii) work-related ill health and (iv) fatalities from ill health	0
Rate of days lost to (i) work-related injuries and (ii) fatalities from work-related accidents, (iii) work-related ill health and (iv) fatalities from ill health	0.0%
Number of absent days (including lost days and absence due to sickness)	3 535
Rate of absent days (including lost days and absence due to sickness)	1.45%
Number of work-related accidents / injuries	0
Total hours worked (by all employees) during the period	1 422 053
Rate of work accidents / injuries	0.0%
Number of work-related ill health cases	2

As majority of our companies' activities take place in office spaces, our workplace cannot be characterised by frequent work-related injuries, as the nature of our work does not impose heavy physical activities on our employees. All our employees are covered by our health and safety management system. In 2024, we recorded no occupational fatalities among our employees. For the validation and verification of the calculations and the underlying results, we have not used external resources.

S1-15 WORK-LIFE BALANCE

Metric	2024
Standard for working time (working days for period) per FTE	252
Total hours worked (by all employees) during the period	1 422 053
Share of employees exceeding 48 hours of work per week	1.04%*
Share of employees entitled to take family-related leave	100%**

* Currently, only Delfi Meedia collects a detailed view on employees working time

** Currently, our approach and methodology does not allow to centrally cover and distinguish metrics related to taken family related leave and only the total estimate is available

We ensure that our employees are entitled to take family-related leave in accordance with employment terms and conditions described in employee handbooks and contracts. We are aware of the media industry's and journalists' need to work at times more than required at unusual hours. While we currently do not have a centralised approach or methodology to collect the information for all reporting entities, we are developing our internal systems and approach suitable to collect such information and have a clear overview of our work-life balance related metrics. For the validation and verification of the calculations and the underlying results, we have not used external resources.

S-17 DISCRIMINATION INCIDENTS REPORTED AND COMPLAINTS FILED

Metric	2024
Number of registered incidents of discrimination within the company or by competent authorities through a formal process	0
Number of complaints filed through channels for people in own workforce to raise concerns	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of material fines, penalties, and compensation for damages as a result of violations regarding social and human rights factors	0
Number of severe human rights issues and incidents connected to own workforce	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0

As described above in the policies sections, our Code of Conduct sets the behavioural principles and condemns any discrimination as defined by UN Guiding Principles on Business and Human Rights and Estonian Equal Treatment Act.

We address all discrimination incidents and complaints filed within our organisation through formal channels. Given the sensitive nature of these matters, we do not disclose details about the incidents. Each report or complaint is handled with the highest level of confidentiality. Read more about our whistleblower platform in the Governance Disclosure.

ESRS S4 Clients and end-users

Our services and service development follow a consumer-centric approach, and our subsidiaries have designed their customer communication processes according to their line of business. Our group companies have both private and business customers, and as a media group, we also serve the wider public. Group companies manage large customer databases and as an increasingly complex digital media group, recognise risks related to data protection. Based on our 2024 DMA assessment, the only material topic, related to clients and end-users, which can pose a potential negative impact and is a risk related to customer data security and privacy, which can further materialise if no preventive measures and actions are in place.

The risk to Ekspress Grupp is related to personal data leakage, cyber-attacks and similar hindering events, which in turn can lead to reputational damage. As Ekspress Grupp is a high public interest media company, who is responsible for providing the wider audience with quality and transparent news, any occurrences of data leaks or safety-related violations mean direct reputational damage, which in turn can affect turnover due to customers' loss of trust and potentially lead to fines. Beyond our own operations, such incidents could have a broader repercussion on the general public and society, causing disruption in lives and societal ripple effects. Our consumers demand reliable services and the protection of their personal data in accordance with the requirements of the GDPR. The protection of customer data is an important part of our responsibility, which is directly related to all our consumer groups rights to privacy. We emphasise the topic of human rights in the context of our end-users and clients through ensuring the proper mechanisms on data protection but have not committed to the topic yet through our specific policies.

As data security and privacy is relevant for all members of the public and all our consumers, regardless of their location, age or other characteristics, we have not taken further steps to gain insights to specific end-user characteristics and we consider the risk equally relevant for all. To emphasise the material IRO, we continuously engage our clients, end-users and stakeholders with the aim to identify valuable insights on the views and interests of the stakeholders, which are relevant for our general strategy and business model. Additionally, these opinions help us evaluate our commitment and progress towards the initiative, giving us a better understanding how to tailor the activities and approaches related to customer data security and privacy.

Topic	*Description*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*
S4 Clients and end-users	Customer data security and privacy	Potential negative impact, risk	Company	Short to long term

With increasing digital consumption of news, we prioritise the protection of our readers' personal data, payment information, and browsing behaviour by adhering to data protection regulations, ensuring transparency in data collection, processing and storage, allowing end-users to manage cookies, opt out of targeted ads and control their personal information. While data privacy our priority, we also aim to make quality journalism accessible to all by offering different formats and access to our content. Even though accessibility is not a material topic individually, it is considered as an important part of our customer journey and data security and privacy.

In creating our ESG strategy and continuously improving our business model, we have taken into account the interests, views and rights of our customers, about which we receive regular feedback from customer surveys. Our customers have different interests – in addition to daily news stories, readers wish to know more about different areas of life: sports, culture and environmental issues. In addition, all media content must be available to each customer in the channel and format of their choice.

ESG strategy	
Ambition	➢ We shall ensure the security and privacy of our users, customers and readers and make sure that our media content and services are accessible to all stakeholders.
Target	➢ Zero violations of personal data protection requirements. ➢ Access is ensured to all our media content, taking also into consideration the needs of people with special needs.
Strategic activities	➢ We ensure the protection and privacy of subscribers' and customers' data, and use data in accordance with the law. ➢ We ensure the protection of the rights and well-being of readers/subscribers. ➢ We develop the availability of media content on all platforms.

In the global advertising market, compliance with data protection rules has become very important. We actively monitor market trends and change of regulations in order to assess emerging trends in this sector. We have compiled the principles and processes for the secure collection, storage and processing of customer data and protection against malicious attacks, which are implemented by all group companies. Data protection conditions can be found on the website of each company.

Our policies

We have developed initial guidelines for the customer experience policy across the Group and will update them throughout 2025 based on feedback from subsidiaries and industry trends. The aim of the policy is to further mitigate the risks and impacts related to end-user data privacy and implement clear rules and guidelines that each group company must follow through a standardised approach. We plan to fully adopt, implement and disseminate the policy to all our Group subsidiaries by the end of the year. In addition, we have multiple policies, including our Code of Conduct, GDPR Policy and Security Policy in place dealing with mitigating the potential impacts and avoiding risks. Our Code of Conduct sets the behavioural norms for our employees and Group companies to adhere to minimise the potential negative effects.

In addition, our existing GDPR Policy from 2021 and Security Policy from 2023 establish the main principles of conduct that are to govern Ekspress Grupp its companies and employees to ensure the effective protection of people, of hardware and software assets and critical infrastructure, and of information, as well as of the privacy of the data processed, ensuring a reasonable level of security, resilience and compliance. While we have not included the end-users directly in setting the policy, we address the importance of GDPR and data security for our clients and end-users indirectly. Despite not having any violations of security and data privacy, we can see the effectiveness of our policies and procedures in place and as we have not updated our policies during the reporting year, we are planning to revisit the underlying documents with the standardised approach to group level customer experience policy to match the expectations set in standards of internationally recognised guidelines and conventions related to end-user data security, privacy and human rights.

Our targets

While we have set targets related to clients’ and end-consumers’ rights and interest, we are further developing our approach to measuring the impacts, including a thorough internal reporting process on matters related to both customer privacy and data security and media accessibility. In 2024 we have set the following group level targets to all our companies across our geographies for the upcoming year of 2025, which we will monitor annually compared to the base year of 2023:

- ➢ Zero breaches of clients’ and end-users’ personal data collection
- ➢ 100% of content covered by accessibility features

Metric	2023	2024	Target for 2025
Inconsistencies in personal data protection rules	0	0	0
Number of fines for cases of personal data protection violations	0	0	0
Total amount of fines related to the violation of personal data protection	0	0	0

Metric	2023	2024	Target for 2025
Percentage of digital content covered with availability measures from total media content*	80-100%	90-100%	100%

** All media publications of Ekspress Grupp have not evaluated the share of content covered by availability measures. The range describes the percentage of available content of Delfi in Estonia, Latvia and Lithuania*

Our activities

In order to further develop our strategical targets related to end-users' data privacy and accessibility to media content, we are planning both on a group and company level implement the following activities:

- Adopting personal data protection/ usability policy in line with GDPR
- Adopt user safety policy/ principles regarding media content
- Adopting policy/principles on targeted/ behavioural messaging and advertising to protect consumers' rights to access to (quality) information
- Adopting a policy regarding critical content that must be made available for everyone

All aspects related to data protection are important and the Group makes sure that it complies with all related laws and regulations. We conduct data protection audits of our subsidiaries and thereby support the implementation of principles and procedures at the company level. Based on the Group level strategic activities, companies are expected to continuously implement the following activities:

- Renewing and updating data protection systems regularly
- Regular data protection trainings for all relevant employees
- Providing users with simple and transparent ways to control how their data is being used
- Identifying the need for and adopting, specific accessibility features/tools/accessible formats: e.g. Option to listen to the content, audio description, video subtitles, sign language etc. (WCAG)

For Ekspress Grupp, it is important to ensure the satisfaction of the customers of Group companies, match the offered services with customer expectations and needs, and exactly fulfil the promises made to the customer. The fulfilment of this promise is the responsibility of the Management Board of Ekspress Grupp.

Our subsidiaries manage the entire chain of creating a complete customer experience, which includes content creation, print quality, channel availability, and customer service. As we have not had any negative impacts to our clients with regards to security and data privacy or human rights, we have not had the need to develop nor currently have mitigation measures or engage our end-users with relation to potential impacts or human rights but rather have collected feedback from them. Feedback is collected by all companies in direct contact with the customers on a regular basis in order to offer products/services that meet customers' requirements and expectations in the future.

We monitor customer satisfaction in the following categories:

- **Content.** Delfi Meedia, Delfi Latvia and Geenius Meedia monitor customer satisfaction with all paid content. Other media companies of the Group also regularly organise reader surveys.
- **Service.** Delfi Meedia is the company with the largest number of publications in the Group that comes into contact with customers at different stages and collects feedback on the content of publications as well as subscriptions, service process, technical side of the digital environment and home delivery of paper publications. Customer service measures customer satisfaction on a daily basis, and customers are invited to provide feedback on how their problem was handled.
- **Advertisers.** The communication of outdoor advertising companies with advertisers is more personal, and feedback is requested at random, in direct communication with the customer. In 2023, a pilot project for the use of the NPS (Net Promoter Score) survey was carried out in Delfi Latvia, as a result of which it was found that the preparation of the survey sample needed improvement. Other media companies do not use classic NPS surveys.
- **Product development.** Delfi Meedia organises surveys on product development.

S4-3 PROCESSES TO REMEDIATE IMPACTS AND CHANNELS TO RAISE CONCERNS

We have established methods and procedures for all steps connected with developing and maintaining our digital news outlets, including the process for managing and remediating a material negative impact on consumers and end-users.

During 2024, no serious human rights issues or incidents involving consumers and/or end users have been reported to the Group. Our consumers and end-users have various channels to raise concerns. They can contact us through our any of our public contact page or e-mail. The contact information for all companies is available online on their respective websites. As described further in the section G1 below, we also have a third-party whistleblower channel, that allows consumers and end-users to raise concerns anonymously. The Group assesses the measures taken to manage significant impacts as no significant potential impacts on consumers and/or end users have materialised in the recent years. If needed, the remediation of significant negative impacts will depend on a case-by-case basis and there is no group-wide policy or integration to the existing risk management in this area yet.

In the case of media content, our goal is to support openness and participatory democracy and to deal with topics related to social impact. At the same time, our media outlets are responsible for ensuring that the public information space is designed responsibly and that content that may harm the physical or mental health of readers is either prohibited or displayed with certain restrictions. In the case of advertising content restrictions, we adhere to the advertising laws of Estonia, Latvia and Lithuania.

The customer base of our media companies is mainly divided into three groups: regular readers, registered readers and business customers. Advertising companies operate primarily on a business-to-business model. We have increased the involvement of various stakeholder groups in the information space by creating customer-friendly and attractive digital solutions. Availability, which also takes into account the requirements of people with special needs, is also important for the involvement of all interest groups. We ensure availability of our services in three ways.

- **Digital solutions:** we facilitate the availability of services by creating innovative digital solutions that are accessible also to people with special needs.
- **Public news blogs:** We ensure that critically important content is available to everyone, including non-subscribers.
- **Availability measures:** The Group's goal is to increase the proportion of content covered by various availability measures on our media platforms in order to involve as large part of the society as possible in the information space.

We guarantee the safety and privacy of our users through our set policies and procedures and ensure accessibility for different stakeholders beyond statutory obligations. We address the leak of GDPR-sensitive data by immediately discontinuing the activity that caused the incident and restricting access to the exposed content. The problem is then analysed to identify the root cause and to delete the exposed data. The Group has a Data Protection Officer whose task is to inform and advise the Group and its subsidiaries on data protection rights and obligations. The Data Protection Officer actively participates in resolving issues related to the protection of personal data and ensures that the organisation's employees have the necessary knowledge skills and policies to process personal data in an appropriate manner.

GOVERNANCE INFORMATION

ESRS G1 Business Conduct

G1-SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In this section, we provide disclosures on governance related topics including our general policies on governance and business conduct, as well as the topics on partnerships, anti-corruption and payment practices.

Correct and ethical business conduct is essential to Ekspress Grupp's business model, the majority of which is dependent on our own workforce and workers within our value chain. As we operate in all three Baltic countries, compliance with relevant legislation and international guidelines on ethical business conduct is a priority due to the potential legal and, subsequently, economic consequences of non-compliance.

Enhanced focus and monitoring on these topics help to minimise misconduct, which in turn impacts our ability to reach our goals regarding the maintenance of an efficient, competent business and workforce. A correct and ethical corporate culture, designed to protect the stakeholders and employees from human rights impacts, intellectual property and media piracy and whistleblowers who report on these or any other issues, is not only strictly governed by legal procedures, but is also highly important for our strategy and commercial targets.

Topic	*Description*	*Positive or negative impact, risk or opportunity*	*Own operations or value chain*	*Expected time horizon*
G1 Business conduct	Responsible media, journalistic integrity and media pluralism	Actual positive impact, opportunity	Company	Short to long term
	Ethical leadership	Actual positive impact	Company and value chain	Short to long term
	Whistleblowing activities	Actual positive impact	Company	Short and medium term
	Stakeholder engagement	Actual positive impact	Company	Short and medium term
	Competitive behavior	Risk	Company	Short to long term
	Responsible behavior	Risk	Company and value chain	Medium term
	Supply chain management	Risk	Company and value chain	Short to long term
	Collaboration with partners and supply chain	Opportunity	Company and value chain	Medium and long term
	Responsible media	Opportunity	Company and value chain	Short to long term
	Intellectual property protection and media piracy	Risk	Company	Short to long term
	Local regulations and guidelines	Risk	Company	Short to long term

As part of our strategic vision and goal is to be a responsible and attractive employer and also regional leader in the industry, we have identified several IROs under business conduct, that are relevant for both our operations and also our value chain. As these IROs in part are covered by multiple aspects, we have further aggregated the IROs into several topics: Ethical business conduct, Responsible media, Intellectual property and Media piracy, Supply chain management and Competitive behavior.

G1-1 BUSINESS CONDUCT AND CORPORATE CULTURE

In Ekspress Grupp, we take responsibility for our business operations. As a large, listed enterprise, we have significant influence in the society, and thus the credibility and impeccable reputation of all group entities must be consistently upheld. We promote financially, ecologically, socially and culturally sustainable development both in our own operations and as part of the broader industry, and we also promote the characteristics of corporate responsibility in the industry, such as the reliability of media content and digital services, environmental responsibility and promoting freedom of speech.

The role and responsibility of media is to bring relevant and challenging themes to the public. Coverage of social challenges highlights processes requiring change to achieve positive outcomes.

Ekspress Grupp assumes a Group-wide role and accountability for driving impactful changes that support sustainable development, particularly in alignment with the UN Sustainable Development Goals. To serve the public interest, Ekspress Grupp's companies focus mainly on creating professional and trusted journalistic content, taking a leading position in the market in covering sustainability topics and contributing to the development of the media sector by public statements and through professional associations.

ESG strategy	
Ambition	➢ The goal of Ekspress Grupp is to be the leading supporter of freedom of speech in the Baltics and to promote the society, providing access to fact-based and quality information. ➢ We want to contribute to the development of the media sector more broadly in order to maintain and promote the good level of media freedom in the Baltic States. ➢ Our ambition is to be a leading reporter of sustainability issues in the Baltics.
Target	➢ Publications of Ekspress Grupp do not publish unethical or irresponsible information. ➢ Zero violations of Ekspress Grupp's journalism code of ethics (in preparation).
Strategic activities	➢ We actively work to ensure that our journalistic content is independent, ethical and of high quality. ➢ We contribute to the development of media literacy and information literacy in cooperation with relevant stakeholders. ➢ We connect publications with socially material focus themes and create and develop media platforms focused on sustainability topics.

We adhere to the following principles of accountable journalism.

- **Press ethics starts with independence.** Journalism needs to be independent and free. The work of journalists and periodicals should not be influenced by business interests, political links, personal relations or gains, bribes or any other benefits. The principles of balanced journalism are followed in all group companies. Various parties are allowed to express themselves equally and they can present counterarguments and, if necessary, corrections. The sources of presented information are always verified. Each journalist is responsible for source and confidentiality protection. In case of sensitive topics, the line of ethics should be perceived.
- **Standing up for credibility and freedom of expression.** The continued and increasingly sharp polarisation of the public increases the pressure on media houses to create and present reliable and quality journalistic content in a timely manner.
- **Comment control.** Comments are an important part of online publications as they enable the readers to express their views on topics that are important to them. Ekspress Grupp's media publications promote comments by users who are registered and logged in. Inappropriate comments are removed by both human moderators and a machine-learning moderating system.

Responsible governance and ethical business conduct is an industry-agnostic issue that every large company must address. For Ekspress Grupp, it is our utmost duty to ensure regulatory compliance, ethics, transparency and integrity in governance matters. This applies to all our employees, with the greatest focus on members of leadership bodies and other employees who can make, or influence decisions related to our stakeholders. Any mistake or vagueness in responsible governance might seriously impact our credibility as a media house.

Our Code of Conduct

We have created, adopted, and communicated company specific internal policies which aim to foster a corporate culture of responsible business conduct throughout our organisation as a media company. At the core of this corporate culture lies our Code of Conduct, which prescribes compliance with applicable legislation and describes the ethical standards and values we are committed to upholding and encouraging. The consolidated nature of our Code of Conduct reflects our approach to achieving effective policies and to ensure that all relevant topics for ethical behaviour and corporate culture are covered.

In creating our Code of Conduct, we have adhered to and aim to reflect the ethical standards of internationally recognised guidelines and conventions such as the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and the UN Declaration of Human Rights, as well as local legislation when applicable. Our Code of Conduct is publicly available and is communicated to our own workforce through an onboarding process.

The principles outlined in the Code of Conduct set also expectations to our partners and stakeholders in our value chain with the aim to raise awareness and create leverage in terms of upholding sustainability standards. To decrease the amount of documentation created and to ensure that all relevant ethical standards and topics are covered for our stakeholder in a centralised location, our Code of Conduct among other things includes principles on media integrity and pluralism, anti-corruption behaviour, protection of intellectual property and media piracy, collaboration with partners.

The Code of Conduct is supervised by the Executive Management and the Board of Directors and is amended when needed. Going forward, this is done considering the results of the sustainability due diligence processes and the DMA, including in response to any significant IROs identified within the value chain.

Supplier relationship management

In Ekspress Grupp, we are committed to practising fair behaviour in our management of suppliers and cooperation partners. Significant part of our environmental impact comes from our value chain. To manage this impact, we must consciously choose our suppliers and service providers as well as conduct active discussions with our partners to influence them to make more sustainable and responsible choices.

In 2023, we started integrating sustainability criteria into our purchasing principles, focusing primarily on environmentally friendly products and services. This served as an important first step and we have continued our efforts to expand these criteria during the last year. As our activities cover multiple different sectors throughout the value chain, in 2024, we have started to increasingly prioritise our suppliers' commitment towards ESG matters. During 2024, Delfi Meedia assessed their suppliers' activities towards ESG and on a Group level, we are planning to commit to the assessment 2025. As we do not currently have a specific policy document for supplier engagement, relationship or procurement, we aim to develop and disseminate it during 2025, which going forward allows us to create a better understanding of our value chain partners and the necessary criteria our suppliers need to meet in terms of environmental, social and governance aspects, but also general engagement with business relationships.

This assessment is part of our broader initiative to work with supply chain partners and encourage the adoption of sustainable practices. Our goal is to create a comprehensive understanding of suppliers' commitment to ESG standards and gradually increase the proportion of suppliers that comply with these principles, adhering to both environmental and social topics.

Prevention of misconduct

In 2024, we continued to promote an open and transparent management culture. Throughout our companies, we maintain employee awareness through regular meetings, newsletters, and business ethics training that all new employees must complete. Going forward, we intend to reinforce these practices with more interactive training and enhanced supervision to firstly mitigate the probability of ill-behaviour incidents and secondly to solve them efficiently. Corruption and bribery cases are dealt by following the principles of the UN Convention against Corruption and the Estonian Anti-corruption Act, by a committee created on a case-by-case basis, the members of which are not related to the investigated case or the persons involved in it. There are no set guidelines or rules for the members as part of the committee, but depending on the case it can include the related person's direct supervisor and the member of the board of the respective company. Any cases of corruption or suspicion of ill-behaviour will be communicated to the respective management board member and considering the severity of the case can escalate the issue to the group's management board.

While we have multiple people as part of the group and each subsidiary's management and other relevant employees like journalists and marketing people among others, who can be considered as at-risk functions, we have not in detailed implemented a centralised approach to mapping the specific positions of functions at risk nor conducted Group wide centralised additional trainings on anti-corruption and bribery that go beyond the guidelines on behavioural principles, outlined in or Code of Conduct. Considerations for at-risk functions falls currently under the responsibility of each subsidiary and trainings are conducted as deemed necessary, due to which the figures presented below are an underestimation of the actual situation.

At-risk positions and anti-corruption training	2024
Total number of employees at risk	452
Number of employees at risk who have taken the training	236
Share of employees at risk in respect of corruption/bribery covered by anti-corruption / anti-bribery training programme	52.2%

In 2024, there were no cases of corruption at Ekspress Grupp. Throughout the year, we dealt with minor violations of business ethics through the Press Council. As here, in Ekspress Grupp, we value our people and employees, any accusations on misconduct towards specific people will be supported by the underlying media house in solving the case. As mentioned before, in many cases a mutual agreement was reached or the case rejected. In the case of minor violations, additional business ethics trainings are reinforced and in more severe cases, warnings issued to the employees. In 2024, two warnings were issued related to our Code of Conduct.

Data protection	2023	2024	Target for 2026
Inconsistencies in personal data protection rules	0	0	0
Number of fines for cases of personal data protection violations	0	0	0
Total amount of fines related to the violation of personal data protection	0	0	0

Incidents that are in conflict with the principles of business ethics or other values of Ekspress Grupp can be reported through the group-wide anonymous notification channel. To ensure confidentiality, the notification channel is managed by an external partner (WhistleB). The regulation of the whistleblower policy is guided by our Code of Conduct, which sets the boundaries and opportunities for the use of said channel. If an incident is reported, notifications are sent over an encrypted connection and are password-protected. All reports of misconduct are handled with utmost confidentiality, and we do not condone any retaliation or countermeasures against individuals who submit a whistleblower report. In 2024, 6 notifications were submitted there, but during the processing of the complaints, it became clear that the accusations were unfounded, and further investigation was not needed.

Corruption and bribery incidents	2024	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Fines for violation of anti-corruption and anti-bribery laws (EUR)	0	0

In determining the metrics relevant for corruption and bribery, we have not made any assumptions but base on the numerical data gathered by our group data protection specialists who is the responsible person for the whistleblower channel. Additional metrics include convictions and fines of our group entity by a court of law, determined during the reporting year. For the validation and verification of the calculations and the underlying results, we have not used external resources.

G1-6 PAYMENT PRACTICES

Our standard payment terms are 30 days, with some subsidiaries having longer or shorter terms. We have not set a centralised group policy nor terms for the payment practices as the companies are present in different sub-sectors and countries and have the freedom to set their own policies. Due to the same reason, we do not have a centralised policy for late payments that is focused on SMEs. On average, 90% of all the payments are aligned with the said terms or other negotiated terms. Prolonged supplier negotiations or lost invoices have affected the proportion of aligned payments negatively. In 2024 there were 22 cases where an overdue payment resulted in a minor fine for our subsidiaries. In total, 3 800 EUR were issued as fines to our media and advertisement companies. Minor deviations of late payment were solved with fines, and we have not been involved in any legal proceedings related to late payments.

Payment practices	**2024**	**2023**
Average days of payment to suppliers	26	21
Percentage of payments aligned with agreed terms	91.5%	93.46%
Fines for late payments (EUR)	3799	3640

The average number of days for payments to suppliers are done before or after the due date is calculated by determining the difference between the due dates and the payment dates for all invoices paid within the year across our companies. The share of payments aligned accounts for the payments that have been made on the given terms, dividend by all payments made. If for some overdue payments fines have been issued, the monetary amount is extracted from the internal accounting and data collection systems. For the validation and verification of the calculations and the underlying results, we have not used external resources.

NOTES TO SUSTAINABILITY STATEMENT

The table below outlines the data points derived from other EU legislation as listed in ESRS 2 Appendix B. It indicates where these data points can be found in our report and identifies which data points are assessed as Not material, Not relevant or Phase-in.

Disclosure Requirement and related datapoint	Mapping with other EU regulations	Page number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	SFDR, BRR	46-47
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	BRR	46-47
ESRS 2 GOV-4 Statement on due diligence paragraph 30	SFDR	49
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	SFDR, P3, BRR	Not relevant
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	SFDR, BRR	Not relevant
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	SFDR, BRR	Not relevant
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	BRR	Not relevant
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	EUCL	Not relevant
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	P3, BRR	Not relevant
ESRS E1-4 GHG emission reduction targets paragraph 34	SFDR, P3, BRR	61-62
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	SFDR	Not relevant
ESRS E1-5 Energy consumption and mix paragraph 37	SFDR	63
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	SFDR	Not relevant
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	SFDR, P3, BRR	63-66
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	SFDR, P3, BRR	66
ESRS E1-7 GHG removals and carbon credits paragraph 56	EUCL	Not relevant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	BRR	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	P3	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	P3	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	BRR	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	SFDR	Not material
ESRS E3-1 Water and marine resources paragraph 9	SFDR	Not material
ESRS E3-1 Dedicated policy paragraph 13	SFDR	Not material
ESRS E3-1Sustainable oceans and seas paragraph 14	SFDR	Not material

Disclosure Requirement and related datapoint	Mapping with other EU regulations	Page number
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	SFDR	Not material
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	SFDR	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	SFDR	72-73
ESRS 2- IRO 1 - E4 paragraph 16 (b)	SFDR	72-73
ESRS 2- IRO 1 - E4 paragraph 16 (c)	SFDR	72-73
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	SFDR	Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	SFDR	Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	SFDR	72-73
ESRS E5-5 Non-recycled waste paragraph 37 (d)	SFDR	75
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	SFDR	Not relevant
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	SFDR	77
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	SFDR	77
ESRS S1-1 Human rights policy commitments paragraph 20	SFDR	77-78
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	BRR	78-79
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	SFDR	78-79
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	SFDR	78-79
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	SFDR	79-80
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	SFDR, BRR	82
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	SFDR	82
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	SFDR, BRR	Not material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	SFDR	Not material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	SFDR	82-83
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	SFDR, BRR	82-83
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	SFDR	Not material
ESRS S2-1 Human rights policy commitments paragraph 17	SFDR	Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	SFDR	Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	SFDR, BRR	Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	BRR	Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	SFDR	Not material
ESRS S3-1 Human rights policy commitments paragraph 16	SFDR	Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	SFDR, BRR	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	SFDR	Not material

Disclosure Requirement and related datapoint	Mapping with other EU regulations	Page number
ESRS S4-1 Policies related to consumers and end-users paragraph 16	SFDR	84-85
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	SFDR, BRR	84-85
ESRS S4-4 Human rights issues and incidents paragraph 35	SFDR	85
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	SFDR	90
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	SFDR	90
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	SFDR, BRR	91
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	SFDR	90-91

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERANCE AND STRUCTURE

Code of Ethics provides a solid foundation for the work of media houses

In their activities, media companies of the Group follow the Code of Ethics prepared by national associations of media channels, in addition the media houses in Estonia, Latvia and Lithuania implement company-specific codes of ethics and codes of conduct.

The work of journalists and media-related work of media companies, their freedoms, rights and obligations as well as guarantees are regulated also by laws that cover data protection, public information and other relevant issues. In unregulated situations, companies proceed from public interest and the principle of integrity when making decisions.

Group-wide Code of Conduct

The Management Board of Ekspress Grupp has approved the Code of Conduct which applies to all employees of Ekspress Grupp and its subsidiaries, joint ventures and associates regardless of their position in the organisation and the nature of their employment. The Code of Conduct serves as a guide for each individual employee’s daily internal and external business interactions, reflecting our standard for proper behaviour. The Code of Contact contains principles concerning employees, cooperation partners, customers, compliance with laws and society at large.

The Code of Conduct does not replace Code of Ethics for Journalists but complements it.

In order to ensure consistent behaviour, the Group’s companies introduce to new employees business philosophy, the Code of Conduct, journalistic ethics, protection of sources, sales and marketing issues, personnel policies and other background information related to the management of the Company that is necessary for daily work.

Reporting suspected misconduct

The Group has created and made publicly available on its website a secure and confidential whistleblowing channel through which it is possible to provide information or report misconduct in connection with any violations of the Code of Conduct of Ekspress Grupp, the Group’s other operating policies, procedures or legislation. To ensure confidentiality, the whistleblowing channel is managed by an external partner (WhistleB). The reports are submitted via encrypted connections and they are password-protected. All reports of misconduct are handled in the strictest confidence.

In 2024, Ekspress Grupp received six reports through the whistleblowing channel, four of which came from Latvia and two from Estonia (2023: 6 reports). In no case was an investigation started, because it was not a violation of Ekspress Grupp's code of conduct, operating principles, or rules stipulated in legislation.

Open management creates reliability

Communication in an organisation is based on consensual, honest and caring conduct. In a crisis, management’s open communication with employees is even more crucial. Key decisions are communicated to all employees, management shares the background and explanations for making decisions, employee responsiveness is monitored at the middle management level.

At the Group level, regular exchange of information takes place between the Management Board of the parent company of Ekspress Grupp and the senior management teams of subsidiaries to ensure transparency in case of major transactions, changes and decisions.

Law-abiding and independent management

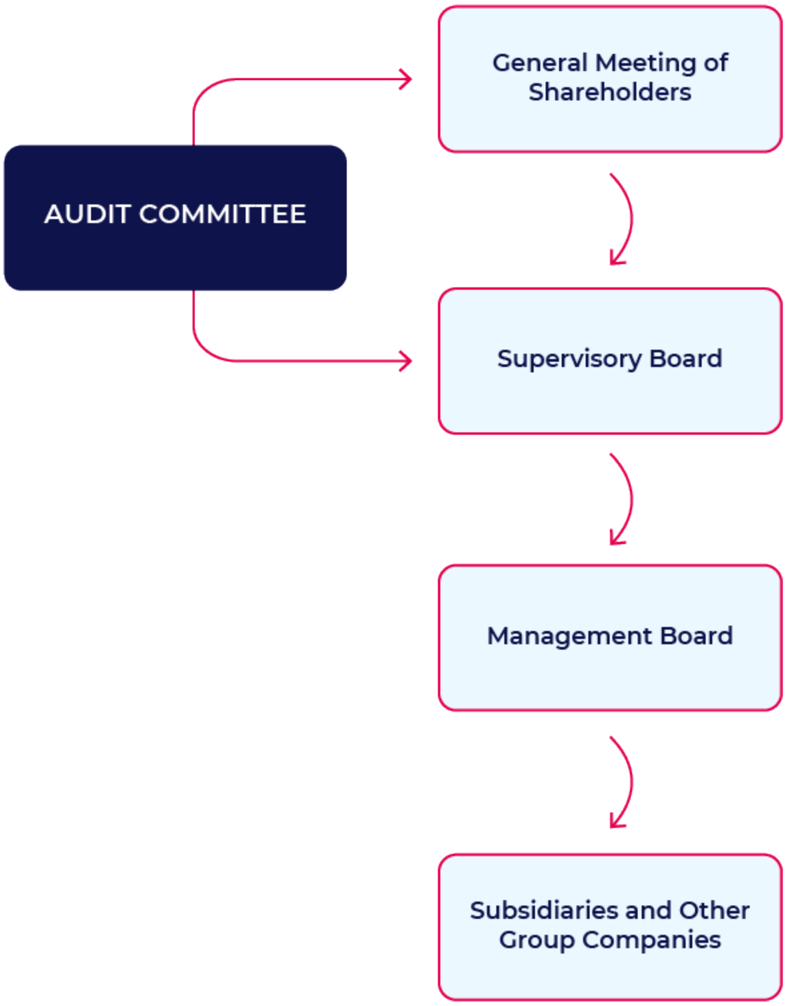
In 2024, neither Ekspress Grupp’s companies nor any of the Group’s key employees supported any political parties nor received hidden funds from political parties or government agencies other than advertising space purchased at market conditions, project-based funding distributed through government crisis measures or publicly available for all those applying for it.

Policy on diversity

AS Ekspress Grupp believes that diversity enriches the business. AS Ekspress Grupp shall offer equal opportunities and equal rights to all, irrespective of gender, national or ethnic origin, age, sexual orientation, gender identity or expression or religious conviction. General principles of diversity also apply to electing members of management bodies.

As a result of the Group's Management and Supervisory Board member selection, the membership of the Supervisory and Management Board shall be sufficiently diversified for the management of the Group, enabling more extensive integration of different experience and knowledge into the work of the management bodies. When establishing the Group's Management and Supervisory Board, AS Ekspress Grupp shall ensure in addition to knowledge and experience diversity based on the age, gender, geographical origin, education and work experience.

Corporate Governance structure



The Group's management structure is the same as its legal structure.

GROUP'S LEGAL STRUCTURE

As of 31 December 2024, the Group consists of 19 companies (31.12.2023: 20). A detailed list of group companies is disclosed in Note 1 to the financial statements.

Changes in the Group's legal structure

In December 2023, AS Õhtuleht Kirjastus, 50% of which owned by AS Ekspress Grupp, entered into a contract to acquire a 100% ownership interest in AS Express Post, which was equally owned by the two largest Estonian media companies, AS Ekspress Grupp and AS Postimees Grupp. The owners of Express Post, which used to operate in the business of home delivery of printed periodicals across Estonia, decided to close the home delivery business at the beginning of 2023, and the company has continued to provide call centre and subscriber database management services to periodicals. The transaction was closed on July 1, 2024. On 18 July 2024, a merger agreement was concluded between AS Õhtuleht Kirjastus and AS Express Post, agreeing that AS Õhtuleht Kirjastus as the acquiring company will acquire all assets and liabilities of AS Express Post. The merger agreement was concluded for the purpose of simplifying the Group's management and legal structure. The merger was registered on September 12, 2024.

On June 10, 2024, Delfi Meedia AS, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of business operations of OÜ Eesti Koolitus- ja Konverentsikeskus. The acquisition aims to facilitate Delfi Meedia's expansion into Estonia’s training and conference business market. Ekspress Grupp identifies significant growth potential and opportunities for synergy with the Group’s existing operations. The transaction was completed on July 1, 2024.

On December 18, 2024, UAB Delfi, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of 100% of shares in the company UAB Kenton Baltic from Dainius Baltrusaitis and Arturas Laucius. The acquisition of UAB Kenton Baltic is an organic step in Ekspress Grupp’s strategy with the main goal of growing the conference business line. The investment aims to establish UAB Delfi as a very important provider of industry-specific conferences, boosting Delfi brand, fostering business relationships, and creating new revenue streams. This initiative will increase UAB Delfi conference-related revenue and strengthen industry presence, supporting strategic goal of expanding market visibility and creating new business opportunities.

GENERAL MEETING OF SHAREHOLDERS

The general meeting is the highest governing body of AS Ekspress Grupp. Regular general meetings are held once a year not later than six months after the end of the financial year at the seat of the company. Extraordinary general meetings are allowed to be convened in cases prescribed by law.

In February 2024, in connection with the implementation of the employee share option plan the Management Board of AS Ekspress Grupp proposed to the shareholders to adopt resolutions without convening a general meeting in accordance to § 299^1 of the Commercial Code. The notice of adoption of resolutions was published on 8 February 2024 in the stock exchange information system and on the company’s homepage, as well as in the 9 February 2024 issue of newspaper Eesti Päevaleht.

On 4 March 2024, the shareholders of AS Ekspress Grupp adopted the following resolutions:

- To amend the point 6 of the share option program approved on 29.09.2020 and to phrase it as follows:

  The vesting period of the Options shall be three years from the original vesting date of the Options, to be laid down in the option contract to be entered into with each Option Holder. The share acquisition price that the Option Holder pays upon subscription for the Shares shall be the nominal value of the Shares at the time of the issue of the Options.

  The exercise of the Options and issuance of the Shares shall be performed by transferring Ekspress Grupp’s own shares to the option holder and/or by an increasing of the share capital of EG and issuing of new shares to the option holder. For the new shares to be issued, the pre-emption right of the current shareholders shall be precluded pursuant to § 345 (1) of the Commercial Code. New shares shall be listed in accordance with the applicable rules and procedures.

- To exclude the shareholders' preferential right to subscribe shares which are issued for the implementation of the share option program approved on 29.09.2020.
- To amend clause 5.9 of the Articles of Association and to confirm it in the new wording as follows:

  The Supervisory Board shall have the right, during a period of three years from the moment of entry into force of this wording of the Articles of Association, to increase the share capital up to EUR 160,000 (one hundred and sixty thousand).
- To accept that during the execution of the option program approved on 29.09.2020, the price of own shares to be transferred and the price of shares to be issued shall be the nominal value of the shares valid at the time of the issue of the Options (item 6 of the option program).

The regular General Meeting of Shareholders of AS Ekspress Grupp was held on 3 May 2024 in the seat of the public limited company. All members of the Management Board and the Chairman of Supervisory Board participated in the meeting. The general meeting:

- Approved the 2023 annual report of AS Ekspress Grupp and the Profit Distribution Proposal for 2023 to distribute total EUR 3.35 million as follows:
  - to pay dividends 6 (six) euro cents per share in the total amount of EUR 1.84 million;
  - to increase statutory reserve by EUR 0.17 million;
  - the remaining EUR 1.34 million to be allocated to the retained earnings.
- Extended the mandate of the Supervisory Board Member Hans Luik for five years from 21 May 2024 until 20 May 2029.

In October 2024, in connection with the election of the auditor the Management Board of AS Ekspress Grupp proposed to the shareholders to adopt resolutions without convening an extraordinary general meeting in accordance to § 299^1 of the Commercial Code. The notice of adoption of resolutions was published on 9 October 2024 in the stock exchange information system and on the company's homepage, as well as in the 10 October 2024 issue of newspaper Õhtuleht.

On 31 October 2024, the shareholders of AS Ekspress Grupp adopted the following resolutions:

- To appoint KPMG Baltics OÜ (registry code 10096082) to serve as the auditor of AS Ekspress Grupp for the period 01.01.2024–31.12.2026 and to pay to the audit firm for auditing as per contract to be entered into with KPMG Baltics OÜ.

SUPERVISORY BOARD

The Supervisory Board of the Company approves the activities of the company, organises its management and supervises the activities of the Management Board. The Supervisory Board plans the activities of the Group, organise the management of the company and supervise the activities of the Management Board. The Supervisory Board notifies the general meeting of shareholders of the results of a review. The Chairman of the Supervisory Board organises the work of the Supervisory Board. The main duties of the Supervisory Board are to approve the Group's key strategic and tactical decisions and to supervise the activities of the Group's Management Board. The Supervisory Board's actions are guided by the company's articles of association, guidelines of the general meeting and law. The meetings of the Supervisory Board generally take place once a quarter, in other cases, meetings shall be held according to the needs of the Group and decisions can also be made by e-mail.

According to the articles of association, the number of members of the Supervisory Board is between three and seven. The number of the members shall be determined by the General Meeting. The Supervisory Board of Ekspress Grupp has four members.

In 2024, the Supervisory Board adopted nine decisions without convening a meeting. On five occasions, the Supervisory Board convened for discussions and decision-making in a physical meeting. The first meeting was attended by three of the four members, the remaining meetings were attended by all members of the Supervisory Board.

Priit Rohumaa

(appointed until 16.06.2025)

- Chairman of the Supervisory Board and member of the Audit Committee, in the Supervisory Board since 17.06.2020
- Supervisory Board member of Tallinna Vesi AS and Admirals Group AS.
- Management Board member of several companies and funds.
- 1998 Tallinn Technical University, Power Engineering, Master degree and 2004 Estonian Business School, MBA.
- Number of shares of AS Ekspress Grupp: 0

Hans H. Luik

(appointed until 20.05.2029)

- Founder and major owner of Ekspress Grupp, member of the Supervisory Board and Audit Committee, in the Supervisory Board since 01.06.2004.
- Supervisory Board member of Aktiva Finance Group OÜ, AS Printall and SA Oivaline Ajakirjandus.
- Active on the Management Boards in several companies.
- Graduated from the University of Tartu in 1984 with a degree in journalism.
- Number of shares of AS Ekspress Grupp: 22 581 045 (72.94%).

Triin Hertmann

(appointed until 02.05.2027) –
independent Supervisory Board member

- Member of the Supervisory Board since 02.05.2022.
- Grünfin Group OÜ, co-founder and member of the management board.
- Angel and fund investor in various companies.
- Obtained a master's degree in organisational behavior at Tallinn University in 2013.
- Graduated with Cum Laude from Tallinn University of Technology in 2003 – financial management and international business administration.
- Number of shares of AS Ekspress Grupp: 0

Sami Seppänen

(appointed until 31.08.2027) –
independent Supervisory Board member

- Member of the Supervisory Board since 31.08.2022.
- Supervisory Board member of AS Eesti Golfikeskus.
- Long term CEO of Elisa Eesti AS (1999–2021).
- Obtained a master's degree in Industrial Technology and Management from LUT University.
- Number of shares of AS Ekspress Grupp: 0

On 3 May 2024 the mandate of the Supervisory Board Member Hans Luik was extended for five years from 21 May 2024 until 20 May 2029.

Supervisory board and committee's remuneration

Based on the decision of the annual general meeting of shareholders held on 2 May 2022, Priit Rohumaa (Chairman of supervisory board) is entitled to a monthly remuneration of EUR 3000 (in 2024 annual remuneration of EUR 36 000; in 2023 EUR 36 000) and Triin Hertmann (Member of supervisory board) is entitled to a monthly remuneration of EUR 1350 (in 2024 annual remuneration of EUR 16 200; in 2023 annual remuneration of EUR 16 200). Based on the decision of the annual general meeting of shareholders held on 31 August 2022, Sami Jussi Petteri Seppänen (Member of supervisory board) is entitled to a monthly remuneration of EUR 1350 (in 2024 annual remuneration of EUR 16 200; in 2023 annual remuneration of EUR 16 200). Hans H. Luik (Members of the Supervisory Board) do not receive any remuneration. No other fees are paid to Priit Rohumaa and Hans H. Luik for the participation in the work of Audit Committee.

MANAGEMENT BOARD

The authorities of the Management Board of the Company are specified in the Commercial Code and they are limited to the extent determined in the articles of association of the company. The Management Board has to act in the most economically purposeful manner, taking into consideration the best interests of all shareholders and ensures the company's sustainable development in accordance with set objectives and strategy. To ensure that the company's interests are met in the best way possible, the Management and Supervisory Boards shall extensively collaborate.

The members of the Management Board are elected for a period of up to five years. In order to elect and remove the members of the Management Board, a simple majority of the votes of the Supervisory Board is required. In order to resign from the position of a member of the Management Board, the member shall give three month's notice to the Supervisory Board. There are no agreements between Ekspress Grupp and the members of the Management Board which would deal with the benefits regarding a takeover of a public limited company provided for in Chapter 19 of the Securities Market Act. According to the articles of association, the Management Board of Ekspress Grupp has between one and five members. The Management Board of Ekspress Grupp has three members.

Mari-Liis Rüütsalu (appointed until 31.12.2025)

- Chairman of the Management Board and Chief Executive Officer of the Group since 01.01.2017.
- Managing director of AS Ekspress Meedia 2015-2016
- Managing director of AS Delfi 2012-2015
- Marketing and development director of AS Estravel 1998-2012
- Graduated from Eesti Majandusjuhtide Instituut in 1998 specialising in business administration and University of Tartu Pärnu College in 1995 specialising in entrepreneurship and business management
- Number of shares of AS Ekspress Grupp: controls 116 924 shares through Norg OÜ.

Karl Anton (appointed until 05.06.2026)

- Member of the Management Board since 05.06.2023, Chief Innovation Officer of the Group
- 2014–2023 Telia Eesti AS, Head of TV & Entertainment
- 2011–2014 Bondora, Chief Marketing Officer
- 2007–2012 Parex/Citadele, Head of Development
- Graduated from Estonian Business School in 2008 specialising in Marketing & Public Relations; diploma from KTH Royal Institute of Technology, Stockholm (2018) and from Rehumanise Institute, Copenhagen (2022)
- Number of shares of AS Ekspress Grupp: 0

Argo Rannamets (appointed until 29.01.2025)

- Member of the Management Board since 01.11.2023, Chief Financial Officer of the Group
- 2021–2023 KWOTA OÜ, Co-founder
- 2017–2021 and 2009–2013 Ragn-Sells AS, Member of the Management Board / CFO
- 2013–2018 Ragn-Sells Group, CFO Eastern Europe, Head of Core Business Processes in Sweden, Head of Group Function Quality
- 2006–2009 Infovara OÜ, CEO
- Graduated from TalTech in 2008 specialising in finance and managerial accounting, M.Sc
- Number of shares of AS Ekspress Grupp: 0

Argo Rannamets, the financial director and a member of the Management Board of AS Ekspress Grupp, left the company at his own request on January 29, 2025. Argo Rannamets has been working as Group financial director and the member of the Management Board since November 2023.

On 23 January 2025 the Supervisory Board of AS Ekspress Grupp has elected Lili Kirikal as a new member of the Management Board and the Chief Financial Officer until January 30, 2028. Starting from January 30, 2025, the Management Board of AS Ekspress Grupp will be as follows: Mari-Liis Rüütsalu (Chairman of the Board), Karl Anton and Lili Kirikal.

SUPERVISORY AND MANAGEMENT BOARDS OF SUBSIDIARIES

The authorities and responsibility of the subsidiaries of AS Ekspress Grupp are laid down in their articles of association and intra-group rules. The changes to the articles of association are made in accordance with the requirements laid down in the Commercial Code. The supervisory boards are generally made up of the members of the management and supervisory boards of a company that is the majority shareholder of the subsidiary.

The meetings of the supervisory boards of the subsidiaries normally take place once a quarter, in other cases based on the Group's needs, articles of association and legal acts. The members of the supervisory boards of subsidiaries do not normally receive separate remuneration.

The chairman or a member of the Management Board is appointed by the supervisory board of the subsidiary. Below are the supervisory boards and management boards of the most significant subsidiaries that are wholly-owned by AS Ekspress Grupp as at 31 December 2024. A subsidiary is considered significant if its total assets, sales revenue, profit or loss from economic activities in the last financial year constitutes at least 10% of the corresponding consolidated indicator of the Group.

COMPANY*	SUPERVISORY BOARD	MANAGEMENT BOARD
Delfi Meedia AS *(17 226 438)*	Hans Luik (chairman), Mari-Liis Rüütsalu, Karl Anton, Argo Rannamets	Argo Virkebau (chairman), Urmo Soonvald, Tarvo Ulejev, Erle Laak-Sepp, Piret Põldoja, Sander Maasik
Delfi UAB *(6 281 532)*	Mari-Liis Rüütsalu (chairman), Karl Anton, Hans Luik, Argo Rannamets	Vytautas Benokraitis
SIA Biļešu Paradīze *(5 073 434)*	-	Jānis Ķuzulis (chairman), Jānis Daube
Delfi A/S (Latvia) *(4 885 427)*	Mari-Liis Rüütsalu (chairman), Karl Anton, Argo Rannamets	Maira Meija (as the chairman of the board), Filips Lastovskis

** The amount of equity of the key subsidiary that is held by the owners of the parent company as of 31 December 2024 is shown in parentheses.*

Changes in the management of the Group's subsidiaries

There were changes in the Supervisory Boards of significant subsidiaries of AS Ekspress Grupp at the beginning of March 2024:

- Argo Rannamets, a member of the Management Board of Ekspress Grupp, became a new member of AS Delfi Meedia Supervisory Board. The Supervisory Board of Delfi Meedia continued in a composition of four members: Hans Luik (the Chairman), Mari-Liis Rüütsalu, Karl Anton and Argo Rannamets.
- Argo Rannamets also became a new member of the Supervisory Board of the Latvian subsidiary A/S Delfi and the Lithuanian subsidiary UAB Delfi. Hans Luik left the Supervisory Board of A/S Delfi and the Supervisory Board began to operate in the following composition: Mari-Liis Rüütsalu (the Chairman), Karl Anton and Argo Rannamets. The Supervisory Board of UAB Delfi began to operate in a composition of four members: Mari-Liis Rüütsalu (the Chairman), Hans Luik, Karl Anton and Argo Rannamets.

On 22 August 2024, the Supervisory Board of A/S Delfi decided to recall Konstantins Kuzikovs from the Management Board from 23rd August 2024. Starting from 23rd August 2024, the Management Board of A/S Delfi operated temporarily with two members: Maira Meija (as the Chairman of the Board) and Filips Lastovskis.

Argo Virkebau, the Chairman of the Management Board and CEO of AS Delfi Meedia – the subsidiary of AS Ekspress Grupp –, left the company at his own request on December 31, 2024. Argo Virkebau has been working as CEO and the Chairman of the

Management Board at Delfi Meedia since 2018. On 8 November 2024, the Supervisory Board of AS Delfi Meedia has elected Erik Heinsaar, the long-time CEO of AS Õhtuleht Kirjastus, as a new member of the Management Board until December 31, 2027. Therefore, starting from January 1, 2025, the Management Board of AS Delfi Meedia is as follows: Erik Heinsaar (Chairman of the Board), Piret Põldoja, Sander Maasik, Tarvo Ulejev, Erle Laak-Sepp and Urmo Soonvald.

On 8 November 2024, the Supervisory Board of A/S Delfi, the subsidiary of AS Ekspress Grupp in Latvia, has elected Jānis Grīviņš as a new Chairman of the Management Board. Jānis Grīviņš will assume the duties of CEO. Starting from January 2, 2025, the Management Board of A/S Delfi is as follows: Jānis Grīviņš (Chairman of the Board), Maira Meija and Filips Lastovskis.

On 18 December 2024, the Supervisory Board of AS Delfi Meedia, the subsidiary of AS Ekspress Grupp, decided to extend the powers of the Management Board member Urmo Soonvald until January 31, 2028.

There were changes in the Supervisory Boards of significant subsidiaries of AS Ekspress Grupp at the end of January 2025 due to the resignation of AS Ekspress Grupp's CFO. The Supervisory Board of AS Delfi Meedia began to operate in a composition of three members: Hans Luik (the Chairman), Mari-Liis Rüütsalu and Karl Anton. The Supervisory Board of Latvian subsidiary A/S Delfi began temporarily to operate with two members: Mari-Liis Rüütsalu (the Chairman) and Karl Anton. The Supervisory Board of Lithuanian subsidiary UAB Delfi began to operate in a composition of three members: Mari-Liis Rüütsalu (the Chairman), Hans Luik and Karl Anton.

There were changes in the Supervisory Boards of significant subsidiaries of AS Ekspress Grupp on the 17 February 2025. Lili Kirikal, a member of the Management Board of Ekspress Grupp, became a new member of AS Delfi Meedia Supervisory Board. The Supervisory Board of Delfi Meedia continued in a composition of four members: Hans Luik (the Chairman), Mari-Liis Rüütsalu, Karl Anton and Lili Kirikal. Lili Kirikal also became a new member of the Supervisory Board of the Latvian subsidiary A/S Delfi and the Lithuanian subsidiary UAB Delfi. The Supervisory Board of A/S Delfi began to operate in the following composition: Mari-Liis Rüütsalu (the Chairman), Karl Anton and Lili Kirikal. The Supervisory Board of UAB Delfi began to operate in a composition of four members: Mari-Liis Rüütsalu (the Chairman), Hans Luik, Karl Anton and Lili Kirikal.

AUDIT COMMITTEE

The Audit Committee is an advisory body to the Supervisory Board in respect of accounting, auditing, risk management, internal control, supervision and budget preparation and in the area of legality of the activities of the Supervisory Board. The members of the Audit Committee are Hans Luik (since 2017) and Priit Rohumaa (since 19.06.2020). Members of the auditing committee are not separately remunerated.

NOMINATION AND REMUNERATION COMMITTEE

The Supervisory Board discussed the formation of a nomination and remuneration committee, but taking into account the small size of the company and the Supervisory Board and the administrative burden inevitably associated with a more complex structure, the establishment of a separate committee was abandoned. The responsibilities of the nomination and remuneration committee (appointment and remuneration issues, self-evaluation of board members and development of good corporate governance in Ekspress Grupp) are performed by the Supervisory Board. The Supervisory Board also supports the implementation of environmental, social and governance (ESG) principles.

REMUNERATION POLICY

The remuneration policy describes the main principles of Ekspress Grupp's remuneration of the Supervisory Board, committees and the Management Board, as well as the decision-making process complied with when approving, assessing, and implementing the remuneration policy. The remuneration policy is valid for up to four years. The remuneration policy will comply with the recommendations of the Estonian Securities Market Act (§ 135^2), Corporate Governance Recommendations (clause 2.2.7) and the provisions of the Shareholders' Rights Directive (EU 2017/828; Art 9b). The remuneration policy is based on the long-term goals of the Group and takes into account the financial results and the legitimate interests of investors and creditors. Compliance with the remuneration policy is monitored by the Supervisory Board.

The Remuneration Policy for the Executive Management of AS Ekspress Grupp was approved at the regular General Meeting of Shareholders of AS Ekspress Grupp was held on 2 May 2022.

General principles

The mission of Ekspress Grupp is to serve democracy. In accordance with our strategy, Ekspress Grupp builds sustainable growth by being part of the opportunities presented by the digital transformation. The objective of the Group is to increase shareholder value through revenue growth and improved profitability. Ekspress Grupp is developing and expanding its media business and seeking growth opportunities in new digital media or media-related businesses. The Group's remuneration policy is aimed at promoting the long-term financial success, competitiveness, and creating shareholder value.

The Group aims at using reasonable, well-balanced and competitive remuneration packages to attract and retain talented employees who are the key to our business.

Ekspress Grupp's remuneration

Shareholder value creation through revenue growth and improved profitability

Motivates employees and supports retention and recruitment of top talent

Promotes strategy execution and management through key results

Is responsibly managed, flexible and in line with our long-term financial goals

The remuneration of employees across the company is reviewed regularly to secure its competitiveness in the context of market and to attract and retain talent. To avoid conflicts of interest, remuneration is managed through well-defined processes, ensuring that no person is involved in the decision-making process regarding his or her own remuneration.

The remuneration policy is submitted to the AGM for adoption at least once every four years, as well as when significant changes are made to the remuneration system.

Remuneration of the Supervisory Board and Committee Members

Decision-making process

The remuneration of Supervisory Board is approved by the shareholders at the AGM. The members of the Supervisory Board or Management Board are not employed by the company.

Remuneration

The Chairman of the Supervisory Board receives remuneration. The other members of the Supervisory Board do not receive any remuneration unless the AGM decides otherwise. No other fees are paid to the Supervisory Board members or Chairman for the participation in the work of the committees.

Remuneration of the Management Board members

Decision-making process

The Supervisory Board is responsible for preparing the remuneration policy for the Management Board. To ensure that these principles are used for the intended purpose, the Supervisory Board prepares and proposes amendments to the remuneration policy. The Supervisory Board decides on the remuneration of the Management Board members and other terms and conditions of the Management Board members' contracts of employment.

The Supervisory Board may temporarily deviate from the remuneration policy in case of significant changes in the Group's structure and business operations or changes in the legislation regulating remuneration, as well as in any other case where the deviation is significant for ensuring the Group's long-term interests and continuance as a going concern.

Remuneration elements

The remuneration of the Management Board is comprised of the following elements:

- a fixed salary;
- a short-term incentive paid annually in cash;
- a long-term incentive in the form of shares;
- other benefits.

Remuneration elements

Fixed salary: shall be reasonable, balanced, competitive and represent a weighty component of total compensation of the Management Board member

Short-term incentive: cash incentive for the achievement of specific annual targets that are aligned with the strategy

Long-term incentive: aligns the interest of Management Board members with those of the shareholders by granting share options

Other: benefits in kind in line with common market practice, such as mobile phones, laptop computers, company cars or allowance etc.

Fixed salary must be reasonable, balanced, competitive and represent a weighty component of total compensation paid to the Management Board member. The Supervisory Board may revise and change the amount of fixed salary during the term of the contract. Changes in salary are determined based on business results, changes in the Management Board member's liability, individual contribution, the general market level and the comparative data of the respective position in the market.

A short-term incentive package consists of up to 6 months basic remuneration plus project-based one-off incentive payments approved by the Supervisory Board. Performance measures and targets for short-term incentives are set by the Supervisory Board on an annual basis. Annual targets are in line with the Group's strategic objectives and may include, among others, profitability, sales revenue, cash flow or performance indicators, etc. The goals and their share may vary from year to year, reflecting the Group's priorities. After the end of each year, the Supervisory Board reviews the fulfilment of the goals by the Group's Management Board and determines the extent to which each goal has been achieved in order to determine the final amount of a bonus payment. The annual bonus is paid out at the beginning of next year on the basis of audited annual results. The Group has the right to reduce the bonus payable to a member of the Management Board depending on the financial results or transactions, to suspend the bonus payment or to demand partial or full refund of the bonus already paid out if:

- general financial results of the Group have significantly deteriorated compared to the previous period;
- the Management Board member does not meet the performance criteria; or
- the bonus has been determined on the basis of data that was found to be materially inaccurate or incorrect.

Long-term incentives are based on share option programmes by granting the shares to the Management Board members. Share options are granted in accordance with valid share option programmes. Shares can be exercised after 3 years from signing of the share option agreement. Share-based remuneration promotes the alignment of interests and thus creates value for the shareholders. The three-year performance period is used as it clearly links the remuneration with the market value of the share, and ensures the implementation of the Group's digital transformation strategy.

The Management Board contracts are typically concluded for the duration of 5 years. The maximum severance pay is capped at 6-9 months of basic remuneration. The non-compete clause and provisions governing reduction in the severance pay normally apply during the severance pay period.

REPORTING AND FINANCIAL AUDIT

Availability of adequate and timely information is the basis for obtaining quality management decisions. It is important to ensure that reporting is factual, but also forward-looking. This will enable to manage, to the best of one's knowledge, risks and, in competition with other market operators, turn them into opportunities. The company's reporting can be roughly divided into: a) financial reporting and b) management reporting.

Financial reporting consists of interim reports of consolidated economic indicators and annual reports of companies that belong to the AS Ekspress Grupp group, that are made public through the stock exchange system of NASDAQ Tallinn and that are available to all shareholders, potential investors and analysts covering the company.

On the other hand, management reporting is meant for the company's internal use. It is appropriate to separate reporting on various operating indicators that focuses on the performance of business segments and different group companies as well as return on equity. The refinement of reporting is a continuous process during which indicators affecting the achievement of agreed objectives are reviewed. Management reporting includes budgets and forecasts that AS Ekspress Grupp does not disclose.

Financial audits are conducted on the basis of International Standards on Auditing. An auditor is selected and approved by the General Meeting of Shareholders. Usually the auditor is selected for the period of three years after which new tender is organised. The basis for selection is the experience of the audit team, reputation of the audit company, its access to international network, the independence of the auditor and price for the services. For the period 2024-2026 the General Meeting of the Shareholders approved KPMG to be an auditor of the Group. Latvian operations are audited by the local audit firm. The total fee to be paid for 2024 audits (including all joint ventures) is EUR 185 thousand (2023: EUR 120 thousand).

The Group considers it important to ensure independence of the financial auditor and to avoid of conflicts of interest. We find that the financial audit was conducted in 2024 in compliance with regulative acts, international standards and expectations. KPMG presented the results in two stages: a) as part of an interim audit and b) with regard to the final audit before the opinion is issued.

CONFLICT OF INTEREST AND TREATMENT OF INSIDE INFORMATION

Appropriate treatment of inside information is important to protect the shareholders' interests and ensure honest and fair trading of shares. Important information about AS Ekspress Grupp and its subsidiaries shall be available to all shareholders and potential new shareholders on a timely, consistent and equal basis. Due to their position, the persons connected with AS Ekspress Grupp and its subsidiaries have at certain times and cases inevitably more information about the Group than the investors and the general public. To prevent misuse of such Information, we have established internal rules for keeping and disclosure of inside information as well as for concluding transactions on the basis of inside information (hereinafter inside information rules). Inside information rules encompass the reporting system pursuant to which the employees who in performing their duties may be exposed to a conflict of interest, shall disclose their economic interests and confirm their independence through self-evaluation.

The members of the Management and Supervisory Boards of AS Ekspress Grupp representing the users (so-called insiders) of inside information have signed the respective confirmation letters and are aware of the inside information rules of AS Ekspress Grupp. Together with their closer relatives, they are included in the company's insider list. The insider list also includes the employees working in the finance area who come into contact with the Group's consolidated financial information and the members of the management and supervisory boards of key subsidiaries along with the employees responsible for preparation and presentation of accounting information.

As of 31.12.2024, the company's insider register had 49 persons with a permanent access (31.12.2023: 48 persons).

The Group keeps record of its insiders in accordance with the requirements laid down in the Securities Markets Act and the rules, regulations of NASDAQ Tallinn and commission Implementing Regulation (EU) 2022/1210 of 13 July 2022 laying down implementing technical standards for the application of Regulation (EU) No. 596/2014 of the European Parliament and the Council with regard to the format of insider lists and for updating insider lists.

We are not aware of any incidences of misuse of inside information and conflict of interest during the 2024 financial year nor have there been any transactions concluded with related parties other than under market conditions.

Direct ownership interests of the members of the Supervisory and Management Boards of AS Ekspress Grupp in other companies as of 31.12.2024

NAME	RELATED COMPANY
Priit Rohumaa	OÜ Nutshell Invest, Nutshell Ventures OÜ, Osaühing Inversora, High Heat OÜ, Nutshell GP1 OÜ, Nutshell GP2 OÜ
Hans H. Luik	Alisel OÜ, Osaühing Minigert, HHL Rühm Osaühing, Iiruk OÜ, Luigepoeg OÜ, Lind Rühm OÜ, Iefe Invest OÜ, Irist OÜ, Fidens Invest OÜ, OÜ Vilipäev, Siireviire OÜ, Sisne Invest OÜ, Sisne Invest Latvia OÜ, Prestante OÜ, Lind Living OÜ, Haep OÜ, OÜ Objekt Üks, Südi OÜ, Pirita Investeeringud OÜ, Pirita tee Kinnisvara OÜ
Triin Hertmann	Digital Sputnik Lighting OÜ, First Finance OÜ, Summer Capital OÜ, Upgreens OÜ
Sami Jussi Petteri Seppänen	Suvivara OÜ
Mari-Liis Rüütsalu	Osaühing Ehitustarvik, osaühing HEK M.V., EREMEL OÜ, Norg OÜ
Argo Rannamets	Leven Nordic OÜ, Magere OÜ, Samsala OÜ
Karl Anton	Nuno OÜ, Telestriim OÜ

The members of the Supervisory and Management Boards do not have any ownership interests in companies operating in the key field of activity of AS Ekspress Grupp.

An overview of the transactions with related parties made in the financial year 2024 is disclosed in Note 30 to the financial statements.

DISCLOSURE OF INFORMATION

In disclosing information, AS Ekspress Grupp shall follow Estonian law, the rules and regulations of Nasdaq Tallinn Stock Exchange and guidelines of the Financial Supervision Authority of Estonia and immediately disclose important information regarding the Group's activities to the shareholders after obtaining reasonable assurance as to its correctness and that the disclosure of such information shall not harm the interests of the Group and its business partners. The main principles of communication with investors and the general public are stated in the Group's disclosure policy.

The Group discloses information about its financial condition and strategy in its financial statements, annual report and interim reports pursuant to the schedule that has been set. The disclosure dates of each next financial year will be announced before the end of the previous financial year.

AS Ekspress Grupp immediately discloses all decisions, issues and events that in the Group's view may significantly change the price of the securities issued by the company and that are to be disclosed pursuant to laws and regulations. Stock exchange releases are published in Estonian and English.

Important information shall be disclosed through the stock exchange system and on the Group's website. In 2024, AS Ekspress Grupp published 29 stock exchange releases through the stock exchange system.

NUMBER OF RELEASES	CONTENT OF RELEASE
9	Operating results
6	General meeting
7	Changes in structure and management
7	Other releases

In 2025 the Group will publish its consolidated financial results and quarterly results of digital subscriptions according to the schedule below.

DATE	EVENT
10th January 2025	Results for digital subscriptions for the 4th quarter of 2024
21st February 2025	2024 12 months and 4th quarter unaudited interim report
11th April 2025	Results for digital subscriptions for the 1st quarter of 2025
25th April 2025	Audited Annual Report 2024
30th April 2025	2025 3 months and 1st quarter unaudited interim report
11th July 2025	Results for digital subscriptions for the 2nd quarter of 2025
31st July 2025	2025 6 months and 2nd quarter unaudited interim report
10th October 2025	Results for digital subscriptions for the 3rd quarter of 2025
31st October 2025	2025 9 months and 3rd quarter unaudited interim report

Shareholders ordinary general meeting for 2024 financial year will take place in the 2nd quarter of 2025.

STATEMENT OF CONFORMITY TO THE RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE

The Corporate Governance Code (CGC) is a set of guidelines which is primarily intended to be followed by the companies listed on the stock exchange. Compliance with the provisions of CGC is not mandatory, the company has the obligation to disclose and substantiate as to whether and to which extent CGC is not complied with. Listed companies are subject to the requirement "fulfil or explain".

In its business activities, AS Ekspress Grupp proceeds from laws and legal provisions and, as a listed company, from the requirements of the Nasdaq Tallinn Stock Exchange and it takes into account the guidelines of the Corporate Governance Code in its activities to a great extent. For practical considerations, some of the recommendations are partially followed.

Clause 1.3.2 of CGC *Members of the Management Board, the Chairman of the Supervisory Board and if possible, the members of the Supervisory Board and at least one of the auditors shall participate in the General Meeting.*

The members of the Supervisory Board and the auditors always receive a meeting invitation or are always invited to a meeting.

Clause 1.3.3 of CGC *Issuers shall make participation in the General Meeting possible by means of communication equipment (Internet) if the technical equipment is available and where doing so is not too cost prohibitive for the Issuer.*

In accordance with § 298^2 of the Commercial Code, shareholders are offered the opportunity to vote on the draft resolutions prepared on the items on the agenda of the general meeting by transmitting their vote electronically before the general meeting. A shareholder who has voted before the meeting is considered to be participating in the general meeting. If necessary, the decisions of the general meeting are adopted without convening the meeting in accordance with § 299^1 of the Commercial Code.

REMUNERATION REPORT

The Remuneration Policy for the Executive Management of AS Ekspress Grupp was approved at the regular General Meeting of Shareholders of AS Ekspress Grupp was held on 2 May 2022. The remuneration policy describes the main principles of Ekspress Grupp's remuneration of the Supervisory Board, committees and the Management Board, as well as the decision-making process complied with when approving, assessing, and implementing the remuneration policy. The remuneration policy is valid for up to four years. The remuneration policy will comply with the recommendations of the Estonian Securities Market Act (§ 135^2), Corporate Governance Recommendations (clause 2.2.7) and the provisions of the Shareholders' Rights Directive (EU 2017/828; Art 9b). The remuneration policy is based on the long-term goals of the Group and takes into account the financial results and the legitimate interests of investors and creditors. Compliance with the remuneration policy is monitored by the Supervisory Board. The policy will be guiding and steering document for approving future remuneration agreements. The remuneration policy is described in more detail in the subsection "Remuneration policy" of the Corporate Governance Report.

Financial key metrics *(continuing operations)*

(EUR thousand)	2024	2023	*change*	2022	2021	2020
Sales revenue	76 170	73 086	*4%*	64 141	53 516	44 514
EBITDA	10 677	10 217	*4%*	8 891	8 240	5 924
Number of digital subscriptions, incl. Õhtuleht Kirjastus AS	238 182	207 328	*15%*	146 608	130 731	83 185
Total group salary cost (gross)	33 176	31 791	*4%*	26 687	22 410	19 169
Average monthly salary (gross) per employee	2.72	2.55	*6%*	2.35	2.33	2.13
Average number of employees	938	950	*-1%*	860	719	674
Remuneration (gross) of Ekspress Grupp management board:						
Mari-Liis Rüütsalu - chairman of the board since 01.01.2017	203	191	*7%*	211	225	205
Argo Rannamets – chief financial officer since 01.11.2023	137	19	*627%*	-	-	-
Karl Anton – development director since 05.06.2023	112	60	*87%*	-	-	-
Signe Kukin – chief financial officer 01.08.2018 – 31.08.2023	-	76	-	158	163	138
Kaspar Hanni – development director 18.12.2017 – 02.02.2023	-	17	-	109	131	91

Supervisory board and committee's remuneration

Based on the decision of the annual general meeting of shareholders held on 2 May 2022, Priit Rohumaa (Chairman of supervisory board) is entitled to a monthly remuneration of EUR 3000 (in 2024 annual remuneration of EUR 36 000; in 2023 EUR 36 000) and Triin Hertmann (Member of supervisory board) is entitled to a monthly remuneration of EUR 1350 (in 2024 annual remuneration of EUR 16 200; in 2023 annual remuneration of EUR 16 200). Based on the decision of the annual general meeting of shareholders held on 31 August 2022, Sami Jussi Petteri Seppänen (Member of supervisory board) is entitled to a monthly remuneration of EUR 1350 (in 2024 annual remuneration of EUR 16 200; in 2023 annual remuneration of EUR 16 200). Hans H. Luik (Members of the Supervisory Board) do not receive any remuneration. No other fees are paid to Priit Rohumaa and Hans H. Luik for the participation in the work of Audit Committee.

Management board remuneration

The remuneration of Ekspress Grupp management board during 2024 (in thousand euros):

Name	Position	Fixed salary (FS)	Short-term incentive (SHI)	Portion of FS / SHI	Total remuneration
Mari-Liis Rüütsalu	CEO	166	37	82/18	203
Argo Rannamets	CFO	111	25	81/19	137
Karl Anton	CDO	92	20	82/18	112
Total		**368**	**83**	**82/18**	**451**

The remuneration of Ekspress Grupp management board during 2023 (in thousand euros):

Name	Position	Fixed salary (FS)	Short-term incentive (SHI)	Portion of FS / SHI	Total remuneration
Mari-Liis Rüütsalu	CEO	166	25	87/13	191
Argo Rannamets – *since 01.11.2023*	CFO	19	0	100/0	19
Karl Anton - *since 05.06.2023*	CDO	52	8	87/13	60
Signe Kukin - *until 31.08.2023*	CFO	76	0	100/0	76
Kaspar Hanni - *until 02.02.2023*	CDO	17	0	100/0	17
Total		**330**	**33**	**91/9**	**363**

No remuneration paid to the management board members of AS Ekspress Grupp from other group companies. Short-term incentive paid for 2024 included targets that were set by the supervisory board at the beginning of 2024. Payments will be made in 2025. The key components related to targeted EBITDA, net profit, share of digital revenues and strategic activities related to existing businesses and potential new acquisitions.

The development in number of shares in share-based payment programmes for the Group management board in 2024 is as follows:

Name	Vested shares 31.12.2023	Shares awarded / exercised 2024	Shares forfeited 2024	Shares vested 2024	Vested shares 31.12.2024
Mari-Liis Rüütsalu	80 000	-80 000	0	0	0
Signe Kukin *member of the management board until 31.08.2023*	18 222	-18 222	0	0	0
Kaspar Hanni *member of the management board until 02.02.2023*	13 333	-13 333	0	0	0
Total	**111 556**	**111 556**	**0**	**0**	**0**

The development in number of shares in share-based payment programmes for the Group management board in 2023 is as follows:

Name	Vested shares 31.12.2022	Shares awarded / exercised 2023	Shares forfeited 2023	Shares vested 2023	Vested shares 31.12.2023
Mari-Liis Rüütsalu	53 333	0	0	26 667	80 000
Signe Kukin *member of the management board until 31.08.2023*	36 445	0	-18 222	0	18 222
Kaspar Hanni *member of the management board until 02.02.2023*	26 667	0	-13 333	0	13 333
Total	**116 445**	**0**	**-31 556**	**26 667**	**111 556**

In September 2020, the General Meeting of Shareholders approved a new share option plan for the management of AS Ekspress Grupp for the period 2021-2023. Each share option gives a right to acquire one share at the nominal price of the shares at the time of the issuing the options. The options issued to Mari-Liis Rüütsalu, Signe Kukin and Kaspar Hanni were exercised in 2024.

No new share option plan was established in 2024.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

(EUR thousand)	31.12.2024	31.12.2023	Notes
ASSETS			
Current assets			
Cash and cash equivalents	8 971	9 606	5
Trade and other receivables	14 394	13 143	6
Corporate income tax prepayment	170	24	
Inventories	373	321	10
Total current assets	**23 908**	**23 094**	
Non-current assets			
Other receivables and investments	1 775	1 628	12
Deferred tax asset	71	130	
Investments in joint ventures	872	851	13
Investments in associates	2 464	2 197	14
Property, plant and equipment	10 834	10 384	15
Intangible assets	74 112	67 482	16
Total non-current assets	**90 128**	**82 672**	
TOTAL ASSETS	**114 036**	**105 766**	
LIABILITIES			
Current liabilities			
Borrowings	5 309	4 353	18
Trade and other payables	27 014	23 046	17
Corporate income tax payable	36	39	
Total current liabilities	**32 359**	**27 438**	
Non-current liabilities			
Long-term borrowings	23 232	21 765	18
Other long-term liabilities	5	22	
Total non-current liabilities	**23 237**	**21 787**	
TOTAL LIABILITIES	**55 596**	**49 225**	
EQUITY			
Share capital	18 576	18 478	28
Share premium	14 295	14 277	
Treasury shares	(5)	(1 057)	
Reserves	2 364	2 285	28
Retained earnings	23 210	22 558	
TOTAL EQUITY	**58 440**	**56 541**	
TOTAL LIABILITIES AND EQUITY	**114 036**	**105 766**	

The Notes presented on pages 119 to 163 form an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

(EUR thousand)	2024	2023	Notes
Sales revenue	76 170	73 086	21
Cost of sales	(58 209)	(55 046)	22
Gross profit	**17 961**	**18 040**	
Other income	959	581	26
Marketing expenses	(3 369)	(2 803)	23
Administrative expenses	(10 530)	(9 582)	24
Other expenses	(164)	(737)	
Operating profit	**4 857**	**5 499**	
Interest income	117	60	
Interest expenses	(1 836)	(1 499)	
Other finance income/ (costs)	(58)	(55)	
Net finance cost	**(1 777)**	**(1 494)**	
Profit (loss) on shares of joint ventures	318	(661)	13
Profit (loss) on shares of associates	471	239	14
Profit before income tax	**3 869**	**3 583**	
Income tax expense	(617)	(232)	8
Net profit for the reporting period	**3 252**	**3 351**	
Net profit for the reporting period attributable to			
Equity holders of the parent company	3 252	3 349	
Minority interest	0	2	
Total comprehensive income	**3 252**	**3 351**	
Comprehensive income for the reporting period attributable to			
Equity holders of the parent company	3 252	3 349	
Minority interest	0	2	
Earnings per share (euro)			
Basic earnings per share	0.1058	0.1113	28
Diluted earnings per share	0.1058	0.1081	28

The Notes presented on pages 119 to 163 form an integral part of the consolidated financial statements.

Consolidated statement of changes in equity

(EUR thousand)	Attributable to equity holders of parent company						Minority interest	Total equity
	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Total		
Balance on 31.12.2022	**18 478**	**14 277**	**(334)**	**2 059**	**20 796**	**55 276**	**147**	**55 423**
Increase of statutory reserve capital	0	0	0	200	(200)	0	0	0
Share options	0	0	277	26	101	404	0	404
Purchase of treasury shares	0	0	(1 000)	0	0	(1 000)	0	(1 000)
Dividends paid	0	0	0	0	(1 488)	(1 488)	0	(1 488)
Total transactions with owners	*0*	*0*	*(723)*	*226*	*(1 587)*	*(2 084)*	*0*	*(2 084)*
Net profit /(loss) for the reporting period	0	0	0	0	3 349	3 349	2	3 351
Total comprehensive income /(loss) for the reporting period	*0*	*0*	*0*	*0*	*3 349*	*3 349*	*2*	*3 351*
Transactions with minority interest	0	0	0	0	0	0	(149)	(149)
Balance on 31.12.2023	**18 478**	**14 277**	**(1 057)**	**2 285**	**22 558**	**56 541**	**0**	**56 541**
Increase of statutory reserve capital	0	0	0	170	(170)	0	0	0
Share options	98	18	1 052	(91)	(582)	495	0	495
Dividends paid	0	0	0	0	(1 848)	(1 848)	0	(1 848)
Total transactions with owners	*98*	*18*	*1 052*	*79*	*(2 600)*	*(1 353)*	*0*	*(1 353)*
Net profit /(loss) for the reporting period	0	0	0	0	3 252	3 252	0	3 252
Total comprehensive income /(loss) for the reporting period	*0*	*0*	*0*	*0*	*3 252*	*3 252*	*0*	*3 252*
Balance on 31.12.2024	**18 576**	**14 295**	**(5)**	**2 364**	**23 210**	**58 440**	**0**	**58 440**

Additional information about changes in equity is disclosed in Note 28.

The Notes presented on pages 119 to 163 form an integral part of the consolidated financial statements.

Consolidated cash flow statement

(EUR thousand)	2024	2023	Notes
Cash flows from operating activities			
Operating profit for the reporting year	4 857	5 499	20
Adjustments for:			
Depreciation and amortisation	5 823	4 719	15,16
(Gain)/loss on sale, write-down and impairment of property, plant and equipment	33	387	
Change in value of share option	0	26	27
Cash flows from operating activities:			
Trade and other receivables	(1 281)	(1 539)	
Inventories	(52)	(35)	
Trade and other payables	3 390	4 921	
Cash generated from operations	**12 770**	**13 978**	
Income tax paid	(707)	(263)	
Interest paid	(1 875)	(1 476)	
Net cash generated from operating activities	**10 188**	**12 239**	
Cash flows from investing activities			
Acquisition of subsidiaries (less cash acquired)	(5 368)	(432)	11
Receipts of other investments	0	13	
Cash paid-in equity-accounted investees	0	(1 037)	13
Receipts from sales of interest in equity-accounted investees	122	0	11
Interest received	115	28	
Purchase of property, plant and equipment and intangible assets	(4 619)	(3 391)	
Proceeds from sale of property, plant and equipment and intangible assets	3	275	
Loans granted	(12)	0	
Loan repayments received	4	8	
Dividends received	379	674	13,14
Net cash used in investing activities	**(9 376)**	**(3 862)**	
Cash flows from financing activities			
Dividends paid	(1 848)	(1 488)	
Payment of lease liabilities	(2 315)	(2 004)	19
Proceeds from borrowings	4 640	0	18
Repayments of bank loans	(2 419)	(1 727)	18
Proceeds from exercise of share options	98	0	27
Proceeds from sale of treasury shares (from exercise of share options)	397	0	27
Purchases of treasury shares	0	(1 000)	28
Net cash used in financing activities	**(1 447)**	**(6 219)**	
Net cash flow	**(635)**	**2 158**	
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(635)**	**2 158**	
Cash and cash equivalents at the beginning of the year	9 606	7 448	5
Cash and cash equivalents at the end of the year	8 971	9 606	5

The Notes presented on pages 119 to 163 form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. General information

The main fields of activity of AS Ekspress Grupp and its subsidiaries consist of media operations including online, newspaper, magazine and book publishing, home delivery and other media related activities. AS Ekspress Grupp (registration number 10004677, address: Narva mnt 13, 10151 Tallinn) is a holding company registered and operating in the Republic of Estonia. Pursuant to the Commercial Code of the Republic of Estonia, the annual report, including the consolidated financial statements prepared by the Management Board and approved by the Supervisory Board, shall be approved by the General Meeting of Shareholders. The shareholders may decide not to approve the annual report prepared and submitted by the management board and may demand the preparation of a new annual report. This annual report was approved by the Management Board on 23 April 2025.

The consolidated financial statements of AS Ekspress Grupp (hereinafter the Group) reflect the results of the following group companies.

Company name	Status	Ownership interest 31.12.2024	Ownership interest 31.12.2023	Main field of activity	Domicile
Operating segment: corporate functions					
Ekspress Grupp AS	Parent company			Holding company and support services	Estonia
Operating segment: media (online and print media)					
Delfi Meedia AS	Subsidiary	100%	100%	Online media, publishing of daily and weekly newspapers and magazines, organisation of conferences	Estonia
Delfi A/S	Subsidiary	100%	100%	Online media	Latvia
D Screens SIA	Subsidiary	100%	100%	Sale of digital outdoor advertising	Latvia
Biļešu Paradīze SIA	Subsidiary	100%	100%	Operation of the electronic ticket platform and box offices	Latvia
Altero SIA	Associate	25.48%	25.48%	Financial comparison and brokerage platform	Latvia
Delfi UAB	Subsidiary	100%	100%	Online media	Lithuania
Naujienų agentūra Elta UAB	Subsidiary	100%	100%	News agency	Lithuania
Kenton Baltic UAB	Subsidiary	100%	-	Organisation of conferences (acquired 18.12.2024)	Lithuania
Sport Media UAB	Subsidiary	-	51%	Liquidated	Lithuania
Lrytas UAB	Subsidiary	100%	100%	Online media	Lithuania
Hea Lugu OÜ	Subsidiary	100%	100%	Book publishing	Estonia
Digiread OÜ (formerly named as Eesti Audioraamatute Keskus OÜ)	Associate	33.33%	33.33%	Production and sale of audio books	Estonia
Digital Matter UAB	Subsidiary	100%	100%	Online advertising solutions and network	Lithuania
Digital Matter SIA	Subsidiary	100%	100%	Online advertising solutions and network	Latvia
Videotinklas UAB	Subsidiary	100%	100%	Production studio for content creation	Lithuania
Geenius Meedia OÜ	Subsidiary	100%	100%	Online media and publishing magazines	Estonia
D Screens Estonia OÜ (formerly named as Linna Ekraanid OÜ)	Subsidiary	100%	100%	Sale of digital outdoor advertising	Estonia
Õhtuleht Kirjastus AS	Joint venture	50%	50%	Newspaper and magazine publishing	Estonia
Express Post AS	Joint venture	-	50%	Call centre services (merged with Õhtuleht Kirjastus AS on 12.09.2024)	Estonia
Kinnisvarakeskkond OÜ	Associate	49%	49%	Development of a real estate portal	Estonia

Note 2. Material accounting policies adopted in the preparation of the financial statements

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These accounting policies have been consistently applied to all periods presented in the financial statements, unless otherwise stated.

Basis of accounting

The consolidated financial statements of AS Ekspress Grupp have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Commission. These financial statements have been prepared in accordance with these standards (IFRS) and IFRIC interpretations which have been issued and are effective, or have been issued and adopted early as of the time of preparing these statements.

The financial statements have been prepared under the historical cost convention, unless it is otherwise stated in the accounting policies below.

The preparation of the financial statements in conformity with IFRS requires management to make accounting estimates and exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or the areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

These consolidated financial statements are presented in euro, which is The Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Comparability

The financial statements have been prepared in accordance with the consistency and comparability principles, the nature of the changes in methods and their impact is explained in the respective notes.

Changes in material accounting policies

The Group adopted the amendments to the following standards from 1 January 2024:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1);
- Non-current Liabilities with Covenants (Amendments to IAS 1);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);

The adoption of the amendments did not have a material impact on the consolidated financial statements of the Group.

Standards, interpretations and amendments to published standards that are not yet effective

- IFRS 18 Presentation and Disclosure in Financial Statements – effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

Management-defined performance measures – disclosed and subject to audit

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management-defined Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

To provide investors with better insight into financial performance, the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a separate line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Group plans to apply the new standard from 1 January 2027. The Group expects that the new standard, when initially applied, will have a material impact on its financial statements. The Group is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 18.

Other standards, interpretations and amendments to published standards that are not yet effective

The following new and amended standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Group has not early adopted any of these new and amended standards and does not expect that they will have a significant impact on the Group's consolidated financial statements when become effective.

- Lack of exchangeability (Amendments to IAS 21);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures;
- Annual Improvements to IFRS Standards – Volume 11.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Parent Company has control. Control is assumed if the Parent Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed before.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Parent Company's voting rights in an investee are sufficient to give it power, including: the size of the parent Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; potential voting rights held by the Parent Company, other vote holders or other parties; rights arising from other contractual agreements; and any additional facts and circumstances that indicate that the Parent Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Parent Company acquired or transferred control over the company during the period, the respective subsidiary is subject to consolidation from the date at which control is transferred to the Parent Company until the date that control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Acquisition of subsidiaries is accounted for under the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the fair value of acquired net assets. If cost is lower than the fair value of acquired net assets, the difference is immediately taken to profit or loss as a bargain purchase gain.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Business combinations involving entities under common control are accounted for under the adjusted purchase method. For such business combinations, the combination might not occur under market conditions, as a result of which the application of the regular purchase method may distort the substance of the occurred transaction. The acquisition price in the transaction involving entities under common control may not reflect the actual value of the acquired entity. As a result, neither goodwill nor negative goodwill has their usual meaning. According to adjusted purchase method the assets, liabilities and contingent liabilities of the acquiree shall not be revalued to their fair values in the purchase price allocation, but they shall be recognised at their carrying amounts on the acquirer's balance sheet and the difference between the cost of acquisition and the carrying amount of the acquired net assets shall not be recognised as positive nor negative goodwill but it shall be recognised as a decrease or increase of the equity of the acquirer.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in the consolidated financial statements. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. The accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint ventures and associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates are all entities over which the Group has significant influence, but not control, generally accompanying a shareholding of between 20-50%.

Investments in joint ventures and associates are initially recognised at cost and thereafter, using the equity method of accounting. The Group's investment in joint ventures and associates includes goodwill identified on acquisition.

The Group's share of its joint ventures' and associates' post-acquisition profits or losses is recognised in the statement of comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture or an associate equals or exceeds its interest in the joint venture or the associate, including any other unsecured receivables from the joint venture and the associate, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the joint venture and the associate.

Unrealised gains on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in the joint ventures and associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The purchase method of accounting is used to account for the acquisition of joint ventures and associates similarly to the acquisition of subsidiaries by the Group.

Parent Company's separate financial statements – primary statements presented as an additional disclosure to these consolidated financial statements

Pursuant to the Accounting Act of the Republic of Estonia, information of the unconsolidated financial statements (primary statements) of the consolidating entity (Parent Company) shall be disclosed in the Notes to the consolidated financial statements. In preparing the primary financial statements of the Parent Company, the same accounting policies have been used as also in preparing the consolidated financial statements.

The parent company is using equity method of accounting less any impairment identified for its subsidiaries, joint ventures and associates.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank accounts and short-term deposits with original term of up to three months. Bank overdraft is included within borrowings in current liabilities in the balance sheet.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group classifies cash and cash equivalents, trade and other receivables and loans granted as financial assets measured at amortised cost.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group does not have any financial assets at fair value through other comprehensive income.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

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

Contingent consideration assumed in a business combination is classified as at FVTPL. Discounted cash flows are used in measuring fair value. The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate. The estimated fair value would increase (decrease) if the expected cash flows were higher (lower) or the risk-adjusted discount rate were lower (higher).

Derecognition

Financial assets

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

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

Financial liabilities

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

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- other receivables, loans granted and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables without a significant financing component are always measured at an amount equal to lifetime ECLs. The expected credit losses of those financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower;
- a breach of contract, such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 60 days past due unless the Group has a reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

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

Property, plant and equipment

Assets with an expected useful life of more than one year are capitalised as property, plant and equipment, if it is probable that future economic benefits associated with the asset will flow to the entity.

Property, plant and equipment are stated at historical cost less any depreciation. Cost includes the purchase price, non-refundable taxes and other expenditure that are directly or indirectly attributable to the acquisition of non-current items. The cost of items of property, plant and equipment also includes estimates of the costs of dismantling and removing the item and restoring the site on which it is located, for which an obligation arises for the entity either when the item is acquired or as a consequence of having used the item. The cost of self-constructed assets includes the cost of materials and direct labour.

If an item of property, plant and equipment consists of components with significantly different useful lives, these components are initially recognised as separate items of property, plant and equipment and separate depreciation rates are set for them depending on their useful lives. Items of property, plant and equipment with similar useful lives are accounted for as groups.

If the recoverable amount of an asset is lower than its carrying amount, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and its value in use. The estimated future discounted cash flows are used as the basis for determining value in use (see also the accounting policy "Impairment of assets"). Impairment losses of non-current assets are expressed as an increase in accumulated depreciation and are recognised as an expense in the profit or loss statement. A recovery in value in use is recognised as a reversal of the impairment loss.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives. Depreciation of an asset is started when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases when the residual value is higher than the carrying amount, the asset is completely withdrawn from use or is reclassified as held for sale. Depreciation does not cease when the asset is withdrawn from use. The assets' depreciation rates, the depreciation method and residual values are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals on non-current assets are the amounts determined by comparing sales proceeds with the carrying amount and they are recognised as other income or expenses in profit or loss statement.

Depreciation is calculated on a straight-line basis using the following estimated useful lives.

- Buildings 3-7 years
- Machinery and equipment 3-5 years
- Other fixtures 2-10 years

Subsequent expenditure incurred for items of property, plant and equipment is recognised as separate non-current assets, when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the profit or loss at the time they are incurred.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the net identifiable assets of the acquired subsidiary, associate or joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets; goodwill on acquisitions of joint ventures and associates is included in investments in joint ventures and associates respectively. Goodwill is tested at least annually for impairment and where necessary, impairment losses are recognised. Impairment losses on goodwill are not reversed. Goodwill recognised in the consolidated balance sheet is taken into account when calculating the gains and losses at the disposal of the shares of a subsidiary. If the cost of acquisition is lower than the fair value of the net assets acquired, the difference is recognised directly in profit or loss.

For the purpose of impairment testing, goodwill is allocated to the asset groups for which it is possible to identify cash flows (cash-generating units). The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

The basis for the recoverable amount of a cash-generating unit is the expected cash flows of that cash-generating unit, which are discounted using the weighted average cost of capital. When the carrying amount of the investment is not recoverable, the investment is written down to its recoverable amount and an impairment loss is recognised. When the carrying amount of the investment is recoverable, no impairment loss is recognised. The estimates and decisions used for evaluation of business combinations are reviewed on an ongoing basis and if actual results differ from estimates, the latter are adjusted.

Trademarks

Trademarks are initially recognised at cost, including the purchase price and other costs directly attributable to the preparation of the asset for its use. Trademarks with finite useful lives are recognised in the balance sheet at fair value less any accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the acquisition cost of trademarks over their estimated useful lives. Assets that are subject to amortisation are reviewed for impairment whenever there is any indication that the carrying amount may not be recoverable and, if necessary, an impairment loss is recognised (see also ”The impairment of non-financial assets”).

The estimated useful lives of trademarks with finite useful lives are 5-50 years. The amortisation rates are assessed for appropriateness each year.

Customer relationships

Customer relationships are identifiable intangible assets if they arise from contractual or legal rights, or are separable. Customer relationships acquired through business combinations are initially measured at their acquisition date fair values. Subsequently customer relationships are recognised in the balance sheet at cost less any accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the acquisition cost of customer relationships over their estimated useful lives. Assets that are subject to amortisation are reviewed for impairment whenever there is any indication that the carrying amount may not be recoverable and, if necessary, an impairment loss is recognised (see also ”The impairment of non-financial assets”).

The estimated useful lives of customer relationships are 2-10 years. The amortisation rates are assessed for appropriateness each year.

Other intangible assets

Other intangible assets (including computer software) are stated in the balance sheet at historical cost less any accumulated amortisation and any impairment losses. Amortisation is calculated on a straight-line basis using 2-7 year estimated useful lives.

Intangible asset amortisation periods – summary

The amortisation of intangible assets is calculated on a straight-line basis using the following estimated useful lives.

- Trademarks 5-50 years
- Customer relationships 2-10 years
- Development costs 3-5 years
- Other intangible assets 2-7 years

Impairment of non-financial assets

Assets with an indefinite useful life are not subject to amortisation but they are tested annually for impairment. Assets that are subject to amortisation and assets with infinite useful lives (land) are reviewed for impairment whenever there is any indication that the carrying amount may not be recoverable. Under such circumstances the recoverable amount is compared with the carrying amount. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The assets (other than goodwill that impairment losses are not reversed) that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

Provisions

Liabilities that have arisen as a result of past event before the balance sheet date, which have a legal or contractual basis or which arise from the company's established or published practice, which are probable to result in an outflow of resources, and which can be reliably measured, but for which the actual payment amount and payment date have not been definitely determined, are recorded as provisions in the balance sheet. The provisions are recognised based on the management's estimates regarding the amount and timing of the expected outflows. A provision is recognised in the balance sheet in the amount which according to the management is necessary for settling the obligation or transferring it to the third party as of the balance sheet date. The provision expense is included in the profit and loss statement of the period. Provisions are not recognised for future operating losses.

Contingent liabilities

Promises, guarantees and other commitments that in certain circumstances may become obligations, but it is not probable that an outflow of resources will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability, are disclosed as contingent liabilities in the Notes to the financial statements.

Payables to employees

Payables to employees and members of the Management Board include accrued wages and salaries, bonuses that have been calculated in accordance with the approved bonus policy and accrued vacation pay calculated in accordance with contracts of employment concluded with employees, contracts of services concluded with the members of the Management Board, and local laws in force as of the balance sheet date.

The liability related to the payment of a vacation payroll accrual together with social security and unemployment insurance payments is included within "trade and other payables" in the balance sheet and as personnel expenses in the profit or loss statement.

Share-based transactions

The fair value of services (work contribution) provided by employees to the entity in return for shares is recognised as employee costs in the profit or loss statement and as a liability in the balance sheet from the date of granting the share option and during the period when the services have been provided if it is an equity settled share based option scheme. In case of cash-settled share-based option scheme a share option liability is recognised. The fair value of the services received is determined on the fair value of equity instruments (market price) granted to employees at the grant date. Upon expiry of the share option, the company has the obligation to transfer an agreed number of shares which it buys from the market and at the market price. The shares purchased for the purpose of a share option are included as "Treasury shares" among equity. When shares are transferred the amounts reported as "Treasury shares" and the liability are offset. The resulting difference is taken to retained earnings.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

The Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

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

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

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

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

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- lease payments dependent on index or rate.

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

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

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (leases with a lease term of 12 months or less and containing no purchase options). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Revenue recognition

Revenue is measured based on the consideration specified in contract with a customer. The Group recognises revenue when it satisfies a performance obligation by transferring a good or service to a customer. The Group transfers a good or service to a customer when the customer obtains control of that good or service. Control may be transferred either at a point in time or over time.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and related revenue recognition polices:

Type of product / service	Nature and timing of satisfaction of performance obligations	Revenue recognition under IFRS 15
Advertising revenue	The customer obtains control of service at the moment the advertisement is published in media. Invoices are issued according to contractual terms after the service is provided. Barter transactions are offset against each other.	Revenue from providing intermediation of media and advertising services is recognised in the accounting period in which the services are rendered, it means at the time the advertisement appears in media. Revenue to be received from periodic advertisement packages is allocated in proportion to their duration. For barter transactions, advertising revenue is recognised at the time the advertisement appears in media and according to the terms laid down in the agreement either goods or services are received from the other party which are recognised as an expense at the time the goods or services are received. Non-monetary transactions are measured at fair value.
Retail sales of periodicals and books	Customers obtain control of periodicals and books when the goods have been delivered to the customer. Newspapers and magazines are normally sold at wholesale conditions and in most cases, with the right to return them. Historical experience with the return of the goods forms the basis for evaluation of the estimated refund amounts. In the case of wholesale of products, the invoice is issued to the customer for the products sold at the end of each month. In retail, the customer generally pays in cash, by credit card or with bank transfer.	Revenue from the sale of goods is recognised at the moment when the goods have been delivered to the customer, at the time when a sale is completed for the client. Historical experience with the return of the goods forms the basis for evaluation of the estimated refund amounts. The returns of goods are recognised as a reduction of revenue at the time of revenue recognition. The sale of published books is recognised at the moment when they have been sold to the end consumer.
Sale of subscribed periodicals (incl. digital subscriptions) and books	Customers obtain control of periodicals and books when the goods have been delivered to the customer. Customers pay for subscribed periodicals and books as prepayments, which means that the subscription will become effective when the payment is received.	Customer payments for subscribed books, newspapers and magazines are allocated to the subscription period and recognised in revenue in accordance with the publishing of the periodical. Payments received for future subscriptions are recognised as contract liability. For packages of subscriptions, the price of the package is allocated to the individual components.
Commissions from event organisers and from tickets sold via internet	The company acting as an agent and does not control the specified goods provided by another party. Tickets sold via internet are controlled by the customer at the moment the tickets have been delivered to the customer. In the case of tickets sold at sales sites, the performance obligation shall be fulfilled at the moment the event takes place. The commissions depend on the number of tickets sold.	Revenue as an agent is recognised when the performance obligation is satisfied at point in time in the amount of commission from sale to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.
Organisation of events/conferences and trainings	The customer obtains control of service at the moment the event/conference or training takes place. Customers are invoiced before the service is provided.	Revenue from providing services is recognised in the accounting period in which the service is delivered, it means at the time of the event/conference or training took place.

Statutory reserve capital

The statutory reserve in equity is a mandatory reserve, created in accordance with the Commercial Code of Estonia. Reserve capital can only be used for covering losses or to increase share capital. Each year, at least 1/20 of net profit should be transferred to reserve capital until it makes up 1/10 of share capital. The distribution to shareholders from the statutory reserve is not permitted.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

If dividends are declared after the balance sheet date, those dividends are not recognised as a liability at the balance sheet date.

Events after the balance sheet date

Significant events that occurred during the preparation of the financial statements and are related to transactions that took place during the financial year are considered in the valuation of assets and liabilities.

The events which occurred after the balance sheet date that have not been taken into consideration in the valuation of assets and liabilities, but that significantly impact the results of the next financial year, are disclosed in the Notes to the financial statements.

Segment reporting

Operating segments are components of an entity that engage in business activities and on which it may earn revenue and incur expenses, for which discrete financial information is available and which operating results are regularly reviewed by the entity's chief operating decision maker in order to make decisions about the resources to be allocated to the segment and to assess its performance.

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. The chief operating decision marker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Management Board of the Parent Company.

Corporate income tax and deferred income tax

Corporate income tax in Estonia

According to the Income Tax Act applicable in Estonia, the annual profit earned by entities is not taxed in Estonia. Income tax is paid on dividends, fringe benefits, gifts, donations, reception costs, non-business related expenses and adjustments of the transfer price. The profit distributed as dividends is subject to income tax of 20/80 of the net amount to be paid out until 31.12.2024. From 01.01.2025 the tax rate is 22/78 of the net amount to be paid out. Until 31.12.2024 a lower tax rate (14/86) applied to dividends paid regularly. If the recipient of a dividend taxed at such a lower rate is a natural person, the payer withholds 7% from the dividend payment. From 01.01.2025, the lower tax rate of 14/86 on dividends and 7% withholding tax on dividends paid to natural persons will disappear, but the transitional provision must be taken into account, which stipulates that if the dividend is taxed at the rate of 14/86 until 31.12.2024, then to the extent of the unused balance:

- the dividend can be distributed tax-free to the parent company /shareholder. The prerequisite for tax exemption is the requirement that the company that received the dividend and paid it forward had at least a 10% ownership in the respective company at the time of receiving the dividends.
- The dividend can be redistributed to a natural person shareholder, but income tax of 7% must be withheld.

The corporate income tax arising from the payment of dividends is accounted for as an expense in the period when dividends are declared, regardless of the actual payment date or the period for which dividends are actually paid. The obligation to pay income tax arises on the 10th day of the month following the payment of dividends.

The corporate income tax arising from the payment of dividends is not recognised as a provision until the declaration of dividends. The maximum amount of a contingent income tax liability which may arise from distribution of all retained earnings is specified in the Notes to the financial statements.

Corporate income tax for companies registered in Latvia

In Latvia the income tax rate is 20% and it is applied similarly to Estonia on profit distribution. From 01.01.2025, a tax rate of 20/80 will be applied on the net amount to be paid out. Income tax is paid on dividends, fringe benefits, gifts, donations, reception costs, non-business related expenses and adjustments of the transfer price. The corporate income tax arising from the payment of dividends is not recognised as a provision until the declaration of dividends. The taxation period is one month.

Corporate income tax for companies registered in Lithuania

In accordance with the local income tax laws the net profit of companies located in Lithuania adjusted for the permanent and temporary differences as stipulated by law is subject to corporate income tax 15% until 31.12.2024. From 01.01.2025, the income tax rate is 16%.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction impacts neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax

Deferred income tax is recognised on all temporary differences arising between the carrying amounts and tax bases of the Group's assets and liabilities (the tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes).

Pursuant to the laws of the Republic of Estonia, the annual profit earned by entities is not taxed in Estonia. The corporate income tax liability arises on profit distribution and is recognised as an expense (in profit or loss for the period) at the time dividends are declared. Due to the nature of the taxation system, neither deferred income assets nor liabilities arise for the companies registered in Estonia, other than the potential income tax liability on their investments in subsidiaries, associates, and joint ventures.

The Group's deferred income tax liability arises in relation to the companies in the countries where the profit for the financial year is taxable.

The Group's deferred income tax liability also arises on investments in Estonian and Latvian subsidiaries, associates and joint ventures except where the timing of the reversal of taxable temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future. The examples of the reversal of taxable temporary differences are payment of dividends, sale or liquidation of an investment, and other transactions.

Since the Group controls the dividend policy of its subsidiaries, it is also able to control the timing of the reversal of temporary differences related to this investment. When the parent company has made a decision not to distribute the subsidiary's profit in the foreseeable future, it shall not recognise the deferred income tax liability. If the parent company expects to pay out dividends in the foreseeable future, the deferred income tax liability shall be measured to the extent of the planned dividend payment under the assumption that as of the reporting date there will be sufficient funds and equity available for the payment of dividends from which to distribute profits in the foreseeable future.

If necessary, the Group can block the profit allocation decisions of its joint ventures and therefore it can control the timing of the reversal of temporary differences related to this investment. When the parent company has decided not to distribute the joint venture's profit in the foreseeable future, it shall not recognise the deferred income tax liability. If the parent company expects to pay out dividends in the foreseeable future, the deferred income tax liability shall be measured to the extent of the planned dividend payment under the assumption that as of the reporting date there will be sufficient funds and equity for the payment of dividends from which to distribute profits in the foreseeable future.

Since the Group generally does not control the dividend policy of its associates, it does not control the timing of the reversal of taxable temporary differences. Thus, the Group recognises the deferred income tax liability related to its investment in the associate.

For measuring the deferred income tax liability, the Group uses the tax rates that are expected to be applied on the basis of the tax rates effective on the reporting date to taxable temporary differences in the period in which they are expected to reverse.

The maximum income tax liability that would arise in case all available equity is paid out as dividends is disclosed in Note 29 to the financial statements.

Note 3. Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates by the management that have an effect on the financial statements. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies.

For preparation of the financial statements, the estimates made by the managements of all group companies shall be used which impact the Group's assets and liabilities at the balance sheet date, and also revenue and expenses for the financial year. These estimates are based on the latest information about the situation of group companies, and they take into consideration the Group's and entities' separate plans and related risks at the time of preparation of the financial statements.

Management estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year include assessment of useful lives of intangible assets identified (Note 16), valuation of the recoverable amount of goodwill (Note 16), determination of useful lives of property, plant and equipment (Note 15) and valuation of receivables (Notes 4,6,7), and assessment of income tax liability (Note 8).

a) Valuation of the recoverable amount of goodwill

At each balance sheet date, the management carries out impairment tests for goodwill which have arisen upon acquisition of cash-generating units or companies. Along with impairment tests for goodwill the value of other assets will also be assessed because the recoverable amounts of cash-generating units should cover goodwill as well as other assets related to cash-generating units like trademarks, intangible and tangible assets, net current assets. For finding the recoverable amount of the assets of all cash-generating units, the future expected cash flows have been discounted using the weighted average cost of capital (WACC). A more detailed overview of impairment tests is disclosed in Note 16.

As of 31.12.2024 and 31.12.2023, no impairment losses were recognised for goodwill.

The Group has intangible and tangible assets other than goodwill and for estimating the value of these assets management will assess factors whether there are any indications referring that the value of assets has decreased. If there are such indications then impairment test will be performed for the assets of the smallest cash-generating unit and if the recoverable amount is smaller than carrying amount according to the realistic cash-flow forecast provided by the management, then the carrying amount of assets will be written down to the recoverable amount.

b) Estimation of useful lives of intangible assets

The management has determined the estimated useful lives of intangible assets, taking into account the business conditions and volumes, historical experience in the given field and future projections. The depreciation charges will be increased where useful lives are shorter than previously estimated lives, and technically obsolete and idle assets that have been written off or written down.

According to the estimates, the useful lives of trademarks as of the balance sheet date are 5-50 years, based on past experiences on useful lives of similar trademarks.

- The trademark in the online media is the title of the online portal "Delfi", "Geenius.ee", "ELTA" and "Lrytas.lt". The useful lives of online media trademarks are estimated to be longer than those of print media. The remaining amortisation period of online media trademarks is up to 33 years.
- The trademarks in print media are mainly the titles of different publications (magazines, newspapers), the training. The useful lives of print media trademarks are generally estimated to be between 5-10 years.
- Conference business trademarks are "Eesti Koolitus- ja konverentsikeskus" (EKKK), the business conference "EBIT" and "HR Week" conference focused on personnel management. The useful lives of conference business trademarks are generally estimated to be 30 years.

Carrying amount of trademarks as of 31.12.2024 is EUR 14 467 thousand (31.12.2023: EUR 11 443 thousand). If useful lives of trademarks increased or decreased by 10%, the annual amortisation charge would decrease or increase, respectively, by EUR 47/58 thousand. If useful lives of development costs, customer relationships and other intangible assets increased or decreased by 10%, the annual amortisation charge would decrease or increase, respectively, by EUR 88/107 thousand, EUR 16/19 thousand and EUR 94/114 thousand. The total decrease/increase in the depreciation charge in case of an increase/decrease of 10% in useful lives of intangible assets would be EUR 245/299 thousand.

c) Valuation of useful lives of property, plant and equipment

The management has determined the estimated useful lives of the items of property, plant and equipment, taking into account the business conditions and volumes, historical experience in the given field and future projections. The management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

If the useful lives increased/decreased by 10%, the annual depreciation charge would decreased/increased by EUR 101/123 thousand, EUR 18/22 thousand and EUR 166/203 thousand of 'Buildings', 'Machinery and equipment' and 'Other equipment', respectively. The total decrease/increase in the depreciation charge in case of an increase/decrease of 10% in useful lives would be EUR 285/348 thousand.

d) Assessment of the value of receivables

The Group has applied the simplified approach in recognising lifetime ECL as presented IFRS 9 for trade receivables. Loss allowances for trade receivables without a significant financing component are measured at an amount equal to lifetime ECL. The expected credit losses of those financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

e) Corporate income tax – recognition of deferred income tax on investments made in Estonian and Latvian subsidiaries, associates and joint ventures

The Group controls the dividend policy of its subsidiaries and it is also able to control the timing of the reversal of temporary differences related to this investment. The Group also can block the profit allocation decisions of its joint ventures and therefore it can control the timing of the reversal of temporary differences related to this investment as well. AS of 31.12.2024, the Group has decided not to distribute the profits of subsidiaries and joint ventures in the foreseeable future and therefore it does not recognise a deferred income tax liability on these investments. As of 31.12.2024, the Group also does not recognise a deferred income tax liability on investments in associates, as impact of income tax on the possible distribution of profit on the consolidated financial statements is immaterial.

Note 4. Financial risk management

In its daily activities, the Group has to consider various financial risks. More substantial ones include credit risk, liquidity risk, market risk (including interest rate risk and price risk) and capital risk.

The risk management of the Group is based on the requirements established by the Tallinn Stock Exchange, Financial Supervision Authority and other regulatory bodies, compliance with the generally accepted accounting standards and good practice, internal regulations and policies of the Group and its subsidiaries. The management of risks at the Group level includes the definition, measurement and control of risks. The Group's risk management programme focuses on unpredictability of financial markets and finding of possibilities to minimise the potential negative impacts arising from this on the Group's financial activities.

The main role upon the management of risks is vested in the management boards of the Parent and its subsidiaries. The Group assesses and limits risks through systematic risk management. For managing financial risks, the management of the Group has engaged the financial unit of the Group that deals with the financing of the Parent Company and its subsidiaries and hence also managing of liquidity risk and interest rate risk. The risk management at the joint ventures is performed in cooperation with the other shareholder of joint venture.

Credit risk

Credit risk is expressed as a loss which may be incurred by the Group and is caused by the counterparty if the latter fails to perform its contractual financial obligations. Credit risk arises from cash and bank, trade receivables, other short-term receivables and loans granted.

Cash and bank accounts (incl. deposits) by credit ratings of the banks they are held at

Bank (EUR thousand)	Moody`s	Standard & Poor`s	31.12.2024	31.12.2023
SEB	Aa3	A+	601	2 492
Swedbank	Aa3	A+	6 412	5 633
Citadele	Baa1	-	390	161
Luminor/LHV	A3/A3	-/-	1 490	1 239
Total			**8 893**	**9 524**

The banks' latest long-term credit rating shown on the bank's website is used.

The payment discipline of clients is continuously monitored to reduce credit risk. A credit policy has been established to ensure the sale or services to clients with an adequate credit history and the application of prepayments to clients in a higher risk category. According to the credit policy, different client groups are subject to different payment terms and credit limits. Clients are classified on the basis of their size, reputation, and the results of credit background checks and history of payment behaviour. At the first level, the advertising clients are divided into two groups: advertising agencies and direct clients, they are further grouped according to the above principles. The Group applies the same credit policy in all Baltic States, but is aware of different credit behaviour of clients. The Group's subsidiaries outsource reminder services in order to collect overdue receivables more effectively.

In the case of new clients, their credit background is checked with the help of financial information databases such as Krediidiinfo and other similar databases. At the beginning clients' payment behaviour will be monitored with heightened interest. Upon following the payment discipline, it is possible to receive more flexible credit terms, such as longer payment terms, higher credit limits, etc. Upon violation of the payment discipline, stricter credit terms are applied. In case of large transactions, in particular in the segment of printing services, clients are requested to make prepayment or provide a guarantee letter.

The credit risk concentration related to accounts receivable is not material due to the extensive number of customers.

The maximum credit risk which arises from the trade and other receivables is provided below:

31.12.2024 (EUR thousand)	Due date	Overdue <= 7 days	Overdue >7 days and <=60 days	Overdue > 60 days	Total receivables
Trade receivables (Note 6,7)	6 413	1 276	620	118	8 427
Other short-term receivables (Note 6,9)	589	0	0	0	589
Other long-term receivables (Note 12)	754	0	0	0	754
TOTAL	**7 756**	**1 276**	**620**	**118**	**9 770**

31.12.2023 (EUR thousand)	Due date	Overdue <= 7 days	Overdue >7 days and <=60 days	Overdue > 60 days	Total receivables
Trade receivables (Note 6,7)	6 222	1 202	782	60	8 267
Other short-term receivables (Note 6,9)	23	0	0	0	23
Other long-term receivables (Note 12)	758	0	0	0	758
TOTAL	**7 003**	**1 202**	**782**	**60**	**9 048**

In 2024, the Group has written down doubtful receivables in the amount of EUR 244 thousand (2023: EUR 235 thousand). For all trade receivables, the Group applies the simplified approach to providing for expected credit losses (ECL) prescribed by IFRS 9, which permits the use of the lifetime expected loss provision. The expected credit losses of those financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Information about the changes in allowance of receivables during the reporting period is presented in Note 7.

Liquidity risk

Liquidity risk means that the Group may not have liquid funds to fulfil its financial obligations in a timely manner.

The objective of the Group is to maintain a balance between the financial needs and financial possibilities of the Group. Cash flow planning is used as a means to manage the liquidity risk. To manage liquidity risk as effectively as possible, the bank accounts of the Parent Company and its subsidiaries comprise one group account (cash pool) which enables the members of the group account to use the finances of the Group within the limit established by the Parent Company. The group account operates in Estonia, but foreign subsidiaries in Latvia and Lithuania are also part thereof. According to the policy of the Group, all subsidiaries and joint ventures prepare long term cash flow projections for the following year, which are adjusted on a quarterly basis. For monitoring short-term cash flows the subsidiaries prepare thirteen-week cash flow projections on a weekly basis.

To manage the liquidity risk, the Group uses different financing sources which include bank loans, overdraft, continuous monitoring of trade receivables and delivery contracts.

Overdraft credit is used to finance working capital, long-term bank loans and lease agreements are used to make capital expenditures to acquire non-current assets. The Group's overdraft loan is long-term and related to the term of the loan contract. This essentially works as a long-term line of credit, the use of which the Group can regulate at its own discretion.

Analysis of undiscounted financial liabilities (principal and future interest payments) by payment term

31.12.2024 (EUR thousand)	Undiscounted					Carrying amount
	<= 1 month	> 1 month and <=3 months	> 3 months and <= 1 year	>1 year and <=5 years	Total	
Bank loans (Note 18)	303	685	2 624	13 132	**16 745**	**15 139**
Notes (Note 18)	0	0	443	5 772	**6 215**	**5 000**
Lease payments (Note 18,19)	233	505	2 043	6 485	**9 266**	**8 402**
Trade payables (Note 17)	4 701	344	2	0	**5 046**	**5 046**
Other payables	1 342	0	0	5	**1 347**	**1 347**
TOTAL	**6 580**	**1 533**	**5 112**	**25 394**	**38 619**	**34 935**

31.12.2023 (EUR thousand)	Undiscounted					Carrying amount
	<= 1 month	> 1 month and <=3 months	> 3 months and <= 1 year	>1 year and <=5 years	Total	
Bank loans (Note 18)	250	501	2 216	11 722	**14 689**	**12 919**
Notes (Note 18)	0	0	507	6 393	**6 900**	**5 000**
Lease payments (Note 18,19)	220	438	1 901	6 660	**9 218**	**8 199**
Trade payables (Note 17)	4 100	501	1	0	**4 603**	**4 603**
Other payables	1 372	0	0	22	**1 394**	**1 394**
TOTAL	**5 942**	**1 440**	**4 626**	**24 796**	**36 805**	**32 115**

The liabilities are fulfilled in accordance with contracts, actual cash flows may differ from those shown in the tables above due to interest rates.

More information about loan payments is disclosed in Note 18.

Other payables include payables to joint ventures, accrued interest, other accrued liabilities and contingent liabilities, see Note 17.

Foreign exchange risk

Foreign exchange risk arises when future business transactions or recognised assets or liabilities are fixed in a currency which is not the functional currency of the Group. Although the Group's business activities are international, the Group has not foreign exchange risk. The functional currency of the Group's companies is euro. The subsidiaries are typically required to use the euro as the currency in foreign contracts. The amounts received in foreign currencies are converted into euros immediately after their receipt in order to reduce open foreign currency positions. No other means are used for hedging foreign exchange risk.

As of 31.12.2024, the Group's foreign currency risk related to USD was EUR 122 thousand. As of 31.12.2023, the Group's foreign currency risk related to USD was EUR 138 thousand.

Interest rate risk

Interest rate risk means that a change in interest rates results in a change in the cash flow and profit of the Group.

The Group's interest rate risk is related to short-term and long-term borrowings which carry a floating interest rate and to which a margin is added. The interest rate risk is mainly related to the fluctuation of Euribor.

During the reporting period, the Group has not used financial instruments to hedge interest rate risk.

Taking into account the loan balances as of 31.12.2024 and the loan repayment schedules during 2025, a change in the interest rate by one percentage point would change the Group's loan interest expense by approximately 215 thousand euros per year.

Type of interest	Average interest rate	31.12.2024 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest rate	6.49%	Loan	2 906	12 233	**15 139**
		Overdraft	0	0	**0**
	9.74%	Notes*	0	5 000	**5 000**
	6.00%	Lease liability	2 403	5 999	**8 402**

Type of interest	Average interest rate	31.12.2023 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest rate	5.78%	Loan	2 245	10 674	**12 919**
		Overdraft	0	0	**0**
	6.96%	Notes*	0	5 000	**5 000**
	4.95%	Lease liability	2 108	6 091	**8 199**

** from October 2023, 6-month Euribor was added to the note interest rate; previously, the base rate did not apply*

The interest rate on loans, notes and lease liability is related to 6-month Euribor.

Information about loans is disclosed in Note 18.

Price risk

Circulations of paper products are still decreasing and the pressure on input costs continues to increase therefore the price of printing services and home delivery affects the activities of the Group the most. The pressure of input costs is also transferred to sales prices, but it is limited by the price level accepted by the end consumer. The Group hedges the price risk of the printing services and home delivery (i) by making advance payments to the printing house for the paper used for printing periodicals, (ii) by expanding the list of suppliers, improving the competitive situation, (iii) by fixing the prices of both paper and home delivery in long-term contracts, and (iv) keeping print circulations at an optimal level.

Capital risk

The main objective of the Group upon managing capital risk is to ensure the sustainability of the Group in order to ensure income for its shareholders and benefits for other stakeholders, while maintaining the optimal capital structure in order to reduce the price of capital.

According to the common industry practice, the Group uses the debt to capital ratio to monitor its capital. The debt to capital ratio is calculated as the ratio of net debt to total capital and EBITDA. Net debt is calculated by deducting cash and bank accounts from total debt (short and long-term interest bearing liabilities recognised in the consolidated balance sheet, incl. lease liabilities arising according to the IFRS16 standard). Total capital is recognised as the aggregate of equity and net debt.

Due to seasonal fluctuations in the Group's business operations and the increase in the volume of ticket sales platforms, the balance of short-term liabilities has increased as of the end of the year (31.12.2024: EUR 32 359 thousand; 31.12.2023: EUR 27 438 thousand). The fulfilment of short-term liabilities is ensured by the current cash flows generated.

Equity ratios of the Group

(EUR thousand)	31.12.2024	31.12.2023
Interest-bearing debt	28 541	26 118
Cash and bank accounts	8 971	9 606
Net debt	19 570	16 512
Equity	58 440	56 541
Total capital	78 009	73 053

(EUR thousand)	31.12.2024	31.12.2023
Net debt to capital ratio	**25%**	**23%**
Net debt to EBITDA ratio	**1.83**	**1.62**
Total assets	114 036	105 766
Equity ratio	**51%**	**53%**

Fair value

The Group's management estimates that the fair values of the financial assets (Notes 5,6,7,9,12) and financial liabilities (Notes 17,18,19) recognised in the balance sheet at amortised cost do not significantly differ from their carrying amounts presented in the Group's consolidated balance sheet on 31 December 2024 and 31 December 2023. The Group's risk margins correspond to market conditions. Based on that, the management estimates that the fair value of long-term borrowings does not significantly differ from their carrying amounts. The fair value of financial liabilities is determined on the basis of discounted future contractual cash flows, using a market interest rate which is available for the Group upon using similar financial instruments. Trade receivables and trade payables are recognised at amortised cost, due to which the management estimates that their carrying amount approximates their fair value.

The fair value of other investments through profit or loss was 870 thousand euros as at 31.12.2024 (31.12.2023: 870 thousand euros). Investments are not listed on any stock exchange and these are categorised as level 3 in fair value hierarchy.

Note 5. Cash and bank

(EUR thousand)	31.12.2024	31.12.2023
Cash in hand	78	82
Cash at bank	8 835	9 439
Cash in transit	58	80
Term deposit	0	5
Total cash and bank	**8 971**	**9 606**

Note 6. Trade and other receivables

(EUR thousand)	31.12.2024	31.12.2023
Trade receivables (Note 4,7)	8 427	8 267
Other tax receivables	0	85
Other receivables (Note 4,9)	4 950	3 844
Prepayments	1 017	947
Total trade and other receivables	**14 394**	**13 143**

Prepayments include mainly the prepayments for software licenses and insurance.

Note 7. Trade receivables

(EUR thousand)	31.12.2024	31.12.2023
Trade receivables	8 611	8 410
Allowance for doubtful receivables	(184)	(143)
Total trade receivables (Note 6)	**8 427**	**8 267**

(EUR thousand)	2024	2023
Allowance for doubtful receivables at the beginning of the period	(143)	(86)
Proceeds from doubtful receivables during the period	143	162
Allowance for doubtful receivables recognised during the period	(244)	(235)
Receivables written off from balance sheet during the period	60	15
Allowance for doubtful receivables at the end of the period	**(184)**	**(143)**

Impairment losses from trade receivables recognised during the period are reported in the statement of comprehensive income as "Cost of sales". For further information on ageing of receivables (including overdue receivables), see Note 4. Accounting policies for impairment of financial assets are disclosed in Note 2.

Note 8. Corporate income tax and deferred tax

Group's income tax expense (EUR thousand)	2024	2023
Corporate income tax expense	617	232
Total income tax expense	**617**	**232**

Corporate income tax

(EUR thousand)	2024	2023
Latvia		
Current income tax expense	**(407)**	**(21)**
Lithuania		
Profit before tax	756	1 103
Tax rate	15%	15%
Estimated income tax	(113)	(165)
Impact of income not taxable/expenses not deductible for tax purposes	(96)	(46)
Current income tax expense	**(209)**	**(211)**

Note 9. Other short-term receivables

(EUR thousand)	31.12.2024	31.12.2023
Receivables from associates (Note 30)	**12**	**9**
Trade receivables	10	8
Loans granted	2	1
Receivables from joint ventures (Note 30)	41	51
Receivables from related parties (Note 30)	0	6
Other short-term receivables and prepayments	4 896	3 778
Total other short-term receivables (Note 6)	**4 950**	**3 844**

Other receivables include mainly the prepayments in the ticket sales business (cash collected on behalf of event organisers for the events) to event organisers. Prepayments to event organisers represent the balance of payments made to event organisers prior to event.

Note 10. Inventories

(EUR thousand)	31.12.2024	31.12.2023
Work in progress	36	21
Finished goods	295	265
Goods for resale	41	35
Total inventories	**373**	**321**

(EUR thousand)	2024	2023
Impairment of finished goods	62	70
Allowance for impairment recognised in profit or loss	**62**	**70**

Impairment of inventories is included in the line of the statement of comprehensive income ”Cost of sales“.

Note 11. Business combinations

In December 2023, AS Õhtuleht Kirjastus, 50% of which owned by AS Ekspress Grupp, entered into a contract to acquire a 100% ownership interest in AS Express Post, which was equally owned by the two largest Estonian media companies, AS Ekspress Grupp and AS Postimees Grupp. The transaction was closed on July 1, 2024. More detailed information is provided in Note 13.

On June 10, 2024, Delfi Meedia AS, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of entire business of OÜ Eesti Koolitus- ja Konverentsikeskus. The acquisition aims to facilitate Delfi Meedia's expansion into Estonia’s training and conference business market. Ekspress Grupp identifies significant growth potential and opportunities for synergy with the Group’s existing operations. The transaction was completed on July 1, 2024.

On December 18, 2024, UAB Delfi, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of 100% of shares in the company UAB Kenton Baltic from Dainius Baltrusaitis and Arturas Laucius. The acquisition of UAB Kenton Baltic is an organic step in Ekspress Grupp’s strategy with the main goal of growing the conference business line. The investment aims to establish UAB Delfi as a very important provider of industry-specific conferences, boosting Delfi brand, fostering business relationships, and creating new revenue streams. This initiative will increase UAB Delfi conference-related revenue and strengthen industry presence, supporting strategic goal of expanding market visibility and creating new business opportunities.

The table below gives an overview of the acquired identifiable assets and liabilities at the time of acquisitions. The purchase analysis has been prepared using the balances of assets and liabilities related to the acquisition of business operations of OÜ Eesti Koolitus- ja Konverentsikeskus as of 01.07.2024 and the balance sheet of Kenton Baltic UAB as of 18.12.2024.

(EUR thousand)	Business combinations total Fair value
Assets	537
Liabilities	(562)
Trademark (Note 16)	3 483
Total fair value of identifiable net assets	**3 458**
Goodwill (Note 16)	2 244
Cost of ownership interest	**5 701**
Paid for additional ownership interest in cash	(5 701)
Cash and cash equivalents in acquired entity	363
Total cash effect on the Group	**(5 338)**

Goodwill arising on acquisitions is the discounted value of the future cash flows of the acquired entity that are not classified as separately identifiable intangible assets acquired in a business combination. Goodwill arising from business combinations is a synergy with the Group’s existing operations, which ensures greater growth potential and creates new revenue streams. Relief from royalty method was used for estimating the fair value of acquired trademarks.

The financial impact of the business combinations is presented in the consolidated statement of cash flows in the line “Acquisition of subsidiaries (less cash acquired)”.

If the business operations of OÜ Eesti Koolitus- ja Konverentsikeskus and UAB Kenton Baltic were acquired as of 1 January 2024 then the revenues of the Group would have been EUR 2.0 million bigger and net profit by EUR 0.4 million.

Note 12. Other receivables and investments

(EUR thousand)	31.12.2024	31.12.2023
Receivables from associates and joint ventures (Note 4,30)	54	58
Other receivables (Note 30)	851	700
Other investments - mandatorily as fair value through profit or loss*	870	870
Other receivables and investments total	**1 775**	**1 628**

** includes investment in equity instruments*

Note 13. Joint ventures

Company name	Ownership interest %		Co-owner	Co-owner
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
AS Õhtuleht Kirjastus	50%	50%	AVH Grupp AS	AVH Grupp AS
AS Express Post	-	50%	-	AS Postimees Grupp

The main activity of joint ventures is described in Note 1. On September 12, 2024, AS Express Post was merged with AS Õhtuleht Kirjastus on the basis of a merger agreement concluded on July 18, 2024.

In December 2023, AS Õhtuleht Kirjastus, 50% of which owned by AS Ekspress Grupp, entered into a contract to acquire a 100% ownership interest in AS Express Post, which was equally owned by the two largest Estonian media companies, AS Ekspress Grupp and AS Postimees Grupp. The owners of Express Post, which used to operate in the business of home delivery of printed periodicals across Estonia, decided to close the home delivery business at the beginning of 2023, and the company has continued to provide call centre and subscriber database management services to periodicals. The transaction was closed on July 1, 2024. On 18 July 2024, a merger agreement was concluded between AS Õhtuleht Kirjastus and AS Express Post, agreeing that AS Õhtuleht Kirjastus as the acquiring company will acquire all assets and liabilities of AS Express Post. The merger agreement was concluded for the purpose of simplifying the Group's management and legal structure. The merger was registered on September 12, 2024.

(EUR thousand)	AS Õhtuleht Kirjastus	AS Express Post	Total
31.12.2024			
Net assets of the joint venture	1 948	0	1 948
Proportion of ownership in the joint venture	50%	n/a	
Other adjustments	(102)	0	(102)
Carrying amount of interest in the joint venture	**872**	**0**	**872**
Profit / (loss) on shares of joint ventures	329	(11)	**318**
31.12.2023			
Net assets of the joint venture	1 680	62	1 742
Proportion of ownership in the joint venture	50%	50%	
Other adjustments	(19)	0	(19)
Carrying amount of interest in the joint venture	**821**	**31**	**851**
Profit / (loss) on shares of joint ventures	42	(703)	**(661)**

Financial information of joint ventures

(EUR thousand)	AS Õhtuleht Kirjastus	AS Express Post	Total
31.12.2024			
Current assets	2 741	0	2 741
Non-current assets	3 521	0	3 521
Total assets	**6 262**	**0**	**6 262**
Current liabilities	3 916	0	3 916
Non-current liabilities	398	0	398
Total liabilities	**4 314**	**0**	**4 314**
The above amounts of assets and liabilities include the following:			
Cash and cash equivalents	*1 902*	*0*	*1 902*
Current financial liabilities (excluding trade and other payables and provisions)	*162*	*0*	*162*
Non-current financial liabilities (excluding trade and other payables and provisions)	*398*	*0*	*398*

(EUR thousand)	AS Õhtuleht Kirjastus	AS Express Post	Total
31.12.2023			
Current assets	2 295	532	2 828
Non-current assets	3 208	4	3 212
Total assets	**5 503**	**536**	**6 039**
Current liabilities	3 434	475	3 909
Non-current liabilities	389	0	389
Total liabilities	**3 823**	**475**	**4 298**
The above amounts of assets and liabilities include the following:			
Cash and cash equivalents	*1 511*	*420*	*1 931*
Current financial liabilities (excluding trade and other payables and provisions)	*142*	*0*	*142*
Non-current financial liabilities (excluding trade and other payables and provisions)	*389*	*0*	*389*

(EUR thousand)	AS Õhtuleht Kirjastus	AS Express Post	Total
2024			
Revenue	14 119	159	14 277
Depreciation and amortisation	(392)	(4)	(396)
Interest income	1	0	1
Interest expense	(27)	0	(27)
Profit / (loss) before income tax	**620**	**(21)**	**599**
Income tax expense	0	0	0
Profit / (loss) for the reporting period	**620**	**(21)**	**599**
Other comprehensive income	0	0	**0**
Total comprehensive income	**620**	**(21)**	**599**

(EUR thousand)	AS Õhtuleht Kirjastus	AS Express Post	Total
2023			
Revenue	13 546	2 348	15 895
Depreciation and amortisation	(533)	(17)	(551)
Interest income	0	0	0
Interest expense	(29)	0	(29)
Profit / (loss) before income tax	**246**	**(1 406)**	**(1 160)**
Income tax expense	(90)	0	(90)
Profit / (loss) for the reporting period	**156**	**(1 406)**	**(1 250)**
Other comprehensive income	0	0	**0**
Total comprehensive income	**156**	**(1 406)**	**(1 250)**

Note 14. Associates

(EUR thousand)	31.12.2024	31.12.2023
Acquisition of associates	0	39
Received dividends	204	399
Impairment loss recognised for the receivables of associates (Note 30)	0	(38)
Shares of associates in the balance sheet	**2 464**	**2 197**
Share of loss in associates recognised in statement of comprehensive income		
Profit (loss) under the equity method	471	239
Total profit (loss) of associates	**471**	**239**

Company name	Ownership interest %	
	31.12.2024	31.12.2023
Kinnisvarakeskkond OÜ	49.00%	49.00%
Altero SIA	25.48%	25.48%
Digiread OÜ (formerly named Eesti Audioraamatute Keskus OÜ)	33.33%	33.33%

Financial information of associate

(EUR thousand)	Digiread OÜ	Kinnisvara-keskkond OÜ	Altero SIA group (consolidated)
31.12.2024			
Total assets	83	327	2 628
Total liabilities	57	191	641
Total revenue	275	815	7 765
Total expenses	270	753	5 873
Net profit (loss)	**5**	**63**	**1 892**

(EUR thousand)	Digiread OÜ	Kinnisvara-keskkond OÜ	Altero SIA group (consolidated)
31.12.2023			
Total assets	76	248	1 376
Total liabilities	67	174	494
Total revenue	37	738	6 821
Total expenses	26	823	5 751
Net profit (loss)	**11**	**(85)**	**1 070**

Note 15. Property, plant and equipment

(EUR thousand)	Buildings	Machinery and equipment	Other fixtures	Under construction	Total tangible assets
31.12.2022					
Cost	4 887	2 030	9 297	1 109	**17 324**
Accumulated depreciation	(2 669)	(1 405)	(4 514)	0	**(8 588)**
Carrying amount	**2 218**	**625**	**4 783**	**1 109**	**8 736**
Acquisitions and improvements	1 921	359	1 049	1 167	**4 496**
Disposals (at carrying amount)	0	0	(1)	0	**(1)**
Impairment and write-offs (at carrying amount)	(61)*	(1)	(63)*	(1)	**(126)**
Reclassification	0	3	1 973	(1 977)	**0**
Depreciation	(874)	(210)	(1 636)	0	**(2 721)**
31.12.2023					
Cost	6 741	2 277	11 854	298	**21 170**
Accumulated depreciation	(3 537)	(1 501)	(5 749)	0	**(10 786)**
Carrying amount	**3 204**	**776**	**6 106**	**298**	**10 384**
Acquisitions and improvements	997	117	2 140	739	**3 991**
Disposals (at carrying amount)	0	0	(5)	(8)	**(13)**
Impairment and write-offs (at carrying amount)	(97)*	(51)	(236)*	(2)	**(386)**
Reclassification	165	(222)	774	(729)	**(12)**
Acquired through business combinations	0	0	2	0	**2**
Depreciation	(1 107)	(202)	(1 823)	0	**(3 132)**
31.12.2024					
Cost	7 830	901	14 913	297	**23 941**
Accumulated depreciation	(4 667)	(483)	(7 957)	0	**(13 106)**
Carrying amount	**3 163**	**418**	**6 957**	**297**	**10 834**

In 2024, Acquisition and improvements of property, plant and equipment include the recognition of right of use leased assets (the addition of rental of the sites of LED screen in Latvia and Estonia and the addition of office space and other assets) in the amount of EUR 2 642 thousand (2023: EUR 2 931 thousand).

*In 2024, Impairment and write-offs of “Buildings” include the derecognition of right-of-use assets in the carrying value of EUR 97 thousand (2023: EUR 61 thousand) and “Other fixtures” in the amount of EUR 51 thousand (2023: EUR 49 thousand).

Information about pledged items of property, plant and equipment is disclosed in Note 18.

Information about payments of leases and right-of-use assets are disclosed in Note 19.

Note 16. Intangible assets

(EUR thousand)	Goodwill	Trademarks	Develop-ment costs	Customer relation-ships	Other intangible assets	Under development	Total intangible assets
31.12.2022							
Cost	58 676	18 123	699	3 546	6 934	1 428	**89 406**
Accumulated amortisation and impairments	(9 897)	(6 129)	(595)	(2 422)	(3 643)	0	**(22 686)**
Carrying amount	**48 779**	**11 994**	**104**	**1 124**	**3 291**	**1 428**	**66 720**
Purchases and improvements	0	0	0	0	853	2 587	**3 441**
Write-offs (at carrying amount)	(281)	0	0	0	(21)	0	**(302)**
Reclassification	0	0	2 402	0	(784)	(1 618)	**0**
Disposals (at carrying amount)	(332)	(47)	0	0	0	0	**(379)**
Amortisation	0	(504)	(367)	(175)	(952)	0	**(1 997)**
31.12.2023							
Cost	58 063	18 019	4 071	3 546	5 750	2 397	**91 845**
Accumulated amortisation and impairments	(9 897)	(6 576)	(1 932)	(2 597)	(3 361)	0	**(24 363)**
Carrying amount	**48 166**	**11 443**	**2 139**	**949**	**2 388**	**2 397**	**67 482**
Purchases and improvements	0	0	14	0	957	2 569	**3 540**
Write-offs (at carrying amount)	0	0	0	0	(14)	(2)	**(16)**
Reclassification	0	63	3 705	0	541	(4 309)	**0**
Acquired through business combinations	2 244	3 483	0	0	71	0	**5 797**
Amortisation	0	(522)	(965)	(175)	(1 029)	0	**(2 692)**
31.12.2024							
Cost	60 307	21 559	7 680	3 546	6 711	654	**100 457**
Accumulated amortisation and impairments	(9 897)	(7 092)	(2 787)	(2 772)	(3 797)	0	**(26 345)**
Carrying amount	**50 410**	**14 467**	**4 894**	**774**	**2 914**	**654**	**74 112**

Information about intangible assets pledged as collateral for loans is disclosed in Note 18.

Goodwill by cash-generating units

(in thousands)	EUR	
	31.12.2024	31.12.2023
Delfi	34 805	34 805
Other media	8 154	8 154
Conferences	2 244	0
Ticket sales platforms	3 564	3 564
Outdoor screens	1 643	1 643
Total goodwill	**50 410**	**48 166**

In the impairment tests, recoverable amount is based on the value in use method by using discounted cash flow method. For each cash-generating unit to which goodwill is allocated, a five-year cash flow forecasts have been prepared for the respective cash-generating units. After the fifth year, the estimation of cash flows in the impairment tests is based on perpetuity. The growth rate for long-term expected cash flows is conservative growth rate that is expected to be the growth on the market. The terminal growth rate used in the calculations is based on management's assessment of long-term growth. The growth rate is estimated by taking into account growth projections by market that are available from external sources of information (GDP growth, inflation), as well as the characteristics of each cash-generating unit. Revenue growth, variable and fixed costs have been estimated on the basis of prior period results and future strategic plans. In the impairment tests, the nominal models are used.

The impairment test of Delfi includes the cash flows of Delfi related product in AS Delfi Meedia, the cash flows of Latvian entity AS Delfi and the cash flows of Lithuanian entity UAB Delfi.

Other media: The impairment test of Maaleht is based on the future cash flows of business of newspaper Maaleht (including all related activities and their results) and magazine Maakodu in AS Delfi Meedia. The impairment test of Digital Matter includes the cash flows of Digital Matter activities in all Baltic countries. The impairment test of Geenius Meedia is based on the future cash flows of products of Geenius Meedia OÜ. Lrytas' impairment test is based on the future cash flows of products of Lrytas UAB and ELTA's impairment test is based on the future cash flows of products of ELTA UAB.

Conferences: For 2024, no impairment test for Eesti Koolitus- ja Konverentsikeskus (EKKK) and Kenton Baltic UAB was done, as the business operations of EKKK and ownership in Kenton Baltic UAB was acquired in July 2024 and December 2024, respectively and the purchase price allocation was performed at that time and no significant changes in fair value between the time of the business combination and the balance sheet date were identified. More detailed information on business combinations is provided in Note 11.

Ticket sales platforms: The impairment test of Biļešu Paradīze is based on the future cash flows from the operation of the electronic ticket platform and box offices in Latvia.

Outdoor screens: The impairment test of D Screens Estonia and Latvia is based on the future cash flows of digital outdoor advertising business in Estonia and Latvia.

The applied revenue growth rates are as follows:

Cash-generating unit	Average revenue growth pa next 5 years		Terminal value growth	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Delfi	6.1%-10.3%	5.1%-11.5%	3.0%	3.0%
Other media - Estonia	0.0%-11.8%	1.5%-13.6%	0.0%-3.0%	0.0%-3.0%
Other media - Lithuania	12.0%-15.9%	14.0%-17.6%	3.0%	3.0%
Ticket sales platforms	2.1%	4.8%	3.0%	3.0%
Outdoor screens	10.3%-12.0%	9.7%-13.7%	3.0%	3.0%

The present value and the terminal value of the cash flows for the following five years were determined using the weighted average cost of capital as the discount rate.

The applied discount rates are as follows:

Cash-generating unit	31.12.2024	31.12.2023
Delfi	9.71%-10.35%	9.69%-10.40%
Other media - Estonia	10.00%	10.05%
Other media - Lithuania	9.71%	9.69%
Ticket sales platforms	10.35%	10.40%
Outdoor screens	10.00%-10.35%	10.05%-10.40%

The table below shows the recoverable and carrying amounts of cash-generating units, and the differences between them prior to recognition of an impairment loss. The carrying amounts include in addition to goodwill also trademarks, property, plant and equipment, other intangible assets and working capital. No impairment losses have been recognised during the year or the year before.

(EUR thousand)	31.12.2024			31.12.2023		
	Recoverable amount	Carrying amount (prior to impairment)	Difference	Recoverable amount	Carrying amount (prior to impairment)	Difference
Delfi	82 591	52 710	29 881	94 574	50 468	44 106
Other media	31 748	14 231	17 517	45 520	13 705	31 815
Ticket sales platforms	27 490	7 212	20 278	21 518	7 388	14 130
Outdoor screens	41 652	7 454	34 198	32 656	7 633	25 023

The Group's management considers the key assumptions used for the purpose of impairment testing of all cash-generating units to be realistic. No impairment loss would recognise in any cash-generating unit if annual growth of sales revenue were to decrease by 30%, all other indicators remaining unchanged.

The future expected cash flows of all cash-generating units exceed the carrying value of its related assets by amount where any reasonable change in underlying assumptions would not cause the necessity for impairment loss to be recognised.

Note 17. Trade and other payables

(EUR thousand)	31.12.2024	31.12.2023
Trade payables (Note 4)	5 046	4 603
incl. payables to related parties (Note 30)	*273*	*367*
Payables to employees	3 138	3 449
Other taxes payable	2 417	2 153
Contract liability (Note 21)	3 149	2 590
Contingent consideration	14	19
Payables to joint ventures (Note 30)	18	16
Payables to associates (Note 30)	2	1
Accrued interest	109	121
Other accrued liabilities	13 121	10 094
Total trade and other payables	**27 014**	**23 046**

Contract liability includes mainly the client prepayments for subscriptions of periodicals.

Other accrued liabilities include mainly the liabilities related to cash collected in the ticket sales business on behalf of event organisers for the events that either will take place in 2025 or have already happened, but the final settlement with the organisers has not been made (Note 9).

Note 18. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term	
		Up to 1 year	Between 1-5 years
Balance as of 31.12.2024			
Long-term bank loans (Note 4)	**15 139**	2 906	12 233
Notes (Note 4)	**5 000**	0	5 000
Lease liability (Note 4)	**8 402**	2 403	5 999
Total	**28 541**	**5 309**	**23 232**
Balance as of 31.12.2023			
Long-term bank loans (Note 4)	**12 919**	2 245	10 674
Notes (Note 4)	**5 000**	0	5 000
Lease liability (Note 4)	**8 199**	2 108	6 091
Total	**26 118**	**4 353**	**21 765**

The effective interest rates are very close to the nominal interest rates. The fair value of the loan liabilities is close to their book value as the interest rate is floating and related to Euribor and the margin has been negotiated based on market terms.

Loan interest rate is related to 6-month Euribor. In 2024, the average interest rate was 6.49% (2023: 5.78%).

The loans are secured by:

- Shares of major subsidiaries;
- Guarantees of AS Ekspress Grupp and subsidiaries in the amount of EUR 32.9 million;
- Group's trademarks in the amount of EUR 5.4 million;
- The ultimate controlling shareholder has also given a personal guarantee in the amount of EUR 4 million to cover the loan and overdraft agreements.

The Group's loans from financial institutions include customary covenants, including total debt/EBITDA ratio, the debt-service coverage ratio (DSCR) and the liquidity reserve at the bank in the amount of EUR 1 million. The Group has complied with the loan covenants throughout the reporting period.

Changes in bank loans and borrowings resulting from cash flows are presented in the consolidated cash flow statement. The non-monetary change in lease liabilities in the reporting year amounted to EUR 2 518 thousand.

Notes

In October 2019, AS Ekspress Grupp issued 5 000 notes with the nominal value of EUR 1 000, interest margin of 6% (to which 6-month Euribor will be added from October 2023) per year and due date on the 8th anniversary of the issue date, i.e. 7 October 2027. Interest is paid once a year on the 7th of October.

The notes were issued in a private placement to the pension funds managed by AS LHV Varahaldus. On 4 October 2019, AS Ekspress Grupp signed a subscription agreement with AS LHV Varahaldus, who is acting on behalf of pension funds (LHV Pension Fund XL, LHV Pension Fund L, and LHV Pension Fund M) to subscribe all the issued notes with the aggregate nominal value of 5 million euros.

AS SEB Bank will have the position of senior creditor and the notes are subordinated to the aforementioned loan from AS SEB Bank. The notes represent secured debt obligation of Ekspress Grupp before its shareholders and related parties. Notes are fully secured with the guarantee issued by OÜ Haep, owned 88% by AS Ekspress Grupp's ultimate shareholder Hans H. Luik and by the guarantee of Hans H. Luik.

The note terms and conditions include customary covenants, including total debt/EBITDA ratio and the debt-service coverage ratio (DSCR). The Group has complied with the covenants throughout the reporting period.

Overdraft facilities

As at 31.12.2024, the Group had an outstanding overdraft facility with SEB Bank in the amount of EUR 3 million with the due date of 30.09.2025. No overdraft had been used by the balance sheet date of 31.12.2024 and 31.12.2023.

Note 19. Leases

Right-of use assets are presented as property, plant and equipment.

Most of the Group's leases consist of office facilities, which typically have a lease term of three to five years with an option to renew the lease after that date. Some leases provide for additional rent payments that are based on changes in local price indices.

The Group leases IT/office equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. Based on their immateriality to the Group's assets the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

(EUR thousand)	Buildings	Machinery and equipment	Other fixtures	Total
2023				
Balance at 1 January	**1 980**	**304**	**3 479**	**5 763**
Depreciation charge for the year	(797)	(41)	(1 225)	(2 063)
Additions to right-of-use assets	1 920	170	2 724	4 814
Derecognition of right-of-use assets	(61)	0	(49)	(111)
Balance at 31 December	**3 042**	**433**	**4 928**	**8 403**
2024				
Balance at 1 January	**3 042**	**433**	**4 928**	**8 403**
Depreciation charge for the year	(1 003)	(116)	(1 516)	(2 635)
Additions to right-of-use assets	997	59	2 560	3 616
Derecognition of right-of-use assets	(97)	(51)	(239)	(388)
Balance at 31 December	**2 938**	**325**	**5 733**	**8 996**

Amounts recognised in profit or loss

(EUR thousand)	2024	2023
Interest on lease liabilities	487	335
Expenses relating to low-value and short-term leases	2 031	1 632

Amounts recognised in statement of cash flows

(EUR thousand)	2024	2023
Total cash outflow for leases (Note 4)	(2 315)	(2 004)

Note 20. Segment reporting

Operating segments have been specified by the management on the basis of the reports monitored by the Management Board of the Parent Company AS Ekspress Grupp. The Management Board considers the business from the company perspective.

The Group operates in only one operating segment, which is the media segment.

Media segment: management of online news portals and classified portals, advertising sales in own portals in the Baltics and publishing of newspapers, magazines, customer and advertising fliers, publishing and publication of books as well as sale of digital outdoor advertising in Estonia and Latvia. The media segment also includes organisation of entertainment events, trainings and conferences, operation of the electronic ticket sales platform and box offices in Latvia and Estonia, and production studio for content creation in Lithuania and Estonia.

This segment includes subsidiaries Delfi Meedia AS (Estonia), AS Delfi (Latvia), UAB Delfi (Lithuania), OÜ Hea Lugu (Estonia), D Screens SIA (Latvia), Digital Matter (Lithuania, Estonia, Latvia), D Screens Estonia OÜ (formerly named as Linna Ekraanid OÜ – Estonia), SIA Biļešu Paradīze (Latvia), Videotinklas UAB (Lithuania), News agency ELTA UAB (Lithuania), Lrytas UAB (Lithuania), Geenius Meedia OÜ (Estonia) and Kenton Baltic UAB (Lithuania – acquired in December 2024).

The revenue of the media segment is derived from sale of advertising banners and other advertising space and products and digital subscriptions in its own portals in Estonia, Latvia and Lithuania. Sale of advertising space in newspapers and magazines, revenue from subscriptions and single copy sales of newspapers and magazines. Sale of books and miscellaneous book series, services fees for preparation of customer fliers and other projects. The sale of digital outdoor advertising and electronic ticket sales platforms in Estonia and Latvia. In addition, the revenue from the organisation of entertainment events, trainings and conferences.

The **Group's corporate functions** are shown separately, and they do not form a separate business segment. It includes the Parent Company AS Ekspress Grupp, which provides legal advisory, accounting and management services to its group companies and also IT-services until 30.06.2023.

The Management Board assesses the performance of the operating segments based on revenue ja EBITDA. Internal management fees and goodwill impairment are not included in segment results.

According to the estimate of the Parent Company's management, the inter-segment transactions have been carried out on an arm's length basis and they do not differ significantly from the conditions of the transactions concluded with third parties.

Capital expenditure comprises additions to property, plant and equipment (Note 15) and intangible assets (Note 16). The significant non-current assets located outside Estonia include primarily the different trademarks, which carrying amounts are per countries as follows:

- Latvia, EUR 3.8 million as of 31.12.2024 (EUR 3.9 million as of 31.12.2023)
- Lithuania, EUR 5.8 million as of 31.12.2024 (EUR 3.8 million as of 31.12.2023)

Goodwill relating to companies outside Estonia at their carrying amounts is as follows:

- Latvia, EUR 10.9 million as of 31.12.2024 (EUR 10.9 million as of 31.12.2023)
- Lithuania, EUR 17.4 million as of 31.12.2024 (EUR 16.5 million as of 31.12.2023)

Customer relationships relating to companies outside Estonia at their carrying amounts is as follows:

- Latvia, EUR 0.8 million as of 31.12.2024 (EUR 0.9 million as of 31.12.2023)

Sales revenue by geographical area is provided in Note 21.

2024 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	**75 969**	**201**	**0**	**76 170**
Inter-segment sales	102	551	(653)	0
Total segment sales	76 071	752	(653)	76 170
EBITDA	**12 364**	**(1 699)**	**11**	**10 677**
EBITDA margin	**16%**			**14%**
Depreciation (Note 15,16)				5 823
Operating profit /(loss)				4 857
Investments (Note 15,16)				7 531

2023 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	**72 265**	**821**	**0**	**73 086**
Inter-segment sales	1 100	1 820	(2 920)	0
Total segment sales	73 365	2 642	(2 920)	73 086
EBITDA	**11 695**	**(1 477)**	**(1)**	**10 217**
EBITDA margin	**16%**			**14%**
Depreciation (Note 15,16)				4 719
Operating profit /(loss)				5 499
Investments (Note 15,16)				7 937

Note 21. Sales revenue

	Media		Corporate functions		Total	
(EUR thousand)	2024	2023	2024	2023	2024	2023
Major products/service lines						
Advertising revenue	42 234	42 074	0	0	**42 234**	**42 074**
Subscriptions (incl. single-copy sales)	20 457	19 016	0	0	**20 457**	**19 016**
Ticket sales platforms	4 157	3 434	0	0	**4 157**	**3 434**
Outdoor screens	4 445	3 530	0	0	**4 445**	**3 530**
Sale of other goods and services	4 676	4 211	201	821	**4 877**	**5 032**
Total	**75 969**	**72 265**	**201**	**821**	**76 170**	**73 086**
Timing of revenue recognition						
Goods and services transferred at a point in time and over time	75 969	72 265	201	821	**76 170**	**73 086**
Revenue from contracts with customers total	**75 969**	**72 265**	**201**	**821**	**76 170**	**73 086**

(EUR thousand)	2024	2023
Sales revenue by geographical area		
Estonia	37 995	38 206
Latvia	11 993	11 060
Lithuania	21 508	18 609
Other Europe	4 330	4 643
Other countries	344	568
Total	**76 170**	**73 086**

The following table provides information about contract assets and contract liabilities from contracts with customers.

(EUR thousand)	31.12.2024	31.12.2023
Contract liabilities (Note 17)	3 149	2 590

The contract liabilities primarily related to the client prepayments for subscriptions of periodicals. As there are no significant financing components in these contracts and the contract liability will be recognised as revenue in one year or less, the Group applies practical expedient. As a practical expedient, the Group need not adjust the transaction price in a contract for the effects of a significant financing component, if the period between when the customer pays for the good or service and when the Group transfers the good or service is one year or less.

Note 22. Cost of sales

(EUR thousand)	2024	2023
Raw materials and consumables used	328	412
Printing and home delivery services	4 672	5 563
Services purchased*	10 966	9 852
Salaries and social taxes	32 337	31 963
Lease expense (Note 19)	1 566	1 143
Other expenses	3 743	2 668
Depreciation and amortisation	4 597	3 446
Total expenses	**58 209**	**55 046**

**Services purchased mainly include editorial, content production and IT costs*

Note 23. Marketing expenses

(EUR thousand)	2024	2023
Marketing	2 261	2 175
Salaries and social taxes	1 067	597
Lease expense (Note 19)	25	14
Depreciation and amortisation	17	17
Total marketing expenses	**3 369**	**2 803**

Note 24. Administrative expenses

(EUR thousand)	2024	2023
Raw materials and consumables used	185	195
Repairs and maintenance	781	676
Communication expenses	179	141
Lease expense (Note 19)	440	475
Services purchased	3 022	2 451
Salaries and social taxes	4 713	4 388
Depreciation and amortisation	1 210	1 256
Total administrative expenses	**10 530**	**9 582**

Note 25. Expenses by type

(EUR thousand)	2024	2023
Salaries and social taxes	38 117	36 948
Raw materials and consumables used	513	607
Lease expense (Note 19)	2 031	1 632
Printing and home delivery services	4 672	5 563
Services purchased*	13 988	12 302
Marketing expenses	2 261	2 175
Repairs and maintenance	781	676
Communication expenses	179	141
Other expenses	3 743	2 668
Depreciation and amortisation	5 823	4 719
Total cost of sales, marketing and administrative expenses	**72 108**	**67 431**
Average number of employees	**963**	**976**

**Services purchased mainly include editorial, content production and IT costs and consulting services*

The information provided in this Note is aggregate numbers from Notes 22-24.

Note 26. Other income

(EUR thousand)	2024	2023
Subsidies	903	353
Other income	55	228
Total other income	**959**	**581**

Note 27. Share option plans

Program approved 2020 – *ended as of 31.12.2024*

In September 2020, the General Meeting of Shareholders approved a share option plan for the management of AS Ekspress Grupp and its group companies for the period 2021-2023. The options were exercised in the first half of 2024.

The options were vested proportionally 1/3 per year over three-year period. The exercise of the options and issuance of the shares were performed by transferring AS Ekspress Grupp's own shares to the option holder and by an increasing of the share capital of EG and issuing of new shares to the option holder. In order to meet the obligations related to the options, the company issued 162 501 new common shares with a nominal value of 0.6 euros per share in the total amount of 98 thousand euros (Note 28).

In the first half of 2024, within the framework of the share option plan the option owners were transferred 824 thousand shares. As a result, the balance of treasury shares decreased by EUR 1 052 thousand, of which EUR 91 thousand was covered from the share option reserve, the retained earnings were decreased by EUR 582 thousand, share capital was increased by EUR 98 thousand, share premium increased by EUR 18 thousand and EUR 495 thousand was received in cash for the shares.

By 31 December 2024, all options under the share option plan approved in 2020 have been exercised. As of 31.12.2023 the balance of issued options of the above mentioned stock option plan was 876 thousand options and the share option reserve amounted to EUR 91 thousand.

Note 28. Equity

Share capital

On 2 May 2024 the supervisory board of AS Ekspress Grupp has in accordance with clause 5.9 of the articles of association and the resolutions of the general meeting of shareholders from 04.03.2024 decided to increase the share capital of the company by 97 500.60 euros from EUR 18 478 104.60 to EUR 18 575 605.20, by issuing 162 501 new common shares with the nominal value of EUR 0.60 per share.

The increase of the share capital and issue of new shares was directed to the option holders of the option programme, approved on 29.09.2020, who subscribed for all 162 501 issued shares. Option holders acquired shares for a price equal to their nominal value 0.60 Euros per share in accordance with the option program and shareholders' decision from 04.03.2024. The share capital increase has been entered in the Commercial Register on 20.05.2024.

As of 31 December 2024, the company's share capital is EUR 18 575 605 (31.12.2023: EUR 18 478 105), which is divided into 30 959 342 (31.12.2023: 30 796 841) shares with a nominal value of 0.60 euros per share.

The maximum amount of share capital as stipulated by the articles of association is EUR 25 564 656.

Treasury shares

At the end of 2023, the Group had 664 366 treasury shares. In the first 6 months of 2024, within the framework of the share option plan the option owners were transferred 661 336 shares. As a result, the balance of treasury shares decreased by EUR 1 052 thousand in the Group's balance sheet. As of 31 December 2024, the Company had 3 030 treasury shares (31.12.2023: 664 366) in the total amount of EUR 5 thousand (31.12.2023: EUR 1 057 thousand).

The total amount of the nominal value of the treasury shares owned by AS Ekspress Grupp may not exceed 1/10 of its share capital.

Dividends

At the regular general meeting of shareholders of AS Ekspress Grupp held on 3 May 2024, it was decided to pay a dividend of 6 euro cents per share in the total amount of EUR 1.8 million. Dividends were paid to shareholders on 22 May 2024.

As of 31 December 2024, it is possible to distribute dividends without income tax payment in the total amount of EUR 20.9 million.

Reserves

The reserves include statutory reserve capital required by the Commercial Code and a general-purpose equity contribution by a founding shareholder.

(EUR thousand)	31.12.2024	31.12.2023
Statutory reserve capital	1 725	1 555
Additional cash contribution from shareholder to the voluntary reserve	639	639
Share option reserve	0	91
Total reserves	**2 364**	**2 285**

Earnings per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period. Treasury shares owned by the Parent Company are not taken into account as shares outstanding.

Diluted earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period, taking into account the number of shares potentially issued. Treasury shares owned by the Parent Company are not taken into account as shares outstanding.

EUR	2024	2023
Profit / (loss) attributable to equity holders	3 252 483	3 349 108
Average number of ordinary shares at the end of the period	30 745 376	30 097 751
Number of ordinary shares potentially issued as the part of option program at the end of the period	0	876 058
Basic earnings per share	**0.1058**	**0.1113**
Diluted earnings per share	**0.1058**	**0.1081**

Note 29. Contingent assets and liabilities

Contingent income tax liability

As of 31.12.2024, the consolidated retained earnings of the Group amounted to EUR 23 210 thousand (31.12.2023: EUR 22 558 thousand). Income tax of 22/78 of net dividend paid is imposed on the profit distributed as dividends from 01.01.2025. When an entity pays dividends it has received from its joint ventures and subsidiaries that have already paid income tax on those dividends or the profit of which has already been taxed in the domicile of the entity, the payment of those dividends by the Parent Company is not subject to additional income tax. Accordingly, as of 31.12.2024, AS Ekspress Grupp (Parent Company) may pay out dividends tax-free in the amount of EUR 20 890 thousand (as of 31.12.2023: EUR 22 737 thousand). Upon the payment of all possible retained earnings as at 31.12.2024, no potential income tax liability occurs.

Contingent assets and liabilities arising from pending court cases

The Group's subsidiaries have also several pending court cases, the impact of which on the Group's financial results is insignificant.

Note 30. Related party transactions

Transactions with related parties are transactions with shareholders, associates, joint ventures, members of the Key Management of all group companies, their immediate family members and the companies under their control or significant influence.

The ultimate controlling individual of AS Ekspress Grupp is Hans H. Luik.

The Group has purchased mainly printing services and provided consulting and other services to the following related parties.

SALES (EUR thousand)	2024	2023
Sale of services		
Members of Supervisory Board and companies related to them	37	163
Members of Management Board and companies related to them	2	3
Associates	99	126
Joint ventures	324	836
Total sale of services	**463**	**1 128**

PURCHASES (EUR thousand)	2024	2023
Purchase of services		
Members of Management Board and companies related to them	39	36
Members of Supervisory Board and companies related to them	2 849	2 927
Associates	13	13
Joint ventures	109	950
Total purchases of services	**3 010**	**3 926**

RECEIVABLES (EUR thousand)	31.12.2024	31.12.2023
Short-term receivables		
Members of Supervisory Board and companies related to them (Note 9)	0	6
Associates (Note 9)	12	9
Joint ventures (Note 9)	41	51
Total short-term receivables	**54**	**66**
Long-term receivables		
Members of Supervisory Board and companies related to them	700	700
Associates (Note 12)	54	58
Total long-term receivables	**754**	**758**
Total receivables	**808**	**824**

LIABILITIES (EUR thousand)	31.12.2024	31.12.2023
Current liabilities		
Members of Management Board and companies related to them (Note 17)	2	2
Members of Supervisory Board and companies related to them (Note 17)	516	574
Associates (Note 17)	2	1
Joint ventures (Note 17)	18	16
Current liabilities total	**538**	**593**

LIABILITIES (EUR thousand)	31.12.2024	31.12.2023
Non-current liabilities		
Members of Supervisory Board and companies related to them	655	613
Non-current liabilities total	**655**	**613**
Total liabilities	**1 193**	**1 206**

According to the decision of the General Meeting held on 2 June 2009 and 4 May 2012, Hans H. Luik will be paid a guarantee fee of 1.5% per annum on the guarantee amount for the personal guarantee of EUR 4 million on the loan and overdraft agreements until the guarantee expires. In 2024, a payment of EUR 60 thousand (2023: EUR 60 thousand) was paid for the personal guarantee and there are no outstanding liabilities as of 31 December 2024 and 31 December 2023.

Remuneration of members of the Management Boards of the consolidation group

(EUR thousand)	2024	2023
Salaries and other benefits (without social tax)	2 607	2 703
Share option	0	3
Total (without social tax)	**2 607**	**2 706**

The members of all management boards of the Group companies (incl. key management of foreign subsidiaries if these companies do not have management board as per Estonian Commercial Code) (hereinafter Key Management) are entitled to receive compensation upon expiry or termination of their contracts in accordance with the terms laid down in their employment contracts. The Key Management terminations benefits are payable only in case the termination of contracts is originated by the company. If a member of the Key Management is recalled without a substantial reason, a notice thereof shall be given up to 3 months in advance and the member shall be paid compensation for termination of the contract in the amount of up to 9 months' salary. Upon termination of an employment relationship, no compensation shall be usually paid if a member of the Key Management leaves at his or her initiative or if a member of the Key Management is removed by the Supervisory Board with a valid reason. As of 31 December 2024, the maximum gross amount of potential Key Management termination benefits was EUR 834 thousand (31.12.2023: EUR 919 thousand). No remuneration is paid separately or in addition to the members of the Supervisory Boards of the Group companies and no compensation is paid if they are recalled.

Note 31. Events after the balance sheet date

On February 7, 2025, the Lithuanian Competition Council published a decision concluding that the concentration following AS Ekspress Grupp's acquisition of UAB Lrytas has created or strengthened a dominant position or significantly impeded competition in the relevant market for the provision of news on non-specialised national news portals in Lithuania. The Competition Council has ordered Ekspress Grupp to take steps to restore the previous situation (primarily through the sale of the company) or to eliminate the consequences of the concentration within 6 months. Ekspress Grupp disagrees with the Competition Council's assessment and challenged the decision in court on 25 February 2025. On 17 March 2025, the court decided to grant interim relief regarding the restoration of the previous situation but upheld the requirement to eliminate the consequences of the concentration. Subsequently, AS Ekspress Grupp is discussing various options with the Competition Council to eliminate the consequences of the concentration.

AS Ekspress Grupp acquired UAB Lrytas at the end of the year 2022. The Competition Council of Lithuania started an investigation of Lrytas UAB acquisition in August, 2023 and published its first decision in December, 2023. According to that decision, Ekspress Grupp submitted a merger control notification in May, 2024.

Lrytas represents approximately 5% of Ekspress Grupp's total turnover and 2% of the Group's EBITDA. While Lrytas is an important part of our digital media portfolio, its relative size in the context of our group operations underscores our position regarding market competition concerns.

Note 32. Financial information about the Parent Company

In accordance with the Accounting Act of Estonia, the separate primary statements of the consolidating entity (Parent company statement of financial position, statement of profit or loss and other comprehensive income, cash flow statement and statement of changes in equity). The Parent company primary statements are prepared using the same accounting methods and measurement bases as those that have been used for preparing the consolidated financial statements except for investment in subsidiaries and associates that are accounted for using equity method.

Statement of financial position of AS Ekspress Grupp (Parent Company)

(EUR thousand)	31.12.2024	31.12.2023
ASSETS		
Cash and cash equivalents	3	19
Trade and other receivables	5 902	3 227
Total current assets	**5 905**	**3 246**
Non-current assets		
Other receivables	1 964	5 130
Other investments	1 532	1 532
Investments in subsidiaries	56 165	52 366
Investments in joint ventures	872	851
Investments in associates	67	36
Property, plant and equipment	200	234
Intangible assets	280	243
Total non-current assets	**61 079**	**60 391**
TOTAL ASSETS	**66 984**	**63 637**
LIABILITIES AND EQUITY		
Liabilities		
Borrowings	49	47
Trade and other payables	3 368	1 902
Total current liabilities	**3 418**	**1 949**
Long-term borrowings	5 127	5 147
Total non-current liabilities	**5 127**	**5 147**
Total liabilities	**8 545**	**7 096**
Equity		
Share capital	18 576	18 478
Share premium	14 295	14 277
Treasury shares	(5)	(1 057)
Statutory reserve capital	1 725	1 555
Other reserves	639	731
Retained earnings	23 210	22 558
Total equity	**58 440**	**56 541**
TOTAL LIABILITIES AND EQUITY	**66 984**	**63 637**

Statement of comprehensive income of AS Ekspress Grupp (Parent Company)

(EUR thousand)	2024	2023
Sales revenue	1 286	3 119
Cost of sales	(63)	(1 956)
Gross profit	**1 224**	**1 163**
Administrative expenses	(2 367)	(1 492)
Other expenses	(11)	(179)
Operating loss	**(1 154)**	**(509)**
Finance income and costs on shares of subsidiaries	4 199	4 943
Finance income and costs on shares of joint ventures	318	(661)
Finance income and costs on shares of associates	31	(42)
Interest income	474	436
Interest expenses	(615)	(831)
Other finance income and costs	(1)	13
Financial income and expense	**4 406**	**3 858**
PROFIT FOR THE YEAR	**3 252**	**3 349**
Other comprehensive income (expense) for the year	0	0
Total comprehensive income for the year	**3 252**	**3 349**

Statement of changes in equity of AS Ekspress Grupp (Parent Company)

(EUR thousand)	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Total
Balance on 31.12.2022	**18 478**	**14 277**	**(334)**	**2 059**	**20 796**	**55 276**
Carrying amount of holdings under control or significant influence						**(66 778)**
Value of holdings under control or significant influence, calculated under equity method						**66 778**
Adjusted unconsolidated equity as of 31.12.2022						**55 276**
Increase of statutory reserve capital	0	0	0	200	(200)	0
Share options	0	0	277	26	101	404
Purchase of treasury shares	0	0	(1 000)	0	0	(1 000)
Dividends paid	0	0	0	0	(1 488)	(1 488)
Total transactions with owners	*0*	*0*	*(723)*	*226*	*(1 587)*	*(2 084)*
Net profit /(loss) for the reporting period	0	0	0	0	3 349	3 349
Total comprehensive income /(loss) for the reporting period	*0*	*0*	*0*	*0*	*3 349*	*3 349*
Transactions with minority interest	0	0	0	0	0	0
Balance on 31.12.2023	**18 478**	**14 277**	**(1 057)**	**2 285**	**22 558**	**56 541**
Carrying amount of holdings under control or significant influence						**(53 253)**
Value of holdings under control or significant influence, calculated under equity method						**53 253**
Adjusted unconsolidated equity as of 31.12.2023						**56 541**
Increase of statutory reserve capital	0	0	0	170	(170)	0
Share options	98	18	1 052	(91)	(582)	495
Dividends paid	0	0	0	0	(1 848)	(1 848)
Total transactions with owners	*98*	*18*	*1 052*	*79*	*(2 600)*	*(1 353)*
Net profit /(loss) for the reporting period	0	0	0	0	3 252	3 252
Total comprehensive income /(loss) for the reporting period	*0*	*0*	*0*	*0*	*3 252*	*3 252*
Balance on 31.12.2024	**18 576**	**14 295**	**(5)**	**2 364**	**23 210**	**58 440**
Carrying amount of holdings under control or significant influence						**(57 104)**
Value of holdings under control or significant influence, calculated under equity method						**57 104**
Adjusted unconsolidated equity as of 31.12.2024						**58 440**

The adjusted unconsolidated equity is the basis for the determination of distributable income according to the Commercial Code of the Republic of Estonia.

Cash flow statement of AS Ekspress Grupp (Parent Company)

(EUR thousand)	2024	2023
Cash flows from operating activities		
Operating loss for the period	**(1 154)**	**(509)**
Adjustments for:		
Depreciation, amortisation and (gain)/loss on sale, write-down and impairment of property, plant and equipment	145	361
Change in value of share option	0	26
Cash flows from operating activities:		
Trade and other receivables	340	581
Trade and other payables	(8)	(53)
Cash generated from operations	**(677)**	**407**
Interest paid	(618)	(628)
Net cash generated from operating activities	**(1 294)**	**(221)**
Cash flows from investing activities		
Increase/ decrease in investments in subsidiaries	175	811
Cash paid-in equity-accounted investees	0	(1 037)
Receipts from sales of interest in equity-accounted investees	122	0
Receipts of other investments	0	13
Interest received	393	971
Dividends received	0	775
Purchase of property, plant and equipment and intangible assets	(118)	(990)
Proceeds from sale of property, plant and equipment and intangible assets	1 351	2 225
Loan repayments received	527	1 909
Net cash from investing activities	**2 449**	**4 677**
Cash flows from financing activities		
Dividends paid	(1 848)	(1 488)
Change in cash pool account	230	(1 632)
Repayments of borrowings	0	(600)
Payments of lease liabilities	(47)	(54)
Proceeds from exercise of share options	98	0
Proceeds from sale of treasury shares (from exercise of share options)	397	0
Purchases of treasury shares	0	(1 000)
Net cash generated from financing activities	**(1 170)**	**(4 774)**
Cash flows total	**(16)**	**(317)**
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	**(16)**	**(317)**
Cash and cash equivalents at beginning of the period	19	336
Cash and cash equivalents at end of the period	3	19

Management Board's confirmation of the consolidated annual report

The Management Board confirms that the management report, sustainability report, corporate governance report and remuneration report of AS Ekspress Grupp disclosed on pages 5 to 113 present a true and fair view of the business developments, results and financial position of the Parent Company and its group companies. The Management Board confirms that the consolidated financial statements disclosed on pages 114 to 163 give to the best of its knowledge a true and fair view of the assets, liabilities, financial position and results of the issuer and its group companies in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Commission and include a description of major risks and uncertainties.

Mari-Liis Rüütsalu	Chairman of the Management Board	*signed digitally*	23.04.2025
Lili Kirikal	Member of the Management Board	*signed digitally*	23.04.2025
Karl Anton	Member of the Management Board	*signed digitally*	23.04.2025

Independent Auditor's Limited Assurance Report

To the Shareholders of Aktsiaselts Ekspress Grupp

(Translation of the Estonian original)

Report on the Consolidated Sustainability Statement

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement of Aktsiaselts Ekspress Grupp and its subsidiaries (the 'Group') as at and for the year ended 31 December 2024 included in the *Sustainability Statement* section of the Group's Management Report (the 'Consolidated Sustainability Statement').

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with subsection 4 of § 31 of the Estonian Accounting Act, which transposes Article 29a of EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards, including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Statement (the 'Process') is in accordance with the description in the section *Double Materiality Assessment Results* of the Consolidated Sustainability Statement; and
- that the disclosures in the *Taxonomy-related activities of AS Ekspress Grupp* section of the chapter *Environmental Information* of the Consolidated Sustainability Statement comply with Article 8 of EU Regulation 2020/852.

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (Estonia) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ISAE (EE) 3000 (Revised)), issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the *Auditor's Responsibilities for the Limited Assurance Engagement* section of our report.

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the International Ethics Standards Board for Accountants, together with the ethical requirements that are relevant to limited assurance engagements on sustainability statements in Estonia.

Our firm applies International Standard on Quality Management (Estonia) 1 (Revised) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Management's Responsibilities for the Consolidated Sustainability Statement

Management is responsible for designing, implementing and maintaining a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the European Sustainability Reporting Standards and for disclosing this process in the section *Double Materiality Assessment Results.* This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- identifying the actual and potential impacts (both negative and positive) related to sustainability matters, as well as the risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- selecting and applying methodologies and making assumptions and estimates that are reasonable in the circumstances.

Management is further responsible for the preparation of the Consolidated Sustainability Statement in accordance with subsection 4 of § 31 of the Estonian Accounting Act, which transposes Article 29a of EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards;
- preparing the disclosures in the section *Taxonomy-related activities of AS Ekspress Grupp* within the *Environmental Information* chapter of the Consolidated Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852 (*Taxonomy Regulation*);
- designing, implementing and maintaining such internal controls that management determines are necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- selecting and applying appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

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

Inherent Limitations in Preparing the Consolidated Sustainability Statement

In reporting forward-looking information in accordance with the European Sustainability Reporting Standards, the Group's management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosure requirements for the Consolidated Sustainability Statement, the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation, and, accordingly, are subject to uncertainty.

Auditor's Responsibilities for the Limited Assurance Engagement

Our responsibility is to design and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

Our responsibilities in respect of the Consolidated Sustainability Statement and the Process of its preparation include:

- obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of the Process, as disclosed in the section *Double Materiality Assessment Results*.

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- identifying disclosures where material misstatements are likely to arise, whether due to fraud or error;
- obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement but not evaluating the design of particular controls, obtaining evidence about their implementation or testing their effectiveness; and
- designing and performing procedures to detect potential material misstatements in the Consolidated Sustainability Statement. 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.

Summary of the procedures we performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. We designed and performed our procedures to obtain evidence about the Consolidated Sustainability Statement that is sufficient and appropriate to provide a basis for our conclusion. The nature, timing and extent of our procedures depended on our professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Statement. We exercised professional judgment and maintained professional scepticism throughout the engagement.

In conducting our limited assurance engagement, with respect to the Process, the procedures we performed included:

- obtaining an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation of its Process; and
- evaluating whether the evidence obtained from our procedures about the Process applied in the Group was consistent with the description of the Process set out in the section *Double Materiality Assessment Results*.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, the procedures we performed included:

- obtaining an understanding of the Group's reporting processes relevant to the preparation of the Consolidated Sustainability Statement by:
  - obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement but not evaluating the design of particular controls, obtaining evidence about their implementation or testing their effectiveness; and
  - obtaining an understanding of the roles and responsibilities in the preparation of the Consolidated

Sustainability Statement, including communication within the Group and between management and those charged with governance; and

- evaluating whether material information identified by the Process is included in the Consolidated Sustainability Statement;
- evaluating whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the European Sustainability Reporting Standards;
- conducting interviews with relevant personnel and performing analytical procedures on disclosures in the Consolidated Sustainability Statement;
- performing assurance procedures on a sample basis on selected disclosures in the Consolidated Sustainability Statement;
- where applicable, comparing disclosures in the Consolidated Sustainability Statement with the corresponding disclosures in the Consolidated Financial Statements and the Management Report;
- evaluating the methods, assumptions and data for developing material estimates and forward-looking information;
- obtaining an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement; and

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Other matter

Our limited assurance engagement did not extend to the comparative information as at and for the year ended 31 December 2023 disclosed in the Consolidated Sustainability Statement. Our conclusion is not modified in respect of this matter.

Tallinn, 23 April 2025

/signed digitally/	/signed digitally/
Liina Randmann	**Siim Kannistu**
Certified Public Accountant	Certified Public Accountant
Licence No 661	Licence No 607

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Independent auditors' report

To the Shareholders of Aktsiaselts Ekspress Grupp

(Translation of the Estonian original)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aktsiaselts Ekspress Grupp and its subsidiaries ('the group'), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the group as of 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the International Code of Ethics for Professional Accountants (Estonia) (including International Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Estimation of the recoverable amount of goodwill	
Additional information in notes 3 and 16 of the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Group's consolidated statement of financial position as at 31 December 2024 includes goodwill in the amount of EUR 50,410 thousand, further discussed in note 16.	In this area, we conducted, among others, the following audit procedures: • We assessed for significant CGUs identified by management the appropriateness of the allocation of

International Financial Reporting Standards require that goodwill is tested, at least annually, for impairment. The assessment of the recoverability of goodwill requires significant judgment in determining the future performance of the cash-generating units (CGUs) to which goodwill has been allocated. The recoverable amount of goodwill is determined by calculating the value in use of the relevant CGUs using the discounted cash flow method whose key inputs such as discount rates, expected future revenue and terminal value growth rates depend on management's significant judgment and estimates. The determination of whether the internal and external inputs used by the Group to calculate the recoverable amounts of significant items of goodwill were based on reasonable and appropriate estimates required our particular attention during the audit. Even small changes in the inputs may have a significant impact on the estimate of the recoverable amount of goodwill and, thus, also on the Group's financial results.	assets based on our understanding of the Group's operations; • Assisted by our own valuation specialists, we assessed the model used for calculating the recoverable amount of goodwill against the requirements of the relevant financial reporting standards and we evaluated and challenged the key assumptions used in respect of discount rates, expected future revenue and terminal value growth rates considering the data available from external sources and our understanding of the Group's operations and the economic environment; • We compared the data used in the model with the budgets and strategy approved by the Group's Supervisory Board and assessed the historical accuracy of the Group's budgeting process by comparing recent years' actual revenue and EBITDA (earnings before interest, tax, depreciation and amortisation) to the budgeted amounts; • We assessed the adequacy of the related disclosures in the consolidated financial statements, including those in respect of the sensitivity of the valuation results to changes in the key assumptions.

Other Information

Management is responsible for the other information. The other information comprises the information included in the general information, management report (including the consolidated sustainability report), corporate governance report and remuneration report but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, our responsibility is to state whether the information presented in the management report has been prepared in accordance with the applicable legal and regulatory requirements. According to the Securities Market Act, we are required to verify the compliance of the remuneration report with the requirements established in § 135^3 (3).

We have issued a separate assurance report on the consolidated sustainability report.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard and we state that the information presented in the management report is materially consistent with the consolidated financial statements and in accordance with the applicable legal and regulatory requirements. In our opinion, the remuneration report has been prepared in accordance with § 135^3 (3) of the Securities Market Act.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, 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 consolidated 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.

Auditors' Responsibilities 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (Estonia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 International Standards on Auditing (Estonia), we exercise professional judgement 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, then we are required to draw attention in our auditors' 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 auditors' 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 fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with the Requirements for iXBRL tagging of Consolidated Financial Statements included within the European Single Electronic Format Regulatory Technical Standard (ESEF RTS)

We have undertaken a reasonable assurance engagement on the iXBRL tagging of the consolidated financial statements included in the digital files 529900B52V1TUMW7FS54-2024-12-31-0-et.zip prepared by Aktsiaselts Ekspress Grupp.

Responsibilities of Management for the Digital Files Prepared in Compliance with the ESEF RTS

Management is responsible for preparing digital files that comply with the ESEF RTS. This responsibility includes:

- the selection and application of appropriate iXBRL tags using judgement where necessary;
- ensuring consistency between digitised information and the consolidated financial statements presented in human-readable format; and
- the design, implementation and maintenance of internal control relevant to the application of the ESEF RTS.

Auditors' Responsibilities

Our responsibility is to express an opinion on whether the electronic tagging of the consolidated financial statements complies in all material respects with the ESEF RTS based on the evidence we have obtained.

We apply the provisions of the International Standard on Quality Management (Estonia) 1 (Revised) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Aktsiaselts Ekspress Grupp in accordance with the International Code of Ethics for Professional Accountants (Estonia) (including International Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (Estonia) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board

A reasonable assurance engagement in accordance with ISAE (EE) 3000 (Revised) involves performing procedures to obtain evidence about compliance with the ESEF RTS. The nature, timing and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material departures from the requirements set out in the ESEF RTS, whether due to fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the tagging and the ESEF RTS, including of internal control over the tagging process relevant to the engagement;
- reconciling the tagged data with the audited consolidated financial statements of the group dated 31 December 2024;
- evaluating the completeness of the tagging of the consolidated financial statements;
- evaluating the appropriateness of the group's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- evaluating the use of anchoring in relation to the extension elements.

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

In our opinion, the consolidated financial statements included in the annual report of Aktsiaselts Ekspress Grupp identified as 529900B52V1TUMW7FS54-2024-12-31-0-et.zip for the year ended 31 December 2024 are tagged, in all material respects, in compliance with the ESEF RTS.

Other Requirements of the Auditors' Report in Accordance with Regulation (EU) No 537/2014 of the European Parliament and of the Council

We were last appointed by those charged with governance on 31 October 2024 to audit the consolidated financial statements of Ekspress Grupp AS for the years ended 31 December 2024 until 31 December 2026. Our total uninterrupted period of engagement is eight years, covering the periods ending 31 December 2017 to 31 December 2024.

We confirm that:

- our audit opinion is consistent with the additional report presented to the audit committee of the group;
- we have not provided to the group the prohibited non-audit services (NASs) referred to in Article 5(1) of EU Regulation (EU) No 537/2014. We also remained independent of the audited entity in conducting the audit.

Tallinn, 23 April 2025

/signed digitally/

Liina Randmann

Certified Public Accountant,
Licence No 661

/signed digitally/

Brenda Heinla

Certified Public Accountant,
Licence No 748

KPMG Baltics OÜ

Licence no 17

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PROPOSAL FOR PROFIT ALLOCATION FOR THE YEAR 2024

The Management Board of AS Ekspress Grupp proposes to allocate the consolidated net profit for the financial year ended 31 December 2024 in the amount of EUR 3 252 thousand as follows:

(EUR thousand)	
Consolidated net profit attributable to equity holders of AS Ekspress Grupp	**3 252**
Payment of dividends	1 857
Increase in statutory reserve	133
Profit for the financial year to be transferred to retained earnings	1 262
Statutory reserve before increase	1 725
Statutory reserve after the increase	**1 858**
Retained earnings before profit allocation	23 210
Total consolidated retained earnings after profit distribution	**21 220**

DECLARATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The Management Board has prepared the annual report of AS Ekspress Grupp for the year ended on 31 December 2024 consisting of management report, sustainability report, corporate governance report, remuneration report, consolidated financial statements, the Management Board's confirmation of the annual report, independent auditor's limited assurance report, independent auditor's report, proposal for profit allocation and declaration of the Management Board and Supervisory Board.

The Supervisory Board of AS Ekspress Grupp has reviewed the annual report, prepared by the Management Board, consisting of management report, sustainability report, corporate governance report, remuneration report, consolidated financial statements, the Management Board's confirmation of the annual report, independent auditor's limited assurance report, independent auditor's report, proposal for profit allocation and declaration of the Management Board and Supervisory Board. The Supervisory Board has approved the annual report for presentation at the Annual General Meeting of Shareholders.

Management Board

Signed digitally
Chairman of the Management Board
Mari-Liis Rüütsalu

Signed digitally
Member of the Management Board
Lili Kirikal

Signed digitally
Member of the Management Board
Karl Anton

Supervisory Board

Signed digitally
Chairman of the Supervisory Board
Priit Rohumaa

Signed digitally
Member of the Supervisory Board
Hans H. Luik

Signed digitally
Member of the Supervisory Board
Sami Jussi Petteri Seppänen

Signed digitally
Member of the Supervisory Board
Triin Hertmann