ASBISc Enterprises Plc

INTERIM REPORT
FOR THE THREE AND TWELVE MONTHS ENDED
31 DECEMBER 2023

Limassol, February 29th, 2024

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

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

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

Financial and Operating Data

This quarterly report contains financial statements of, and financial information relating to the Group. In particular, this quarterly report contains our interim consolidated financial statements for the three and twelve months ended 31 December 2023. The financial statements appended to this quarterly report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

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

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

Currency Presentation

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

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

FORWARD-LOOKING STATEMENTS

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

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

Part I Interim Management Report

1. Overview

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

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

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

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

2. Executive summary for the three- and twelve-month periods ended 31 December 2023.

The most important event that affected the Company's results in Q4 2023 and for the 12M of 2023 was the disposal of ASBIS subsidiary in Russia and the complete closure of the Company's operations in this country.
The exit from Russia negatively impacted the Company's net profit for 2023 by approximately USD 25 million which is related to the settlement of an exchange rate loss of USD 11.5 million and an impairment loss of USD 13.5 million (including loss on disposal of USD 1.2 million).

The Company wants to strongly underline that there is no more risk relating to the exit from Russia. The Company considers the Russian topic as closed. These write-offs do not impact in any respect the ongoing operations of ASBIS, which continues to grow dynamically in other geographical directions and incorporates innovative solutions into its portfolio, such as robotics and trade-in business.
The ASBIS strategy is clearly defined, aiming for a continued expansion of our business and consistent sharing of our success with investors in the form of dividends.

Analyzing Q4 2023 results, revenues were USD 893.3 million (up 14.5% compared to Q4 2022). The gross profit margin decreased and stabilized at 8.33% from 9.06% in Q4 2022. Operating profit (EBIT) decreased by 8.8% and reached USD 34.7 million, compared to USD 38.0 million in Q4 2022. The net profit was USD 27.1 million (without the impact of the release of the currency translation reserve and the receivables provision) and USD 2.1 million after, as compared to USD 28.7 million in Q4 2022.

In the 12M of 2023, ASBIS generated revenues of USD 3,061.2 million (up 13.8%, compared to the 12M of 2022) and earned a net profit after tax of USD 78.0 million without the release of the currency translation reserve and the receivables provision (USD 53.0 million after these one-off write-offs), as compared to USD 75.9 million in the same period of last year.

The quarter-over-quarter increase in net sales reflected strong growth in almost all regions of ASBIS operation. The Former Soviet Union and Central & Eastern Europe regions remained the largest share of the Group's revenues.

In Q4 2023 multiple product lines have recorded significant growth on a year-on-year basis. The leader of the Company's sales remained smartphones, followed by CPUs and laptops.

A country-by-country analysis confirms the excellent growth rates the Group was able to achieve in most of its major countries of operations. The important countries with the highest sales growth in Q4 2023 were:

- Poland - a growth of 65.8%
- Czech Republic - a growth of 61.2%
- Azerbaijan – a growth of 56.2%

As regards our own brands, we are pleased with the way they have been developing in recent months.

- **AENO** has shown significant growth in terms of revenues and profitability. AENO global footprint now spans 32 countries, with South Africa, Greece, Hungary, and Spain being our latest additions. AENO expansion and visibility in the market have been significantly bolstered through listings with prominent offline and online retailers. This includes partnerships with Euronics HU, Mediamarkt NL, Comfi, Foxtrott UA, Technopolis, Technomarket, Fantastico BG, RD Electronics and Avitella Baltics, Gigatron SI, Electroworld and Datart CZ, Flanco RO, Leroy Merlin and Mediaexpert PL, Alza and Mall CZ, and heaters' sales on Amazon (UK, IT, FR). Additionally, our presence in Mediamarkt (ES, DE), and BOL.com (NL), has further strengthened our brand and market penetration. AENO Premium Eco Smart Heater has been recognized with three prestigious awards, including the RED Dot for Product Design in Heating & Cooling and Smart Products categories, highlighting our excellence in design and functionality.

- **Canyon** has successfully expanded its product range by venturing into the automotive category, achieving remarkable growth and marking a significant step in diversifying the product portfolio. Canyon has secured substantial market shares in Romania, in the kids' smartwatch segment and the Wrist Sport Computers category. Our efforts in Western Europe have resulted in significant market penetration, showcasing the effectiveness of our expansion strategy. We have successfully entered various prominent retail outlets such as Vodafone, EIR, and Harvey Norman in Ireland; Three, TK Maxx, and Currys in the UK; and Mediamarkt, Carrefour, and Coolmod in Spain. Entering the South African market has been a bold and strategic move, opening new avenues for growth and further establishing Canyon's global presence.

- **Prestigio** has focused on further development of new products. We introduced the first series and collection of our new Fashion products, such as Backpack, card holders, and wallets. The new Prestigio was finally introduced to our key countries with amazing feedback on the products shown.

- **AROS** has focused mainly on business process set-up, team building, partner network creation, and market engagement. Throughout 2023, AROS has created Robotic Sales Teams in 9 countries with 35 experts on board and 3 Training & Demo Centres in Prague, Athens and Limassol. By the end of 2023, the total pool of AROS Value Added Resellers has reached 37 companies in 8 countries.

In Q4 2023 and in the period between 31st of December 2023 and the date of this report the Company experienced other important business events:

- ASBIS has extended its cooperation agreement with the global luxury audio brand Bang & Olufsen by introducing the brand to Africa and opening two new B&O flagship stores - in Limassol, Cyprus and in the largest city of Kazakhstan, Almaty

- ASBIS has entered into a distribution agreement with Devialet, a pioneering French company that is renowned for its expertise in acoustic engineering technology. Devialet products will be available in 22 countries, including Hungary, Bulgaria, Lithuania, Latvia, Estonia, Croatia, Slovenia, Serbia, Kosovo, Montenegro, Albania, Bosnia and Herzegovina, Republic of North Macedonia, Republic of Moldova, Georgia, Armenia, Azerbaijan, Turkmenistan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan

- ASBIS has been certified as an Authorized Economic Operator. This certification demonstrates ASBIS's reliability and compliance with the EU customs legislation

- ASBIS has opened another iSpace store with Apple Authorized Reseller status in Kazakhstan – in the city of Aktobe. It is also the place where Breezy - the trade-in business company - operates

- ASBIS AFRICA Ltd - a subsidiary company of ASBIS, has signed a distribution agreement with Apple Distribution International Ltd. Based on the signed agreement, Apple appointed ASBIS AFRICA as a non-exclusive Distributor of Authorized Products to resellers for resale in the Republic of South Africa

- ASBIS has increased its warehouse space in its distribution centers in Prague, Johannesburg and Dubai following the dynamic development of the Company's operations

- ASBIS has started building a new distribution center in Kazakhstan with an area of approximately 20,000 m2. This investment is a response to the growing demand in Kazakhstan, where the Company has significantly intensified its presence since 2022. The new distribution center is to be put into operation at the beginning of 2025 at the latest.

It is worth underling that the Company focuses not only on financial aspects but also on being socially responsible. According to the Corporate Climate Crisis Awareness Study results, ASBIS was in the top 20 WSE-listed companies with the most climate-conscious corporate strategies in 2023 and received the title: "Climate Aware Company". ASBIS has been recognized as a Climate-Aware Company for the third time since 2020, with high results. The scoring process involved analyzing the contents of annual non-financial reports against ten main criteria related to climate issues.

As regards the dividend, in Q4 2023 we paid out to our investors an interim dividend from the Company's profits for 2023 in a total amount of USD 11,100,000, which represents a USD 0.20 per share payout. The management board wants to assure investors that the Company's exit from Russia and as a result a decline in the net profit for 2023 will not affect the Company's ability to pay dividends. The dividend for 2023 will be based on the stable dividend policy of the Group and it is not expected to be decreased when compared to the dividend for 2022, but it will be subject to approval by the Annual General Meeting of ASBIS Shareholders.

In summary, taking into consideration the unfavorable geopolitical environment, inflationary pressure and unforeseen one-off events that impacted the Group's net profit for 2023, we are very satisfied with the Group's results in Q4 2023 and FY2023. It is worth underlining that without taking into account the one-offs, ASBIS would achieve a net profit of USD 78 million, as assumed in the forecast for 2023.

We look into 2024 with optimism. We expect the markets to stabilize, although we realize that this is quite an optimistic assumption. We believe that inflationary pressures will be lower, and the consumer sentiment shall be at an improved level. In ASBIS we have many areas of growth, such as robotics and already established markets such as Central Asia, Western Europe, and Africa. Our aim is clear, and it is organic growth by operational excellence.

The principal events of the three months ended 31 December 2023 were as follows (in U.S. $ thousand):

- Revenues in Q4 2023 increased by 14.48% to U.S. $ 893,290 from U.S. $ 780,329 in Q4 2022.

- Gross profit in Q4 2023 increased by 5.20% to U.S. $ 74,367 from U.S. $ 70,692 in Q4 2022.

- Gross profit margin in Q4 2023 stabilized at 8.33% as compared to 9.06% in Q4 2022.

- Selling expenses in Q4 2023 increased by 28.61% to U.S. $ 24.681 from U.S. $ 19,190 in Q4 2022.

- Administrative expenses in Q4 2023 increased by 11.35% to U.S. $ 15.036 from U.S. $ 13,503 in Q4 2022.

- EBITDA in Q4 2023 reached 36,668 as compared to U.S. $ 39,710 in Q4 2022.

- The Group finished Q4 2023 with a net profit after tax of U.S. $ 2,090, as compared to 28,655 in Q4 2022 which is a result of the release of the currency translation reserve and an impairment loss, relating to the disposal of our subsidiary in Russia, following the Company's decision to leave the Russian market. Without the aforementioned amounts, the net profit after tax would have been approximately U.S. $ 27,090.

- In Q4 2023, net cash inflows from operating activities reached U.S.$ 82,664, as compared to net cash outflows of U.S.$ 30,640 in Q4 2022.

The following table presents revenues breakdown by regions for the three-month period ended December 31st, 2023, and 2022 respectively (in U.S.$ thousands):

Region	Q4 2023	Q4 2022	Change %
Former Soviet Union	448,879	417,259	7.6%
Central and Eastern Europe	261,662	192,521	35.9%
Middle East and Africa	107,640	107,851	-0.2%
Western Europe	68,594	57,723	18.8%
Other	6,515	4,975	31.0%
Total	**893,290**	**780,329**	**14.5%**

The principal events of the twelve months ended 31 December 2023 were as follows (in U.S.$ thousands):

- Revenues in Q1-Q4 2023 increased by 13.80% to U.S. $ 3,061,228 from U.S. $ 2,690,039 in Q1-Q4 2022.

- Gross profit in Q1-Q4 2023 increased by 10.73% to U.S. $ 252,269 from U.S. $ 227,831 in Q1-Q4 2022.

- Gross profit margin in Q1-Q4 2023 reached 8.24% from 8.47% in Q1-Q4 2022.

- Selling expenses in Q1-Q4 2023 increased by 19.54% to U.S. $ 82,745 from U.S. $ 69,217 in Q1-Q4 2022.

- Administrative expenses in Q1-Q4 2023 grew by 19.76% to U.S. $ 57,031 from U.S. $ 47,620 in Q1-Q4 2022. These expenses include costs for the support of Ukraine.

- EBITDA in Q1-Q4 2023 was positive and reached U.S. $ 120,166 in comparison to U.S. $ 116,751 in Q1-Q4 2022.

- The net profit after tax in Q1-Q4 2023 amounted to U.S. $ 52,956 as compared to U.S. $ 75,870 in Q1-Q4 2022. The net profit after tax in Q1-Q4 2023 was negatively affected by the release of the currency translation reserve and an impairment loss of receivables relating to the disposal of our subsidiary in Russia, following the Company's decision to leave the Russian market. Without the one-off events, the net profit after tax would have been approximately U.S. $ 78,010.

- In Q1-Q4 2023, net cash inflows from operating activities reached U.S.$ 45,411 as compared to net cash outflows of U.S.$ 56,048 in Q1-Q4 2022.

The following table presents revenues breakdown by regions for the twelve-month periods ended December 31st, 2023, and 2022 respectively (in U.S.$ thousands):

Region	Q1-Q4 2023	Q1-Q4 2022	Change %
Former Soviet Union	1,563,280	1,407,196	11.1%
Central and Eastern Europe	791,026	653,643	21.0%
Middle East and Africa	425,652	407,717	4.4%
Western Europe	257,372	183,088	40.6%
Other	23,898	38,395	-37.8%
Total	**3,061,228**	**2,690,039**	**13.8%**

Definitions and use of Alternative Performance Measures:

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

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

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

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

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

3. Summary of historical financial data

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

For your convenience, certain U.S.$ amounts as of and for the three and twelve months ended December 31st, 2023, and 2022, have been converted into Euro and PLN as follows:

- Individual items of the balance sheet – based at average exchange rates quoted by the National Bank of Poland for the balance sheet date of December 31st, 2022, that is: 1 US$ = 4. 4018 PLN and 1 EUR = 4. 6899 PLN and December 31st, 2023, that is: 1 US$ = 3.9350 PLN and 1 EUR = 4.3480 PLN.

- Individual items in the income statement and cash flow statement – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month for the period from October 1st to December 31st, 2022, that is 1 US$ = 4. 5475 PLN and 1 EUR = 4. 6891 PLN and October 1st to December 31st, 2023, that is 1 US$ = 3.9580 PLN and 1 EUR = 4.3486 PLN.

• Individual items in the income statement and cash flow statement – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month for the given period from January 1st to December 31st, 2022, that is 1 US$ = 4.4679 PLN and 1 EUR = 4. 6883 PLN and January 1st to December 31st, 2023, that is 1 US$ = 4.1823 PLN and 1 EUR = 4.5284 PLN.

	Period from 1 October to 31 December 2023			**Period from 1 October to 31 December 2022**		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**893,290**	**3,535,642**	**813,053**	**780,329**	**3,548,520**	**756,765**
Cost of sales	(818,923)	(3,241,297)	(745,366)	(709,637)	(3,227,051)	(688,207)
Gross profit	**74,367**	**294,345**	**67,687**	**70,692**	**321,470**	**68,557**
Gross profit margin	*8.33%*			*9.06%*		
Selling expenses	(24,681)	(97,687)	(22,464)	(19,190)	(87,266)	(18,611)
Administrative expenses	(15,036)	(59,512)	(13,685)	(13,503)	(61,404)	(13,095)
Profit from operations	**34,650**	**137,145**	**31,538**	**37,999**	**172,799**	**36,852**
Financial expenses	(8,996)	(35,606)	(8,188)	(7,894)	(35,898)	(7,656)
Financial income	1,028	4,069	936	2,925	13,301	2,837
Realized foreign exchange loss relating to foreign operations liquidated and disposed	(11,286)	(44,670)	(10,272)	-	-	-
Other gains and losses	(10,745)	(42,529)	(9,780)	301	1,369	292
Share of loss of equity-accounted investees	(297)	(1,176)	(270)	(76)	(346)	(74)
Profit before taxation	**4,354**	**17,233**	**3,963**	**33,255**	**151,226**	**32,251**
Taxation	(2,264)	(8,961)	(2,061)	(4,600)	(20,918)	(4,461)
Profit after taxation	**2,090**	**8,272**	**1,902**	**28,655**	**130,303**	**27,790**
Attributable to:						
Non-controlling interest	235	930	214	21	95	20
Equity holders of the parent	**1,855**	**7,342**	**1,688**	**28,634**	**130,212**	**27,769**

EBITDA calculation

	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Profit before tax	4,354	17,233	3,963	33,255	151,226	32,251
Add back:						
Financial expenses/net	19,254	76,207	17,525	4,969	22,596	4,819
Other income	10,745	42,529	9,780	(301)	(1,369)	(292)
Share of profit/loss of equity-accounted investees	297	1,176	270	76	346	74
EBIT for the period	**34,650**	**137,145**	**31,538**	**37,999**	**172,799**	**36,852**
Depreciation	1,918	7,591	1,746	1,397	6,353	1,355
Amortization	100	396	91	314	1,428	305
EBITDA for the period	**36,668**	**145,132**	**33,374**	**39,710**	**180,580**	**38,511**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	3.35	13.26	3.05	51.75	235.33	50.19

	USD	PLN	EUR	USD	PLN	EUR
Net cash inflows/(outflows) from operating activities	82,664	327,184	75,239	(30,640)	(139,334)	(29,715)
Net cash outflows from investing activities	(7,713)	(30,528)	(7,020)	(3,840)	(17,462)	(3,724)
Net cash inflows from financing activities	5,597	22,153	5,094	17,447	79,340	16,920
Net increase/(decrease) in cash and cash equivalents	**80,548**	**318,809**	**73,313**	**(17,033)**	**(77,457)**	**(16,519)**
Cash at the beginning of the period	**27,758**	**109,866**	**25,265**	**109,385**	**497,425**	**106,082**
Cash at the end of the period	**108,306**	**428,675**	**98,578**	**92,352**	**419,968**	**89,563**

	As at 31 December 2023			**As at 31 December 2022**		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Current assets	931,214	3,664,327	842,762	1,003,920	4,419,055	942,249
Non-current assets	81,264	319,774	73,545	59,606	262,374	55,944
Total assets	**1,012,478**	**3,984,101**	**916,307**	**1,063,526**	**4,681,429**	**998,194**
Liabilities	731,266	2,877,532	661,806	819,346	3,606,597	769,014
Equity	281,212	1,106,569	254,501	244,180	1,074,832	229,180

	Period from 1 January to 31 December 2023			**Period from 1 January to 31 December 2022**		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**3,061,228**	**12,802,999**	**2,827,289**	**2,690,039**	**12,018,713**	**2,563,564**
Cost of sales	(2,808,959)	(11,747,933)	(2,594,298)	(2,462,208)	(11,000,797)	(2,346,444)
Gross profit	**252,269**	**1,055,067**	**232,991**	**227,831**	**1,017,917**	**217,119**
Gross profit margin	*8.24%*			*8.47%*		
Selling expenses	(82,745)	(346,065)	(76,422)	(69,217)	(309,252)	(65,963)
Administrative expenses	(57,031)	(238,521)	(52,673)	(47,620)	(212,759)	(45,381)
Profit from operations	**112,493**	**470,480**	**103,896**	**110,994**	**495,905**	**105,775**
Financial expenses	(34,930)	(146,088)	(32,261)	(25,694)	(114,797)	(24,486)
Financial income	2,719	11,372	2,511	5,242	23,421	4,996
Realized foreign exchange loss relating to foreign operations liquidated and disposed	(11,286)	(47,202)	(10,424)	(282)	(1,260)	(269)
Other gains and losses	(3,790)	(15,851)	(3,500)	948	4,236	903
Share of loss of equity-accounted investees	(237)	(991)	(219)	(162)	(724)	(154)
Profit before taxation	**64,969**	**271,720**	**60,004**	**91,046**	**406,781**	**86,765**
Taxation	(12,013)	(50,242)	(11,095)	(15,176)	(67,804)	(14,462)
Profit after taxation	**52,956**	**221,478**	**48,909**	**75,870**	**338,976**	**72,303**
Attributable to:						
Non-controlling interests	(92)	(385)	(85)	3	13	3
Equity holders of the parent	**53,048**	**221,863**	**48,994**	**75,867**	**338,963**	**72,301**

EBITDA calculation

	USD	PLN	EUR	USD	PLN	EUR
Profit before tax	64,969	271,720	60,004	91,046	406,781	86,765
Add back:						
Financial expenses/net	43,497	181,918	40,173	20,734	92,637	19,759
Other loss/(gain)	3,790	15,851	3,500	(948)	(4,236)	(903)
Share of loss of equity-accounted investees	237	991	219	162	724	154
EBIT for the period	**112,493**	**470,480**	**103,896**	**110,994**	**495,905**	**105,775**
Depreciation	6,995	29,255	6,460	4,554	20,347	4,340
Amortization	678	2,836	626	1,203	5,375	1,146
EBITDA for the period	**120,166**	**502,571**	**110,983**	**116,751**	**521,627**	**111,262**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	95.87	400.96	88.54	137.10	612.54	130.65

	USD	PLN	EUR	USD	PLN	EUR
Net cash inflows/(outflows) from operating activities	45,411	189,923	41,941	(56,048)	(250,415)	(53,413)
Net cash outflows from investing activities	(11,710)	(48,975)	(10,815)	(11,075)	(49,482)	(10,554)
Net cash (outflows)/inflows from financing activities	(17,747)	(74,223)	(16,391)	8,555	38,223	8,153
Net increase/(decrease) in cash and cash equivalents	**15,954**	**66,725**	**14,735**	**(58,568)**	**(261,674)**	**(55,514)**
Cash at the beginning of the year	**92,352**	**386,245**	**85,294**	**150,920**	**674,289**	**143,824**
Cash at the end of the year	**108,306**	**452,969**	**100,029**	**92,352**	**412,616**	**88,010**

4. Organization of ASBIS Group

The following table presents our corporate structure as at December 31st, 2023:

Company	Consolidation Method
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100%)
Asbis Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100%)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100%)
Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100%)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100%)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100%)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100%)
UAB Asbis Vilnius (Vilnius, Lithuania)	Full (100%)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100%)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100%)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100%)
ASBC F.P.U.E. (Minsk, Belarus)	Full (100%)

E.M. Euro-Mall Ltd (Limassol, Cyprus)	Full (100%)
Asbis Morocco Sarl (Casablanca, Morocco)	Full (100%)
Prestigio Plaza Ltd (Limassol, Cyprus)	Full (100%)
Perenio IoT spol. s.r.o. (Prague, Czech Republic)	Full (100%)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100%)
"ASBIS BALTICS" SIA (Riga, Latvia)	Full (100%)
Asbis d.o.o. (Sarajevo, Bosnia Herzegovina)	Full (90%)
ASBIS Close Joint-Stock Company (Minsk, Belarus)	Full (100%)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100%)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100%)
Asbis China Corp. (former Prestigio China Corp.) (Shenzhen, China)	Full (100%)
ASBIS DE GMBH, (Munchen, Germany)	Full (100%)
EUROMALL BULGARIA EOOD (Sofia, Bulgaria)	Full (100%)
E-Vision Production Unitary Enterprise (Minsk, Belarus)	Full (100%)
iSupport Ltd (Kiev, Ukraine) (former ASBIS SERVIC Ltd)	Full (100%)
I ON LLC (Kiev, Ukraine)	Full (100%)
ASBC MMC LLC (Baku, Azerbaijan)	Full (65.85%)
ASBC KAZAKHSTAN LLP (Almaty, Kazakhstan)	Full (100%)
Atlantech Ltd (Ras Al Khaimah, U.A.E)	Full (100%)
ASBC LLC (Tbilisi, Georgia)	Full (100%)
Real Scientists Limited (London, United Kingdom)	Full (55%)
i-Care LLC (Almaty, Kazakhstan)	Full (100%)
ASBIS IT Solutions Hungary Kft. (Budapest, Hungary)	Full (100%)
Breezy LLC (Minsk, Belarus) (former Café-Connect LLC)	Full (100%)
MakSolutions LLC (Minsk, Belarus)	Full (100%)
Breezy Kazakhstan TOO (Almaty, Kazakhstan) (former TOO "ASNEW")	Full (100%)
Breezy LLC (Kiev, Ukraine)	Full (100%)
I.O.N. Clinical Trading Ltd (Limassol, Cyprus)	Full (100%)
R.SC. Real Scientists Cyprus Ltd (Limassol, Cyprus)	Full (85%)
ASBIS CA LLC (Tashkent, Uzbekistan)	Full (100%)
Breezy Service LLC (Kiev, Ukraine)	Full (100%)
Breezy Trade-In Ltd (Limassol, Cyprus) (former Redmond Europe Ltd)	Full (91.15%)
SIA Joule Production (Riga, Latvia)	Full (100%)
ASBC LLC (Yerevan, Armenia)	Full (100%)
Breezy Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBC Entity OOO (Tashkent, Uzbekistan)	Full (100%)
ACEAN.PL Sp. z o.o (Warsaw, Poland)	Full (100%)
Entoliva Ltd (Limassol, Cyprus)	Full (100%)
ASBIS HELLAS SINGLE MEMBER S.A. (Athens, Greece)	Full (100%)
Prestigio Plaza Kft (Budapest, Hungary)	Full (100%)
ASBC SRL (Chisinau, Moldova)	Full (100%)
Breezy-M SRL (Chisinau, Moldova)	Full (100%)
Breezy Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
ASBIS AM LLC (Yerevan, Armenia)	Full (100%)
ASBIS Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBIS AZ LLC (Baku, Azerbaijan)	Full (100%)
ASBIS s.r.l. (Chisinau, Moldova)	Full (100%)
Asbis Africa (Pty) Ltd (Johannesburg, South Africa)	Full (100%)
ASBC Morocco s.a.r.l. (Morocco, Casablanca)	Full (100%)
Sarovita Ltd (Limassol, Cyprus)	Full (100%)
ASBC South Africa (Pty) Ltd (Johannesburg, South Africa)	Full (100%)

5. Changes in the structure of the Company

During the three months ended December 31st, 2023 there were the following changes in the structure of the Company and the Group:

- On October 25th, 2023, the Issuer has disposed 100% of the company Asbis PL Sp.z.o.o (Warsaw, Poland) for zero consideration.
- On October 31st, 2023, the Issuer has disposed 100% of the company OOO 'Asbis'-Moscow (Moscow, Russia) for the consideration of USD 13,890,000.
- On December 21st, 2023, the Issuer has disposed 100% of the company I.O. Clinic Latvia SIA (Riga, Latvia) for the consideration of USD 3,064.
- On December 21st, 2023, the Issuer has acquired 30% of the company I.O.N. Clinical Trading Ltd (Limassol, Cyprus) for the consideration of USD 99,540. The Issuer holds 100% of this subsidiary.
- On October 31st, 2023, the Issuer has acquired 100% shares of the company ASBC South Africa (Pty) Ltd (Johannesburg, South Africa). The Issuer holds 100% of this subsidiary, being equal to a share capital of SAR 1,855 (USD 100). We acquired this entity to expand our retail business.
- On December 25th, 2023, the Issuer has acquired 100% shares of the company Sarovita Ltd (Limassol, Cyprus). The Issuer holds 100% of this subsidiary, being equal to a share capital of EUR 1,000 (USD 1,106). We acquired this entity to distribute IT products.

6. Discussion of the difference of the Company's results and published forecasts

On April 5th, 2023, the Company announced its official financial forecast for 2023 that assumed revenues between USD 3.0 billion and 3.2 billion and net profit after tax between USD 78.0 and US$ 82.0 million.

Having seen Q1- Q4 2023 results, the Company's revenues for the twelve months were in the forecasted range as well as the net profit after tax was within the range, if we exclude the one-off events.
The result of the release of the currency translation reserve of USD 11.5 million and an impairment loss of USD 13.5 million (including a loss on disposal of USD 1.2 million), following the disposal of ASBIS subsidiary in Russia, has led to a decrease in net profit after tax, therefore deviating from the forecasted numbers.

The FY2023 results will be published on March 28th, 2024, as part of the 2023 Annual Report that will contain audited financial statements.

7. Information on the dividend payment

On the 7th of December 2023, the Company paid out the interim dividend from 2023 profits of USD 0.20 per share, with a total amount of USD 11,100,000, following the Company's Board of Directors decision made on the 8th of November 2023. The record date was set on the 27th of November 2023.

8. Shareholders possessing more than 5% of the Company's shares as of the date of publication of the interim report

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

Name	Number of shares	% of share	Number of votes	% of votes
KS Holdings Ltd*	20,448,127	36.84%	20,448,127	36.84%
Free float	35,051,873	63.16%	35,051,873	63.16%
Total	**55,500,000**	**100%**	**55,500,000**	**100%**

*Siarhei Kostevitch holds shares as the ultimate beneficial owner of KS Holdings Ltd

There were no changes in the number of shares possessed by major shareholders during the period between November 9th, 2023 (the date of the publication of the Interim Report for Q3 2023) and the date of this report.

9. Changes in the number of shares owned by the members of the Board of Directors

During the three months ended December 31st, 2023, and in the period between November 9th, 2023 (the date of the publication of the interim report for Q3 2023) and February 29th, 2024 (date of this report) there were the following changes in the number of shares possessed by the members of the Board of Directors:

Name	Number of shares acquired	Number of shares disposed
Marios Christou	-	150,000

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

Name	Number of Shares	% of the share capital
Siarhei Kostevitch (directly and indirectly) *	20,448,127	36.84%
Constantinos Tziamalis	406,600	0.73%
Marios Christou	330,761	0.60%
Hanna Kaplan	21,000	0.04%
Julia Prihodko	2,000	0.00%
Maria Petridou	0	0.00%
Tasos Panteli	0	0.00%
Constantinos Petrides	0	0.00%

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

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

10. Changes in the members of managing bodies

During the three-month period ended December 31st, 2023, there were no changes in the members of the Company’s Board of Directors.

11. Significant administrative and court proceedings against the Company

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

12. Related party transactions

In the three-month period ended December 31st, 2023 neither the Company nor any of the members of our Group have concluded any material related party transaction, other than with market conditions.

13. Information on guarantees granted to third parties

The total corporate guarantees the Company has issued, as of December 31st, 2023 to support its subsidiaries' local financing, amounted to U.S.$ 202,399. The total bank guarantees and letters of credit raised by the Group (mainly to Group suppliers) as of December 31st, 2023, was U.S.$ 48,008 – as per note number 17 to the financial statements.

14. Information on changes in conditional commitments or conditional assets occurred since the end of last fiscal year

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

15. Other information important for the assessment of our personnel, economic and financial position, as well as our financial results

In the three and twelve-month periods ended December 31st, 2023, the Company's results of operations have been affected and are expected to continue to be affected by a number of factors. These factors are presented in brief below:

The war in Ukraine

The war between Russia and Ukraine (which were, before the war, the two major markets for ASBIS) constituted a major disruption in demand in both countries, the whole region and the globe. The war has created the most unfavourable business environment in the whole region. Despite the large geographical presence of the Group, it is not possible to totally weather the impact of a full-scale war between these two countries. The Company considers the situation as critical, and it is extremely difficult to assess how this will further evolve. The Company ceased any business development in Russia, following all sanctions imposed by suppliers and other international organizational bodies. The Group has decided to totally divest from Russia and has completed the sale of its subsidiary in the country in October 2023.

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

The in-country crisis affecting our major markets, gross profit and gross profit margin.

Throughout the years of operation, the Company has from time to time suffered from specific in-country problems, emanating from the deterioration of specific countries' financial situation, due to a number of issues including but not limited to political instability. We need to monitor any developments, react fast and weather every risk showing up in a specific market to secure our results.

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

Currency fluctuations

The Company's reporting currency is the U.S. dollar. In the 12M of 2023 a good portion of our revenues was denominated in U.S. dollars, while the balance is denominated in Euro, UAH, KZT and other currencies, certain of which are linked to the Euro. Our trade payable balances are principally (about 85%) denominated in U.S. dollars. In addition, approximately half of our operating expenses are denominated in U.S. dollars and the other half in Euro or other currencies, certain of which are linked to the Euro.

As a result, reported results are affected by movements in exchange rates, particularly in the exchange rate of the U.S. dollar against the Euro and other currencies of the countries in which we operate, including the Ukrainian Hryvnia, the Czech Koruna, the Polish Zloty, the Croatian Kuna, the Kazakhstani Tenge and the Hungarian Forint. In particular, a strengthening of the U.S. dollar against the Euro and other currencies of the countries in which we operate may result in a decrease in revenues and gross profit, as reported in U.S. dollars, and foreign exchange loss relating to trade receivables and payables, which would have a negative impact on our operating and net profit despite a positive impact on our operating expenses.

On the other hand, a devaluation of the U.S. dollar against the Euro and other currencies of the countries in which we operate may have a positive impact on our revenues and gross profit, as reported in U.S. dollars, which would have a positive impact on operating and net profit despite a negative impact on our operating expenses. In addition, foreign exchange fluctuation between the U.S. dollar and the Euro or other currencies of the countries in which we operate may result in translation gains or losses affecting foreign exchange reserve.

Furthermore, a major devaluation or depreciation of any such currencies may result in a disruption in the international currency markets and may limit the ability to transfer or to convert such currencies into U.S. dollars and other currencies.

Despite all efforts of the Company, there can be no assurance that fluctuations in the exchange rates of the Euro and/or other currencies of the countries in which we operate against the U.S. dollar will not have a material adverse effect on our business, financial condition and results of operations. Having decided to completely divest from Russia, the Group faced a crystallization of the respective currency translation reserve.

Competition and price pressure

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

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

- International IT and CE distributors with presence in all major markets we operate
- Regional IT and CE distributors who cover mostly a region but are quite strong
- Local distributors who focus mostly on a single market but are very strong
- International IT and mobile phones brokers, who sell opportunistically in any region and/or country

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

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

Gross profit margins sustainability

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

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

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

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

As a result, the Company may not be able to reduce its operating expenses as a percentage of revenue to mitigate any reductions in gross margins in the future. In addition to the above, recent increases in gross profit margins may no longer be sustainable given the oversupply in the markets and decreased demand.

To increase gross margins, the Company has dynamically developed its own brand business as this allows for higher gross profit margins in recent months.

At the end of 2022, we have added to our portfolio a new own brand namely “CRON Robotics” operating under a new business division - AROS - ASBIS Robotic Solutions. The Company is also constantly investing in the VAD business which delivers higher gross profit margins.

Inventory obsolescence and price erosion

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

As the Company increases the scope of its business and of inventory management for its customers, there is an increasing need to hold inventory to serve as a buffer in anticipation of the actual needs of the Company’s customers.

This increases the risk of inventory becoming devalued or obsolete and could affect the Company's profits either because prices for obsolete products tend to decline quickly, or because of the need to make provisions or even write-offs.
In an oversupply situation, other distributors may elect to proceed with price reductions to dispose of their existing inventories, forcing the Company to lower its prices to stay competitive. The Company's ability to manage its inventory and protect its business against price erosion is critical to its success.

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

Credit risk
The Company buys components and finished products from its suppliers on its own account and resells them to its customers. The Company extends credit to some of its customers at terms ranging from 7 to 90 days or, in a few cases, to 120 days.
The Company's payment obligations towards its suppliers under such agreements are separate and distinct from its customers' obligations to pay for their purchases, except in limited cases where the Company's arrangements with its suppliers require the Company to resell to certain resellers or distributors. Thus, the Company is liable to pay its suppliers regardless of whether its customers pay for their respective purchases.
As the Company's profit margin is relatively low compared to the total price of the products sold, in the event where the Company is not able to recover payments from its customers, it is exposed to financial liquidity risk. The Company has in place credit insurance which covers such an eventuality for most of its revenue.
Despite all efforts to secure our revenues, certain countries remained non-insured (Ukraine), therefore it is very important for us to ensure that we find other sources of securities which help us minimize our credit risk. The Board of Directors decided to enhance the Company's risk management procedures.
These do not guarantee that all issues will be avoided, however, they have granted the Company with confidence that is able to weather any possible major credit issue that may arise.

Worldwide financial environment
The overall financial environment and the economic landscape of each country we operate in, always play a significant role in our performance. The revised strategy and adaptation to the new environment, i.e., by rebuilding our product portfolio, has paid off in terms of profitability and sales in the last three years.
We believe that the Company is much more flexible and better prepared to weather any obstacles that may arise due to the worldwide financial environment, however, we can see that a full-scale war in our territories may bring unprecedented consequences.
In addition to the above, it has been recently noticed that multiple raw materials and finished product prices have risen dramatically, and this might significantly impact demand generation. This must be closely monitored, and the Company is alerted to manage any market anomalies.

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

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

This includes the development of tablets and other product lines that are sold under Prestigio and Canyon brands in all regions of the Company's operations. The Company has also invested in another own brand, Perenio - which includes sales of smart-home, smart-security sensors and other products.
The results from Perenio brand were not the ones we expected to see; thus, we currently undertake certain corrective actions.
At the end of 2021, the Company launched two new own brands: Lorgar - a brand of ultimate accessories for gamers and AENO - a brand of smart home appliances.
In Q4 2022, the Company has launched a new own brand "CRON Robotics" operating under a new business division – AROS - ASBIS Robotic Solutions.

The core business of this division is based on two major segments – the distribution of collaborative robots (cobots) from leading global brands in the sector as well as own robotic platforms under own brand.
In July 2023, ASBIS presented the first version of its beer-serving robotic kiosk in Limassol.

In order to keep quality under control and achieve the maximum possible gross profit margins, the Company's Directors have decided to operate under a "back-to-back scheme". This implies that orders are placed with ODMs, only if they are in advance confirmed by customers.
The Company is undertaking several quality control measures to mitigate this risk but given the volumes and many factories used to produce these products, these controls might not be sufficient. Moreover, competition has already been intensified and the Company may not be able to sustain its profitability levels.

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

High cost of debt

The distribution business entails a higher need for cash available to support growth. The Group has managed to raise cash from various financial institutions, however, in certain cases, the cost of this financing is expensive.
The Company has already negotiated improved terms with some of its financiers and is currently undertaking certain extra steps to further lower its cost of financing. Base rates (US Libor and its successor rates, Euribor, other local base rates) have recently shown a significant uptrend, and this has significantly increased the Company's WACD.

Environmental and climate changes

In terms of transition risks that arise from the transition to a low-carbon and climate-resilient economy, we may face the following risks: policy and legal risks (there may be laws or policies put in place that may require a more environmentally cautious approach to raw materials and land use), technology risks (changes in technology used to produce IT equipment) – these both may lead to growing prices in terms of IT equipment and solutions.
We may also face market risk with consumers switching to more energy-efficient appliances or making more savvy purchases to limit their own impact on the environment. We will monitor these trends and introduce the latest hardware for our customers.
We may also face reputational risks with difficulties in attracting customers, business partners and employees if we do not take strong enough actions against climate change. In terms of physical risks resulting from climate changes, we may face both acute and chronic risks.

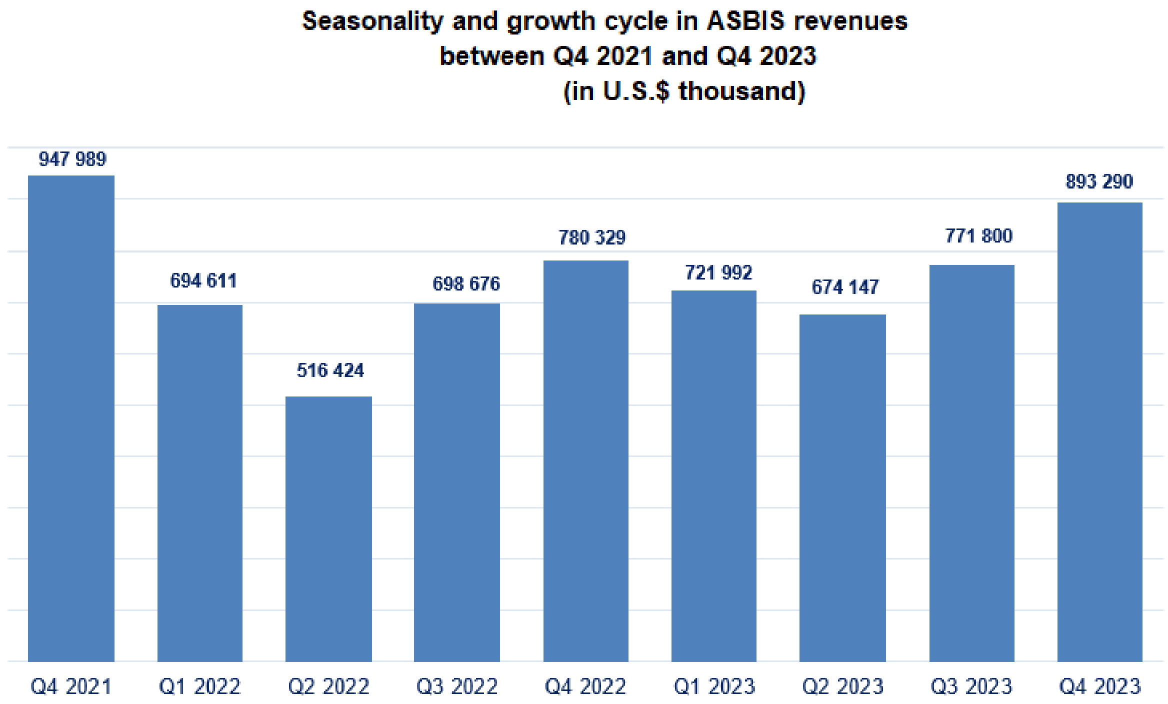
Acute physical risks may arise from weather-related events in the form of floods, fires or droughts that may damage factories in certain regions, cause factories to limit or temporarily stop their production or disrupt our supply chain in other ways. These may result in temporary limitations in our product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

Results of Operations (in U.S. $ thousands):

For the three- and twelve-month periods ended December 31st, 2023 compared to the three and twelve-month periods ended December 2022:

- **Revenues**: Revenues increased both in Q4 2023 and Q1-Q4 2023 as compared to the corresponding periods of 2022.

In Q4 2023 revenues increased by 14.48% to U.S. $ 893,290 from U.S. $ 780,329 in Q4 2022.
In Q1-Q4 2023 revenues increased by 13.80% to U.S. $ 3,061,228 from U.S. $ 2,690,039 in Q1-Q4 2022.



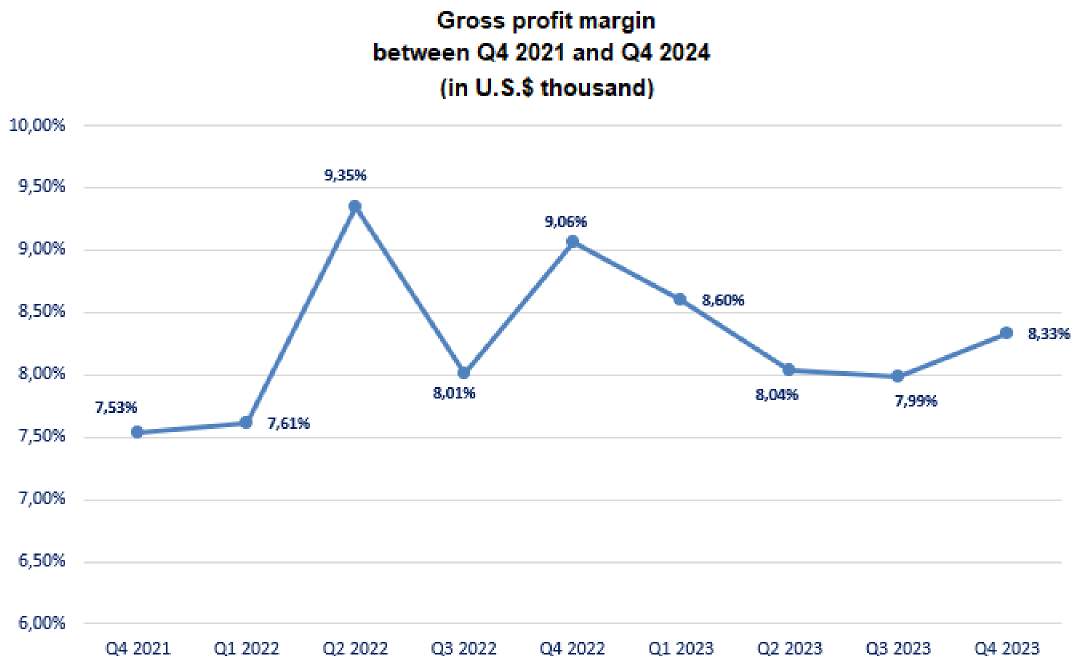
- **Gross profit**: Gross profit increased both in Q4 2023 and Q1-Q4 2023 compared to the corresponding periods of 2022.

  Gross profit in Q4 2023 increased by 5.20% to U.S. $ 74,367 as compared to U.S. $ 70,692 in Q4 2022.

  Gross profit in Q1-Q4 2023 increased by 10.73% to U.S. $ 252,269 from U.S. $ 227,831 in Q1-Q4 2022.

- **Gross profit margin**: Gross profit margin decreased both in Q4 2023 and Q1-Q4 2023, as compared to the corresponding periods of 2022.

Gross profit margin in Q4 2023 decreased, reaching 8.33% from 9.06% in Q4 2022.
Gross profit margin in Q1-Q4 2023 decreased to 8.24% from 8.47% in Q1-Q4 2022.

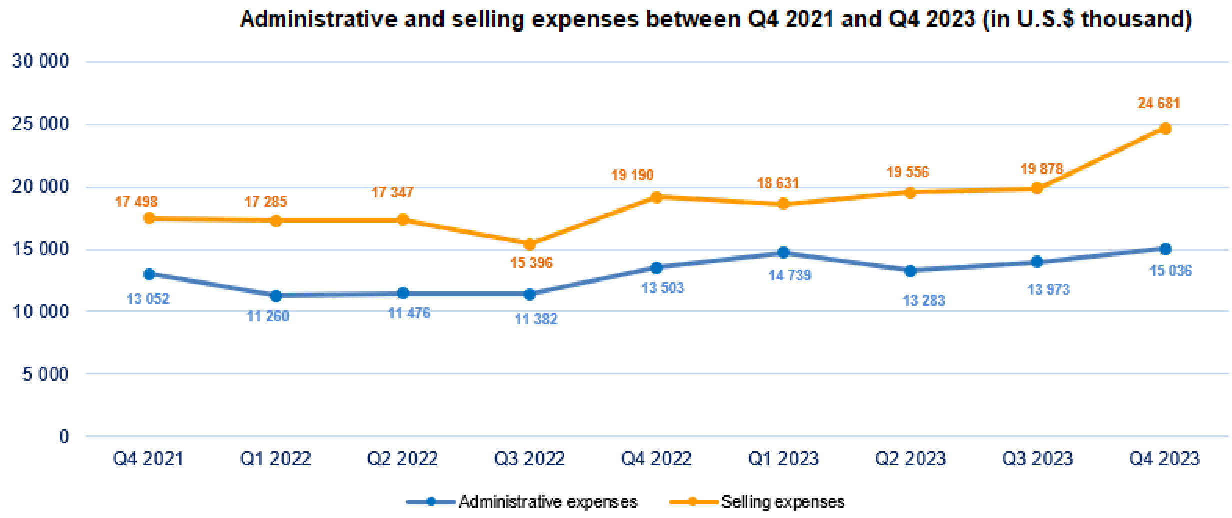


- **Selling expenses** largely comprise of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and travelling expenses. Selling expenses usually grow together (but not in-line) with growing sales and, most importantly, gross profit. During the 12 months of 2023, the increase in selling expenses has encompassed all new investments in human capital in several business units and a provision for bad debt of around USD 3.0 million, relating to the disposal of our subsidiary in Russia.

Selling expenses in Q4 2023 increased by 28.61% to U.S. $ 24,681 from U.S. $ 19,190 in Q4 2022.
Selling expenses in Q1-Q4 2023 increased by 19.54% to U.S. $ 82,745 from U.S. $ 69,217 in Q1-Q4 2022.

- **Administrative expenses** largely comprise of salaries and wages of administrative personnel.

Administrative expenses in Q4 2023 increased by 11.35% to U.S. $ 15,036 from U.S. $ 13,503 in Q4 2022.
Administrative expenses in Q1-Q4 2023 increased by 19.76% to U.S. $ 57,031 from U.S. $ 47,620 in Q1-Q4 2022. These expenses include costs for the support of Ukraine



- **EBITDA**: In Q4 2023 EBITDA decreased and reached U.S. $ 36,668 in comparison to U.S. $ 39,710 in Q4 2022. In Q1-Q4 2023 EBITDA amounted to U.S. $ 120,166 in comparison to U.S. $ 116,751 in Q1-Q4 2022.

- **Net profit**: The net profit after tax both in Q4 2023 and Q1-Q4 2023 was negatively affected by the disposal of our subsidiary in Russia lowering it by around U.S. $ 25 million. It is worth underlining that without taking into account the one-offs, ASBIS would achieve a net profit for 2023 of USD 78 million, as assumed in its 2023 forecast.

  In Q4 2023 net profit after taxation was U.S. $ 2,090 as compared to U.S.$ 28,655 in Q4 2022.
  In Q1-Q4 2023 the net profit after tax was U.S. $ 52,956 in comparison to U.S. $ 75,870 in Q1-Q4 2022.

Sales by regions and countries

The F.S.U. and the CEE regions traditionally contribute the majority of Group revenues. This has not changed either for Q4 2023 or for the 12M of 2023.

In Q4 2023 and the 12M of 2023 sales in the F.S.U. increased by 7.6% and 11.1%, as compared to the corresponding periods of last year. Much more positive trend we have observed in the CEE region (an increase of 35.9% in Q4 2023 and 21.0% in the 12M of 2023).

Sales in the Middle East and Africa were flat in Q4 2023 but increased by 4.4% in the 12M of 2023, as compared to 2022. Western Europe has shown significant growth both in Q4 2023 and in the 12M of 2023 (an increase of 18.8% and 40.6% respectively).

As a result of the above-mentioned facts, the contribution of certain regions – like the CEE region, to total revenues of the Company for Q4 2023 and the 12M of 2023 has changed compared to the corresponding periods of 2022. Central and Eastern Europe contribution has grown both in Q4 2023 and the 12M of 2023 to 29.29% from 24.67% and 25.84% from 24.30% respectively. At the same time, the F.S.U. region's contribution has decreased to 50.25% from 53.47% in Q4 2023 and 51.07% from 52.31% in the 12M of 2023.

Country-by-country analysis shows a still robust demand in Kazakhstan - our biggest market, where our sales increased both in Q4 2023 and in the 12M of 2023 by 15.3% and 19.2% respectively, compared to the corresponding periods of 2022. Our business in Ukraine – the second biggest market of our operations, despite the ongoing war, increased by 4.6% in Q4 2023 and 26.3% in the 12M of 2023, as compared to the corresponding periods of last year.

United Arab Emirates - our third largest market delivered revenues of USD 321.1 million in the 12M of 2023, representing an increase of 2.7% year-over-year.

Azerbaijan grew significantly both in Q4 2023 and the 12M of 2023 as compared to the corresponding periods of 2022.

Poland has continued its dynamic growth showing impressive results both in Q4 2023 and the 12M of 2023 (a growth of 65.8% and 46.3% respectively). The growth of sales in Poland was mainly attributed to the sales of traditional IT components like processors and monitors but also due to consumer goods, given a very successful B&O development in the country.

The tables below provide a geographical breakdown of sales in the three and twelve-month periods ended 31 December 2023 and 2022 (in U.S.$ thousands)

	Q4 2023		Q4 2022	
	U.S. $ thousand	**% of total revenues**	**U.S. $ thousand**	**% of total revenues**
Former Soviet Union	448,879	50.25%	417,259	53.47%
Central and Eastern Europe	261,662	29.29%	192,521	24.67%
Middle East and Africa	107,640	12.05%	107,851	13.82%
Western Europe	68,594	7.68%	57,723	7.40%
Other	6,515	0.73%	4,975	0.64%
Total	**893,290**	**100%**	**780,329**	**100%**

	Q1-Q4 2023		Q1-Q4 2022	
	U.S. $ thousand	**% of total revenues**	**U.S. $ thousand**	**% of total revenues**
Former Soviet Union	1,563,280	51.07%	1,407,196	52.31%
Central and Eastern Europe	791,026	25.84%	653,643	24.30%
Middle East and Africa	425,652	13.90%	407,717	15.16%
Western Europe	257,372	8.41%	183,088	6.81%
Other	23,898	0.78%	38,395	1.43%
Total	**3,061,228**	**100%**	**2,690,039**	**100%**

Revenue breakdown – Top 10 countries in Q4 2023 and Q4 2022 (in U.S. $ thousand)

	Q4 2023		Q4 2022	
	Country	**Sales**	**Country**	**Sales**
1.	Kazakhstan	213,194	Kazakhstan	184,962
2.	Ukraine	112,723	Ukraine	107,746
3.	Slovakia	87,875	United Arab Emirates	80,348
4.	United Arab Emirates	80,286	Slovakia	74,744
5.	Poland	44,294	Germany	33,044
6.	Azerbaijan	41,083	Georgia	31,695
7.	Czech Republic	40,296	Poland	26,711

8.	Germany	25,110	Azerbaijan	26,296
9.	Georgia	22,722	Czech Republic	24,993
10.	Romania	20,642	Armenia	24,551

Revenue breakdown – Top 10 countries in Q1-Q4 2023 and Q1-Q4 2022 (in U.S. $ thousand)

Q1-Q4 2023			Q1-Q4 2022	
	Country	**Sales**	**Country**	**Sales**
1.	Kazakhstan	697,111	Kazakhstan	584,849
2.	Ukraine	411,943	Ukraine	326,143
3.	United Arab Emirates	321,077	United Arab Emirates	312,705
4.	Slovakia	283,247	Slovakia	239,905
5.	Azerbaijan	139,260	Russia	134,520
6.	Germany	128,056	Czech Republic	97,583
7.	Poland	125,471	Azerbaijan	91,414
8.	Czech Republic	109,183	Poland	85,780
9.	Georgia	100,152	Georgia	80,942
10.	Romania	70,053	Germany	79,540

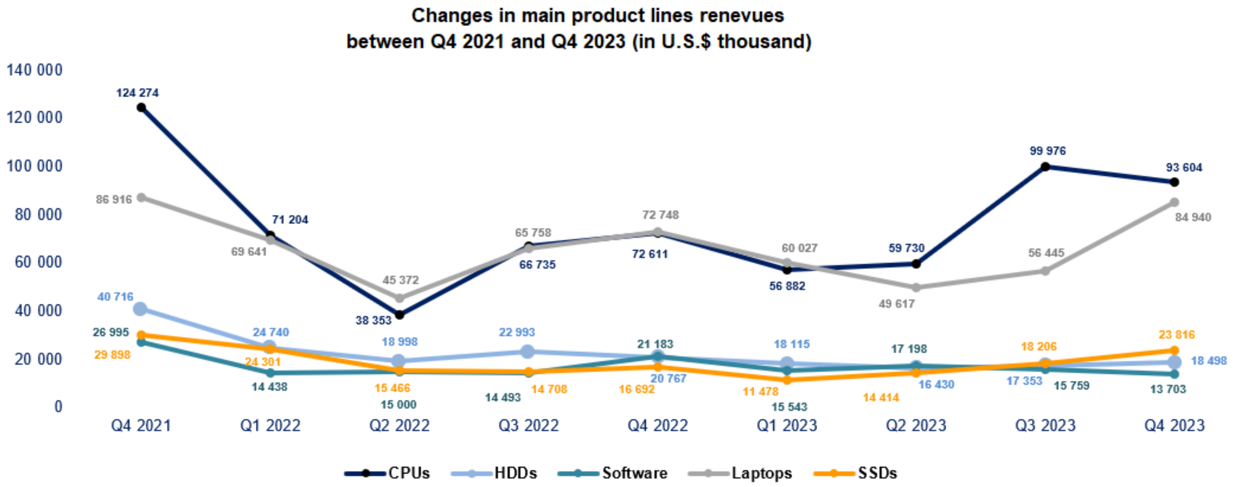
Sales by product lines

In Q4 2023 we have continued the strengthening and development of our portfolio of IT products and services with technologically advanced solutions, including the division related to robotics - ASBIS Robotic Solutions (AROS) and trade-in business, Breezy.

In Q4 2023, Breezy has been developing its retail chain: opened 4 new stores and introduced a novel retail store format for second-life devices – Breezy Island. Breezy significantly expanded its market presence across its operational countries and forged new trade-in partnerships. For 2024 Breezy plans to expand new territories, develop its retail stores chain, and expand partnerships in trade-in and refurbishing.

During Q4 2023, the majority of ASBIS's product groups have noticed significant growth on a year-on-year basis. We experienced strong growth rates in CPUs and laptops. These categories were leaders in terms of growth in absolute numbers.

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



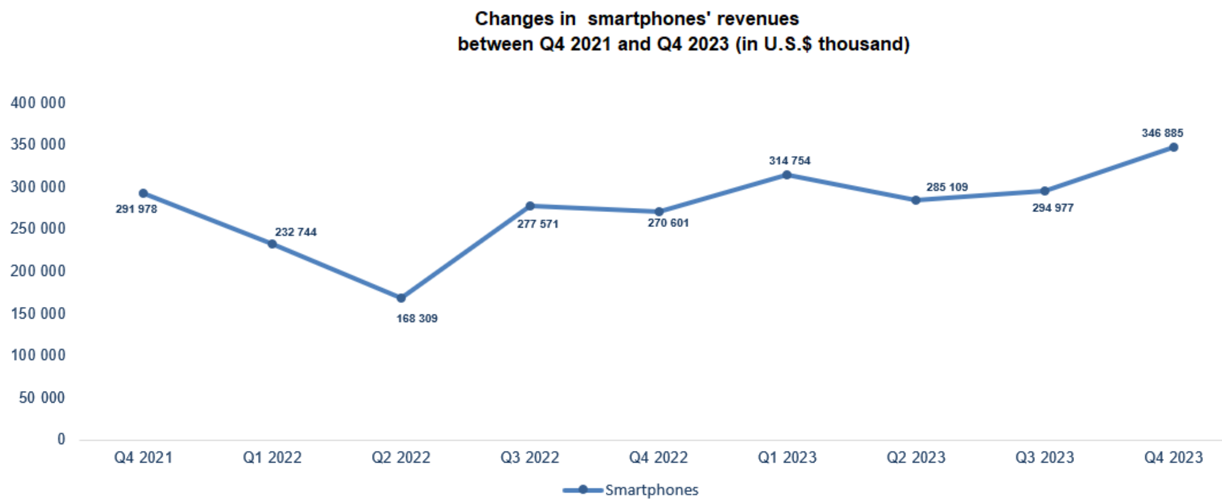
In Q4 2023 and 12M of 2023, the main drivers in terms of revenues were smartphones, CPUs and laptops.

On a year-on-year basis revenues from CPUs increased by 28.9% in Q4 2023 and 24.6% in the 12M of 2023. Sales of HDDs decreased by 10.9% in Q4 2023 and 19.5% in the 12M of 2023. In Q4 2023 revenues from software decreased by 35.3% and 4.5% in the 12M of 2023. The laptop business increased by 16.8% in Q4 2023 but slightly decreased by 1.0% in the 12M of 2023. Revenues from SSDs increased by 42.7% in Q4 2023 but decreased by 4.6% in the 12M of 2023. PC desktop business grew by 38.8% in Q4 2023 and 23.5% in the 12M of 2023.

The tablet segment recorded a decline of 2.8% in Q4 2023 but grew by 13.8% in the 12M of 2023.

From “Other” product lines, in the 12M of 2023 a positive trend has been noticed in accessories (+98.1%) and display products (+20.3%).

The chart below indicates the trends in smartphones sales



Sales of smartphones, which contribute to the majority of our revenues, increased both in Q4 2023 and in the 12M of 2023 by 28.2% and 30.8% respectively, as compared to the corresponding periods of 2022. The significant growth observed in Q4 2023 and the 12M of 2023 was a result of higher demand and sales of a different mix of iPhones, especially iPhone 15 models. We expect that the demand for the iPhone models will remain strong in the months to come.

The table below sets a breakdown of revenues, by product lines, for Q4 2023 and Q4 2022 (in U.S. $ thousand)

	Q4 2023		**Q4 2022**	
	U.S. $ thousand	**% of total revenues**	**U.S. $ thousand**	**% of total revenues**
Smartphones	346,885	38.83%	270,601	34.68%
Central processing units (CPUs)	93,604	10.48%	72,611	9.31%
PC mobile (laptops)	84,940	9.51%	72,748	9.32%
Servers & server blocks	39,588	4.43%	31,455	4.03%
Peripherals	37,701	4.22%	36,448	4.67%
Audio devices	35,528	3.98%	43,431	5.57%
Display products	26,663	2.98%	22,318	2.86%
Smart devices	24,406	2.73%	26,547	3.40%
Solid-state drives (SSDs)	23,816	2.67%	16,692	2.14%
Multimedia	21,743	2.43%	15,496	1.99%
Accessories	19,585	2.19%	12,411	1.59%
Networking products	18,676	2.09%	24,382	3.12%
PC desktop	18,504	2.07%	13,328	1.71%
Hard disk drives (HDDs)	18,498	2.07%	20,767	2.66%
Tablets	17,982	2.01%	18,493	2.37%
Software	13,703	1.53%	21,183	2.71%
Video cards	12,419	1.39%	7,574	0.97%
Consumables	9,356	1.05%	6,747	0.86%
Other	29,692	3.32%	47,098	6.04%
Total revenue	**893,290**	**100%**	**780,329**	**100%**

The table below sets a breakdown of revenues, by product lines, for Q1-Q4 2023 and Q1-Q4 2022

	Q1-Q4 2023		**Q1-Q4 2022**	
	U.S. $ thousand	**% of total revenues**	**U.S. $ thousand**	**% of total revenues**
Smartphones	1,241,725	40.56%	949,226	35.29%
Central processing units (CPUs)	310,191	10.13%	248,903	9.25%
PC mobile (laptops)	251,029	8.20%	253,519	9.42%
Servers & server blocks	137,739	4.50%	113,673	4.23%
Peripherals	129,758	4.24%	140,754	5.23%
Audio devices	112,388	3.67%	117,158	4.36%
Display products	81,764	2.67%	67,957	2.53%
Smart devices	77,351	2.53%	80,244	2.98%
Networking products	72,763	2.38%	71,646	2.66%
Accessories	72,713	2.38%	36,704	1.36%

Hard disk drives (HDDs)	70,395	2.30%	87,498	3.25%
Multimedia	69,106	2.26%	57,972	2.16%
Solid-state drives (SSDs)	67,915	2.22%	71,166	2.65%
PC desktop	67,326	2.20%	54,516	2.03%
Software	62,204	2.03%	65,115	2.42%
Tablets	55,119	1.80%	48,422	1.80%
Video cards and GPUs	32,381	1.06%	32,726	1.22%
Consumables	29,372	0.96%	26,142	0.97%
Other	119,992	3.92%	166,697	6.20%
Total revenue	**3,061,228**	**100%**	**2,690,039**	**100%**

Liquidity and Capital Resources

The Company has in the past funded its liquidity requirements, including ongoing operating expenses and capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. Cash flow for Q4 2023 and the 12 months of 2023 has been impacted by revenue growth and improved working capital utilization. Nevertheless, cash from operations in the 12 months of 2023 has significantly improved year–on–year by more than USD 101 million.

The following table presents a summary of cash flows for the twelve months ended December 31st, 2023, and 2022 (in U.S. $ thousand):

	Twelve months ended December 31st	
	2023	**2022**
Net cash inflows/(outflows) from operating activities	45,411	(56,048)
Net cash outflows from investing activities	(11,710)	(11,075)
Net cash (outflows)/inflows from financing activities	(17,747)	8,555
Net increase/(decrease) in cash and cash equivalents	15,954	(58,568)

Net cash inflows from operations

Net cash inflows from operations amounted to U.S. $ 45,411 for the twelve months of 2023, as compared to outflows of U.S. $ 56,048 in the corresponding period of 2022.

Net cash outflows from investing activities

Net cash outflows from investing activities were U.S. $ 11,710 for the twelve months of 2023, compared to outflows of U.S. $ 11,075 in the corresponding period of 2022.

Net cash outflows from financing activities

Net cash outflows from financing activities were U.S. $ 17,747 for the twelve months of 2023, compared to inflows of U.S. $ 8,555 in the corresponding period of 2022.

Net increase in cash and cash equivalents

As a result of improved cash flows from operating activities (mainly owed to improved working capital management) cash and cash equivalents have increased by U.S. $ 15,954, as compared to a decrease of US$ 58,568 in the corresponding period of 2022.

16. Factors which may affect our results in the future

War in Ukraine

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

Political and economic stability in Europe and our regions and trade wars across the globe

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

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

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

The Group's ability to increase revenues and market share while focusing on profits.

The very well-diversified geographic coverage of the Group's revenues ensures that we do mitigate the risk of lower sales in a particular country with the possibility of higher sales in a few other countries. Since the F.S.U. and CEE regions are the biggest contributors to the Company's revenues, it is very important to adapt to any market changes that might arise in these geographies. This is especially important while facing the war in Ukraine also affecting nearby countries and tensions observed in the Red Sea. Therefore, we have decided to enter new markets in the Caucasus, Africa and Western Europe and expand our product portfolio by launching the ASBIS Robotic Solutions (AROS) division.

In 2024 the primary target for the Group remains unchanged and it is profitability but always with a strong cash flow.

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

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

The Group's ability to increase gross profit margins.

The Group's ability to increase its gross profit margin is of huge importance. The pace of growth in gross profit margins is hard to estimate, as the margins may remain under pressure, due to enhanced competition together with lower demand in several markets we trade in. It is quite important for the Group to manage its stock levels and refine its product portfolio to achieve optimum gross profit margins. The recent trends on gross profit margins showed a steady decline, however the Group considers the current levels as satisfactory and undertakes all efforts to maintain them at higher levels.

Currency volatilities

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. We have been successfully shielded by our hedging policy in Q4 2023. Therefore, the hedging strategy should be followed and further improved without any exception in the course of 2024 and going forward.

Ability of the Group to control expenses.

Selling and administrative expenses increased in the 12M of 2023 and Q4 2023 by 19.63% and 21.48% respectively as compared to corresponding periods of 2022.
This was mostly due to investments made by the Company in the development of new business lines and geographical expansion. These expenses also include a provision for bad debt of USD 3.0 million, relating to the disposal of our subsidiary in Russia.

It is worth mentioning that during the course of 2023, we assigned another USD 2 million to help Ukraine.

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

Ability to further develop the Group's product portfolio, both third-party and own brands

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

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

17. Information about important events that occurred after the period ended on December 31st, 2023, and before this report release.

In the period between December 31st, 2023, and February 29th, 2023, ASBIS announced that the disposal of the Company's subsidiary in Russia and the complete closure of the Company's operations in this country would negatively affect ASBIS' results. One-time write-offs resulted in a decrease in the net profit of the Group for 2023 of approximately USD 25 million.

Part II Financial Information

The financial information of ASBISc Enterprises Plc presented as a part of this report is as follows:

Report and Interim Condensed Consolidated Financial Statements for the period ended December 31st, 2023

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ASBISC ENTERPRISES PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

ASBISC ENTERPRISES PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

	Note	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Revenue	4,23	893,290	780,329	3,061,228	2,690,039
Cost of sales		(818,923)	(709,637)	(2,808,959)	(2,462,208)
Gross profit		74,367	70,692	252,269	227,831
Selling expenses		(24,681)	(19,190)	(82,745)	(69,217)
Administrative expenses		(15,036)	(13,503)	(57,031)	(47,620)
Profit from operations		34,650	37,999	112,493	110,994
Financial income	7	1,028	2,925	2,719	5,242
Financial expenses	7	(8,996)	(7,894)	(34,930)	(25,694)
Realized foreign exchange loss relating to foreign operations liquidated and disposed	7	(11,286)	-	(11,286)	(282)
Net finance costs		(19,254)	(4,969)	(43,497)	(20,734)
Other gains and losses	5	(10,745)	301	(3,790)	948
Share of loss of equity-accounted investees		(297)	(76)	(237)	(162)
Profit before tax	6	4,354	33,255	64,969	91,046
Taxation	8	(2,264)	(4,600)	(12,013)	(15,176)
Profit for the period		2,090	28,655	52,956	75,870
Attributable to:					
Equity holders of the parent		1,855	28,634	53,048	75,867
Non-controlling interests		235	21	(92)	3
		2,090	28,655	52,956	75,870
Earnings per share					
Basic and diluted from continuing operations (expressed in US$)		0.03	0.52	0.96	1.37
Other comprehensive profit/(loss)					
Exchange difference on translating foreign operations		3,219	(1,706)	(3,124)	(4,039)
Reclassification adjustments relating to foreign operations liquidated and disposed in the period		11,286	-	11,286	282
Other comprehensive profit/(loss) for the period		14,505	(1,706)	8,162	(3,757)
Total comprehensive income for the period		16,595	26,949	61,118	72,113
Total comprehensive income attributable to:					
Equity holders of the parent		16,353	26,900	61,224	72,128
Non-controlling interests		243	49	(105)	(15)
		16,595	26,949	61,118	72,113

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(in thousands of US$)

	Note	As at 31 December 2023 US$	As at 31 December 2022 US$
ASSETS			
Non-current assets			
Property, plant and equipment	9	66,933	50,313
Intangible assets	10	1,700	1,077
Investment property	11	3,571	4,404
Equity-accounted investees	12	5,075	1,640
Goodwill	27	608	372
Financial assets at fair value through other comprehensive income	29	2,376	1,515
Financial assets at fair value through profit and loss	30	528	-
Deferred tax assets	20	473	285
Total non-current assets		81,264	59,606
Current assets			
Inventories	13	413,775	514,804
Trade receivables	14	346,123	328,931
Other current assets	15	27,116	23,586
Derivative financial asset	25	125	413
Current taxation	8	515	1,588
Cash at bank and in hand	26	143,560	134,598
Total current assets		931,214	1,003,920
Total assets		1,012,478	1,063,526
EQUITY AND LIABILITIES			
Equity			
Share capital	16	11,100	11,100
Share premium		23,872	23,721
Retained earnings and other components of equity		245,796	208,650
Equity attributable to owners of the parent		280,768	243,471
Non-controlling interests		444	709
Total equity		281,212	244,180
Non-current liabilities			
Long-term borrowings	18	14,663	9,183
Other long-term liabilities		935	859
Deferred tax liabilities	20	119	120
Total non-current liabilities		15,717	10,162
Current liabilities			
Trade payables and prepayments	22	349,683	417,976
Trade payables factoring facilities		41,822	18,024
Other current liabilities	21	122,203	164,023
Short-term borrowings	17	196,993	205,296
Derivative financial liability	24	702	263
Current taxation	8	4,146	3,602
Total current liabilities		715,549	809,184
Total liabilities		731,266	819,346
Total equity and liabilities		1,012,478	1,063,526

The financial statements were approved by the Board of Directors on the 28th of February 2024.

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Siarhei Kostevitch
Director

Marios Christou
Director

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2023
(in thousands of US$)

	Attributable to the owners of the parent							
	Share capital US$	Share premium US$	Treasury stock US$	Translation of foreign operations US$	Retained earnings US$	Total US$	Non-controlling interests US$	Total US$
Balance at 1 January 2022	11,100	23,721	-	(12,431)	166,520	188,910	554	189,464
Profit for the period 1 January 2022 to 31 December 2022	-	-	-	-	75,867	75,867	3	75,870
Other comprehensive loss for the period 1 January 2022 to 31 December 2022	-	-	-	(3,739)	-	(3,739)	(18)	(3,757)
Increase of share capital of subsidiary with non-controlling interest	-	-	-	-	-	-	170	170
Acquisition of treasury shares	-	-	(996)	-	-	(996)	-	(996)
Payment of final dividend	-	-	-	-	(16,571)	(16,571)	-	(16,571)
Balance at 31 December 2022	11,100	23,721	(996)	(16,170)	225,816	243,471	709	244,180
Profit/(loss) for the period 1 January 2023 to 31 December 2023	-	-	-	-	53,048	53,048	(92)	52,956
Other comprehensive profit/(loss) for the period 1 January 2023 to 31 December 2023	-	-	-	8,176	-	8,176	(14)	8,162
Acquisition of non-controlling interest without a change in control	-	-	-	-	(99)	(99)	(130)	(229)
Treasury shares sold	-	151	996	-	-	1,147	-	1,147
Payment of final dividend	-	-	-	-	(24,975)	(24,975)	(29)	(25,004)
Balance at 31 December 2023	11,100	23,872	-	(7,994)	253,790	280,768	444	281,212

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

	Note	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Profit for the period before tax and non-controlling interest		4,354	33,255	64,969	91,046
Adjustments for:					
Exchange difference arising on consolidation		13,725	(2,824)	7,888	(2,765)
Depreciation of property, plant and equipment	9	1,918	1,397	6,995	4,554
Amortization of intangible assets	10	100	315	678	1,203
Depreciation of investment property	11	9	15	54	30
Provision for slow moving and obsolete stock		(920)	894	2,225	2,740
Share of loss of equity-accounted investees	12	297	76	237	162
(Profit)/loss from the disposal of property, plant and equipment and intangible assets	5	(189)	47	(2,934)	48
Profit from disposal of investment property	5	-	-	(3,515)	-
Loss/(profit) from disposal of subsidiaries		1,149	-	1,149	(1)
Provision for bad debts and receivables written off		2,384	(858)	3,171	1,029
Impairment loss of non-trade receivable		9,908	-	9,908	-
Bad debts recovered	5	-	(5)	(2)	(7)
Interest received	7	(206)	(336)	(625)	(999)
Interest paid		4,406	3,612	16,772	11,387
Operating profit before working capital changes		36,935	35,588	106,970	108,427
Decrease/(increase) in inventories		65,308	(175,748)	81,064	(192,983)
Decrease/(increase) in trade receivables		6,990	(136)	(36,263)	22,321
Increase in other current assets		(10,869)	(1,512)	(6,788)	(11,848)
(Decrease)/increase in trade payables		(2,976)	91,612	(47,821)	31,688
Increase/(decrease) in trade payables factoring facilities		8	2,171	23,799	(10,274)
(Decrease)/increase in other current liabilities		(5,435)	25,524	(39,807)	34,697
(Decrease)/increase in other non-current liabilities		167	23	269	68
(Decrease)/increase in factoring creditors		(3,557)	1,258	(9,493)	(10,857)
Cash inflows/(outflows) from operations		86,571	(21,221)	71,930	(28,761)
Interest paid	7	(4,103)	(3,405)	(15,724)	(10,886)
Taxation paid, net	8	196	(6,014)	(10,795)	(16,401)
Net cash inflows/(outflows) from operating activities		82,664	(30,640)	45,411	(56,048)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

	Note	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Cash flows from investing activities					
Purchase of intangible assets	10	(407)	(39)	(1,299)	(400)
Purchase of property, plant and equipment		(3,975)	(2,579)	(16,384)	(11,109)
Acquisition of investment property		(7)	-	(7)	-
Payments for acquisition of subsidiaries		3	-	(377)	-
Payments for purchase of investments in associates		(2,611)	(1,515)	(3,472)	(1,568)
Net proceeds from disposal of subsidiaries		-	-	-	14
Net cash disposed of from disposal of subsidiaries		396	-	396	188
Net cash acquired from acquisition of subsidiaries		-	-	1,213	-
Increase of share capital of subsidiary with non-controlling interest		-	-	-	170
Net payment from acquisition of financial assets at fair value through other comprehensive income		(862)	-	(862)	-
Net payment from acquisition of financial assets at fair value through profit and loss		(528)	-	(528)	-
Acquisition of non-controlling interest without a change in control		(199)	-	(230)	-
Proceeds/(write-offs) from disposal of property, plant and equipment and intangible assets		271	(43)	4,913	631
(Acquisition)/proceeds from disposal of investment property		-	-	4,302	-
Interest received	7	206	336	625	999
Net cash outflows from investing activities		(7,713)	(3,840)	(11,710)	(11,075)
Cash flows from financing activities					
Disposal/(acquisition) of treasury shares		20	-	1,148	(996)
Payment of final dividend		(11,100)	(11,034)	(24,975)	(16,571)
(Repayments)/proceeds of long-term loans and long-term lease liabilities		(207)	290	(2,271)	(1,190)
Acquisition of non-controlling interest		-	-	(130)	-
Proceeds of short-term borrowings and short-term lease liabilities		16,884	28,191	8,481	27,312
Net cash inflows/(outflows) from financing activities		5,597	17,447	(17,747)	8,555
Net increase/(decrease) in cash and cash equivalents		80,548	(17,033)	15,954	(58,568)
Cash and cash equivalents at beginning of the period		27,758	109,385	92,352	150,920
Cash and cash equivalents at end of the period	26	108,306	92,352	108,306	92,352

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

1. Incorporation and principal activities

Asbisc Enterprises Plc (the "Company or "the parent Company") was incorporated in Cyprus on the 9th of November 1995 with limited liability. The Group's and the Company's principal activity is the trading and distribution of computer hardware and software in a number of geographical regions as disclosed in note 23. The main shareholder of the Company is K.S. Holdings Limited, a Company incorporated in Cyprus.

The Company is listed on the Warsaw Stock Exchange since the 30th of October 2007.

2. Basis of preparation

(a) Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements and they should be read in conjunction with the audited financial statements for the year ended 31 December 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2022.

These interim financial statements were authorized for issue by the Company's Board of Directors on the 28th of February 2024.

(b) Use of judgments and estimates

Preparing the interim financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

3. Significant accounting policies

The accounting policies adopted for the preparation of the condensed consolidated interim financial statements for the twelve months ended 31 December 2023 are consistent with those followed for the preparation of the annual financial statements for the year 2022 except for the adoption by the Group of all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on 1 January 2023. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

4. Revenue

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Sales of goods	887,577	772,347	3,037,010	2,654,543
Sales of optional warranty	214	300	799	442
Sales of licenses	3,844	5,845	16,777	29,296
Rendering of services	1,655	1,837	6,642	5,758
	893,290	780,329	3,061,228	2,690,039

Effect of seasonality

The Group's revenue and consequently its profitability are significantly lower during the first half of the year. The seasonality is driven by increased household expenditure during the Christmas period as well as the commencement of the academic period during the second half of the year resulting in a positive effect on demand for the Group's products.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

5. Other gains and losses

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Profit/(loss) on disposal of property, plant and equipment	189	(47)	2,934	(48)
Profit from disposal of investment property	-	-	3,515	-
Loss from disposal of subsidiaries (Note 31.2)	(1,149)	-	(1,149)	-
Other income	78	202	463	636
Bad debts recovered	-	5	2	7
Impairment loss of non-trade receivable (i)	(9,908)	-	(9,908)	-
Rental income	45	141	353	353
	(10,745)	301	(3,790)	948

(i) The impairment loss of non-trade receivable resulted from the disposal of ASBIS OOO (Russia).

6. Profit before tax

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Profit before tax is stated after charging:				
(a) Amortization of intangible assets (Note 10)	100	315	678	1,203
(b) Depreciation (Note 9)	1,918	1,397	6,995	4,554
(c) Depreciation of investment property (Note 11)	9	15	54	30
(d) Auditors' remuneration	181	125	574	536
(e) Directors’ remuneration – executive (Note 28)	515	456	1,753	1,650
(f) Directors’ remuneration – non-executive (Note 28)	28	6	74	25

7. Financial expense, net

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Financial income				
Interest income	206	336	625	999
Other financial income	309	1,200	1,737	3,365
Net exchange gain	513	1,389	357	878
	1,028	2,925	2,719	5,242
Financial expense				
Bank interest	4,103	3,405	15,724	10,886
Bank charges	1,607	1,303	5,702	4,617
Derivative charges	115	251	616	798
Interest on lease liabilities	303	208	1,048	501
Factoring interest	1,837	2,343	8,736	7,478
Factoring charges	134	69	412	276
Other financial expenses	56	33	116	112
Other interest	841	282	2,576	1,026
	8,996	7,894	34,930	25,694
Realized foreign exchange loss relating to foreign operations liquidated and disposed	11,286	-	11,286	282
	20,282	7,894	46,216	25,976
Net	(19,254)	(4,969)	(43,497)	(20,734)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

8. Tax

	As at 31 December 2023 US$	As at 31 December 2022 US$
Payable balance 1 January	2,014	3,464
Provision for the year	12,632	15,223
Over provision of prior years	(449)	(51)
Exchange difference on retranslation	229	(221)
Amounts paid, net	(10,795)	(16,401)
Net payable balance 31 December	3,631	2,014

	As at 31 December 2023 US$	As at 31 December 2022 US$
Tax receivable	(515)	(1,588)
Tax payable	4,146	3,602
Net	3,631	2,014

The consolidated taxation charge for the period consists of the following:

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Provision for the period	2,400	4,624	12,632	15,223
Over provision of prior years	(2)	-	(449)	(51)
Deferred tax charge (Note 20)	(134)	(24)	(170)	4
Charge for the period	2,264	4,600	12,013	15,176

The taxation charge of the Group comprises corporation tax charge in Cyprus on the taxable profits of the Company and those of its subsidiaries which are subject to tax in Cyprus and corporation tax in other jurisdictions on the results of the foreign subsidiary companies.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023
(in thousands of US$)

9. Property, plant and equipment

	Land and buildings US$	Assets under construction US$	Computer hardware US$	Warehouse machinery US$	Motor vehicles US$	Furniture and fittings US$	Office equipment US$	Total US$
Cost								
At 1 January 2022	35,850	7,249	8,800	795	4,485	3,830	4,600	65,609
Additions	8,923	2,992	1,368	52	726	1,617	1,784	17,462
Disposals/write-offs	(382)	-	(2,672)	(3)	(695)	(867)	(848)	(5,467)
Transfers	4,125	(9,926)	-	-	-	-	-	(5,801)
Foreign exchange difference on retranslation	(430)	-	(258)	(1)	(77)	(330)	(211)	(1,307)
At 31 December 2022	48,086	315	7,238	843	4,439	4,250	5,325	70,496
Additions	15,181	790	2,341	280	1,118	2,103	3,269	25,082
Disposals/write-offs	(2,887)	-	(1,697)	(39)	(431)	(956)	(611)	(6,621)
Transfers	121	(121)	-	-	-	-	-	-
Foreign exchange difference on retranslation	365	-	9	5	-	(3)	296	672
At 31 December 2023	60,866	984	7,891	1,089	5,126	5,394	8,279	89,629
Accumulated depreciation								
At 1 January 2022	7,710	-	6,173	488	2,167	2,381	2,966	21,885
Charge for the year	1,999	-	811	84	734	461	465	4,554
Disposals/write-offs	(99)	-	(2,604)	(1)	(434)	(804)	(848)	(4,790)
Transfers	(1,367)	-	-	-	-	-	-	(1,367)
Foreign exchange difference on retranslation	(173)	-	108	(1)	(71)	161	(123)	(99)
At 31 December 2022	8,070	-	4,488	570	2,396	2,199	2,460	20,183
Charge for the period	3,557	-	1,167	109	725	534	903	6,995
Disposals/write-offs	(1,787)	-	(1,601)	(27)	(386)	(553)	(290)	(4,644)
Foreign exchange difference on retranslation	61	-	21	10	22	34	14	162
At 31 December 2023	9,901	-	4,075	662	2,757	2,214	3,087	22,696
Net book value								
At 31 December 2023	50,965	984	3,816	427	2,369	3,180	5,192	66,933
At 31 December 2022	40,016	315	2,750	273	2,043	2,051	2,865	50,313

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

9. Property, plant and equipment (continued)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Land and buildings US$	Warehouse machinery US$	Motor vehicles US$	Total US$
Balance at 1 January 2022	8,287	26	1,099	9,412
Depreciation charge for the year	(1,625)	(6)	(400)	(2,031)
Additions to right of use assets	6,155	-	234	6,389
Derecognition of right of use assets	(36)	-	-	(36)
Foreign exchange difference on retranslation	(99)	(2)	(118)	(219)
Balance at 31 December 2022	12,682	18	815	13,515
Depreciation charge for the period	(2,892)	(5)	(381)	(3,278)
Additions to right of use assets	8,524	-	413	8,937
Foreign exchange difference on retranslation	71	(13)	(38)	20
Balance at 31 December 2023	18,385	-	809	19,194

The Group leases offices, warehouses and stores in various locations throughout the countries of operation. In addition, the Group leases motor vehicles for business use and employee commuting, as well as some warehouse machinery for warehouse operations.

The total cash outflows for the leases related to the above right-of-use assets were US$ 3,321 (2022: US$ 2,252).

10. Intangible assets

	Computer software US$	Patents and licenses US$	Total US$
Cost			
At 1 January 2022	11,008	1,690	12,698
Additions	335	65	400
Disposals/write-offs	(2,198)	(338)	(2,536)
Foreign exchange difference on retranslation	(37)	46	9
At 31 December 2022	9,108	1,463	10,571
Additions	166	1,133	1,299
Disposals/write-offs	(16)	(16)	(32)
Foreign exchange difference on retranslation	63	1	64
At 31 December 2023	9,321	2,581	11,902
Accumulated amortization			
At 1 January 2022	9,554	1,241	10,795
Charge for the year	1,050	153	1,203
Disposals/write-offs	(2,198)	(336)	(2,534)
Foreign exchange difference on retranslation	(11)	41	30
At 31 December 2022	8,395	1,099	9,494
Charge for the period	569	109	678
Disposals/write-offs	(16)	(16)	(32)
Foreign exchange difference on retranslation	58	4	62
At 31 December 2023	9,006	1,196	10,202
Net book value			
At 31 December 2023	315	1,385	1,700
At 31 December 2022	713	364	1,077

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

11. Investment Property

	Land and buildings US$
Cost	
At 1 January 2022	-
Transfer	5,801
At 31 December 2022	5,801
Additions	7
Disposals	(1,617)
At 31 December 2023	4,191
Accumulated amortization	
At 1 January 2022	-
Charge for the year	30
Transfers	1,367
At 31 December 2022	1,397
Charge for the period	54
Disposals	(831)
At 31 December 2023	620
Net book value	
At 31 December 2023	3,571
At 31 December 2022	4,404

During the year ended 31 December 2022, the Group decided to change the use of two properties from owner-occupied to investment property. The properties are leased to third parties under operating leases with rentals payable monthly.

12. Equity-accounted investees

	As at 31 December 2023 US$	As at 31 December 2022 US$
Cost		
At 1 January	1,843	1,790
Additions (i), (ii), (iii), (iv)	3,672	53
At 31 December	5,515	1,843
Accumulated share of loss from equity-accounted investees		
At 1 January	(203)	(41)
Share of loss from equity-accounted investees during the year	(237)	(162)
At 31 December	(440)	(203)
Carrying amount of equity-accounted investees	5,075	1,640

(i) In December 2023, the Company acquired additional 6% shareholding in Displayforce Global Ltd (Cyprus), for the consideration of US$ 1,921.

(ii) In December 2023, the Company acquired 20% shareholding in Blend Energy Ltd (Cyprus), for the consideration of US$ 1,313.

(iii) In November 2023, the Company acquired 20% shareholding in Autonomics Tech Ltd (Cyprus), for the consideration of US$ 438.

(iv) In May 2022, the Company acquired 20% shareholding in Displayforce Global Ltd (Cyprus), for the consideration of US$ 53.

(v) The loan granted to associate LLC Clevetura, borne interest of 4% p.a. and has been repaid during 2022. In addition, the Group, for the period ending 31 December 2023, acquired services for the total amount of US$ 250 (2022: US$ 532) from this associate.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

13. Inventories

	As at 31 December 2023 US$	As at 31 December 2022 US$
Trading goods (i)	411,788	513,418
Land development (ii)	1,987	1,386
	413,775	514,804

(i) Trading goods

	As at 31 December 2023 US$	As at 31 December 2022 US$
Goods held for resale	367,557	449,733
Goods in transit	53,836	71,069
Provision for slow moving and obsolete stock	(9,605)	(7,384)
	411,788	513,418

As at 31 December 2023, inventories pledged as security for financing purposes amounted to US$ 59,287 (2022: US$ 82,547).

Movement in provision for slow moving and obsolete stock

	As at 31 December 2023 US$	As at 31 December 2022 US$
On 1 January	7,384	4,746
Provisions for the year	2,845	3,294
Provided stock written-off	(620)	(554)
Foreign exchange difference on retranslation	(4)	(102)
On 31 December	9,605	7,384

(ii) Land development

	As at 31 December 2023 US$	As at 31 December 2022 US$
Land - Not under development yet	1,604	1,386
Buildings - work in progress	383	-
	1,987	1,386

During the year ended 31 December 2022, the Group acquired two plots of land in Cyprus for a housing complex development. During the year ended 31 December 2023, the Group acquired an additional plot of land for the same reason. As at 31 December 2023, the project is in progress.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

14. Trade receivables

	As at 31 December 2023 US$	As at 31 December 2022 US$
Trade receivables	344,815	313,503
Prepayments to trade vendors	7,372	18,759
Allowance for doubtful debts	(6,064)	(3,331)
	346,123	328,931

Movement in provision for doubtful debts:

	As at 31 December 2023 US$	As at 31 December 2022 US$
On 1 January	3,331	2,379
Provisions for the year	3,859	1,269
Amount written-off as uncollectible	(688)	(240)
Bad debts recovered	(2)	(7)
Foreign exchange difference	(436)	(70)
On 31 December	6,064	3,331

As at 31 December 2023, the receivables of the Group that have been assigned as security for financing purposes amounted to US$ 67,507 (2022: US$ 80,040).

15. Other current assets

	As at 31 December 2023 US$	As at 31 December 2022 US$
VAT and other taxes refundable	10,831	16,253
Other debtors and prepayments	15,826	6,780
Deposits and advances to service providers	230	386
Employee floats	229	167
	27,116	23,586

16. Share capital

	As at 31 December 2023 US$	As at 31 December 2022 US$
Authorized		
63,000,000 (2022: 63,000,000) shares of US$ 0.20 each	12,600	12,600
Issued and fully paid		
55,500,000 (2022: 55,500,000) ordinary shares of US$ 0.20 each	11,100	11,100

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

16. Share capital (continued)

Following an extraordinary general meeting of the shareholders on 28th March 2022, a share buyback program with the following conditions was approved:

- the maximum amount of money that can be used to realize the program is US$ 1,000,000
- the maximum number of shares that can be bought within the program is 2,000,000 shares
- the program's time frame is 12 months from the resolution date
- the shares purchased within the program could be held for a maximum of two years from acquisition
- the minimum price for transaction of purchase of shares within the program is PLN 1.0 per share with the maximum price of PLN 30.0 per share

At the end of the period 31 December 2023 the Company held no shares (2022: 328,800).

17. Short-term borrowings

	As at 31 December 2023 US$	As at 31 December 2022 US$
Bank overdrafts (Note 26)	35,254	42,246
Current portion of long-term loans	633	224
Bank short-term loans	105,133	98,146
Current lease liabilities (Note 19)	3,179	2,393
Total short-term debt	144,199	143,009
Factoring creditors	52,794	62,287
	196,993	205,296

Summary of borrowings and overdraft arrangements

As at 31 December 2023 the Group had factoring facilities of US$ 104,828 (2022 US$ 199,952).

In addition, the Group as at 31 December 2023 had the following financing facilities with banks in the countries that the Company and its subsidiaries operate:

- overdraft lines of US$ 99,846 (2022: US$ 100,237)
- short-term loans/revolving facilities of US$ 135,181 (2022: US$ 133,686)
- bank guarantee and letters of credit lines of US$ 48,008 (2022: US$ 41,960)

The Group had for the period ended 31 December 2023 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the period was 11.9% (2022: 10.5%).

The factoring, overdraft and revolving facilities as well as the loans granted to the Company and its subsidiaries by their bankers are secured by:

- Floating charges over all assets of the Company
- Mortgage on land and buildings that the Group owns in Cyprus, Belarus, Middle East, Bulgaria, Slovakia and Ukraine
- Charge over receivables and inventories
- Corporate guarantees
- Assignment of insurance policies
- Pledged deposits of US$ 27,138 (2022: US$ 20,822).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

18. Long-term borrowings

	As at 31 December 2023 US$	As at 31 December 2022 US$
Bank loans	436	553
Non-current lease liabilities (Note 19)	14,227	8,630
	14,663	9,183

19. Lease liabilities

	As at 31 December 2023 US$	As at 31 December 2022 US$
Current lease liabilities (Note 17)	3,179	2,393
Non-current lease liabilities (Note 18)	14,227	8,630
	17,406	11,023

20. Deferred tax

	As at 31 December 2023 US$	As at 31 December 2022 US$
Debit balance on 1 January	(165)	(127)
Deferred tax (charge)/credit for the year (Note 8)	(170)	4
Exchange difference on retranslation	(19)	(42)
At 31 December	(354)	(165)

	As at 31 December 2023 US$	As at 31 December 2022 US$
Deferred tax assets	(473)	(285)
Deferred tax liabilities	119	120
Net deferred tax assets	(354)	(165)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

21. Other current liabilities

	As at 31 December 2023 US$	As at 31 December 2022 US$
Salaries payable and related costs	5,355	4,305
VAT payable	11,793	8,854
Provision for warranties	5,203	7,465
Accruals, deferred income and other provisions	68,601	107,213
Provision for marketing	23,273	30,182
Non-trade accounts payable	7,978	6,004
	122,203	164,023

22. Trade payables and prepayments

	As at 31 December 2023 US$	As at 31 December 2022 US$
Trade payables	335,869	400,283
Prepayments from customers	13,814	17,693
	349,683	417,976

23. Operating segments

1.1 Reportable segments

The Group mainly operates in a single industry segment as a distributor of IT products. Information reported to the chief operating decision maker for the purposes of allocating resources to the segments and to assess their performance is based on geographical locations. The Group operates in four principal geographical areas – the Former Soviet Union, Eastern Europe, Western Europe and Middle East & Africa.

There are varying levels of integration between the segments and includes distribution of IT products and services. Inter-segment pricing is determined on an arm's length basis.

1.2 Segment revenues

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Former Soviet Union	448,879	417,259	1,563,280	1,407,196
Central Eastern Europe	261,662	192,521	791,026	653,643
Middle East & Africa	107,640	107,851	425,652	407,717
Western Europe	68,594	57,723	257,372	183,088
Other	6,515	4,975	23,898	38,395
	893,290	780,329	3,061,228	2,690,039

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023
(in thousands of US$)

23. Operating segments (continued)

1.3 Segment results

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Former Soviet Union	17,556	21,983	51,748	54,422
Central Eastern Europe	2,651	8,191	26,355	26,946
Western Europe	8,095	2,693	13,074	8,151
Middle East & Africa	6,469	7,169	20,691	21,056
Other	(121)	(2,037)	625	419
Profit from operations	34,650	37,999	112,493	110,994
Net financial expenses	(19,254)	(4,969)	(43,497)	(20,734)
Other gains and losses	(10,745)	301	(3,790)	948
Share of loss from equity-accounted investees	(297)	(76)	(237)	(162)
Profit before taxation	4,354	33,255	64,969	91,046

1.4 Segment capital expenditure (CAPEX)

	As at 31 December 2023 US$	As at 31 December 2022 US$
Cyprus	29,124	27,541
Former Soviet Union	13,037	10,407
Central Eastern Europe	17,570	14,510
Middle East & Africa	11,503	3,677
Western Europe	472	3
Unallocated	1,106	28
	72,812	56,166

1.5 Segment depreciation and amortization

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Cyprus	718	579	2,949	2,179
Former Soviet Union	634	391	2,358	1,831
Central Eastern Europe	500	386	1,940	1,570
Middle East & Africa	129	49	382	197
Western Europe	25	-	73	-
Other	21	2	25	10
	2,027	1,407	7,727	5,787

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

23. Operating segments (continued)

1.6 Segment assets

	As at 31 December 2023 US$	As at 31 December 2022 US$
Former Soviet Union	436,644	408,154
Central Eastern Europe	173,688	118,280
Western Europe	173,974	210,638
Middle East & Africa	139,514	227,291
Total	923,820	964,363
Assets allocated in capital expenditure (1.4)	72,812	56,166
Other unallocated assets	15,846	42,997
Consolidated assets	1,012,478	1,063,526

For the purposes of monitoring segment performance and allocating resources between segments, only assets were allocated to the reportable segments. As the Group liabilities are mainly used jointly by the reportable segments, these were not allocated to each segment.

1.7 Geographical information

Since the Group's operating segments are based on geographical location and this information has been provided above (1.2 – 1.6) no further analysis is included.

24. Derivative financial liability

	As at 31 December 2023 US$	As at 31 December 2022 US$
Derivative financial liabilities carried at fair value through profit or loss		
Foreign currency derivative contracts	702	263

25. Derivative financial asset

	As at 31 December 2023 US$	As at 31 December 2022 US$
Derivative financial assets carried at fair value through profit or loss		
Foreign currency derivative contracts	125	413

26. Cash and cash equivalents

	As at 31 December 2023 US$	As at 31 December 2022 US$
Cash at bank and in hand	143,560	134,598
Bank overdrafts (Note 17)	(35,254)	(42,246)
	108,306	92,352

The cash at bank and in hand balance includes an amount of US$ 27,138 (2022: US$ 20,822) which represents pledged deposits against financial facilities granted and margin accounts for foreign exchange hedging.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023
(in thousands of US$)

27. Goodwill

1.a. Acquired assets and liabilities

The net carrying value of underlying separately identifiable assets and liabilities transferred to the Group at the date of acquisition was as follows:

	As at 31 December 2023 US$	As at 31 December 2022 US$
Tangible and intangible assets	1	-
Inventories	733	-
Receivables	1,839	-
Other receivables	150	-
Short-term loans	(10)	-
Payables	(340)	-
Other payables and accruals	(3,369)	-
Cash and cash equivalents	1,213	-
Net identifiable assets	**217**	**-**
Group's interest in net assets acquired	**176**	**-**
Total purchase consideration	(380)	-
Goodwill capitalized in statement of financial position	**204**	**-**

1.b. Goodwill arising on acquisitions

	As at 31 December 2023 US$	As at 31 December 2022 US$
At 1 January	372	595
Additions (i)	204	-
Disposals	-	(201)
Foreign exchange difference on retranslation	32	(22)
At 31 December	608	372

(i) During the period, goodwill of US$ 204 was recognized from the acquisition of ASBIS Africa Proprietary Limited.

The capitalized goodwill arose from the business combinations of the following subsidiaries:

	As at 31 December 2023 US$	As at 31 December 2022 US$
ASBIS d.o.o. (BA)	386	372
ASBIS Africa Proprietary Limited	222	-
	608	372

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

28. Transactions and balances of key management

	For the three months ended 31 December 2023 US$	For the three months ended 31 December 2022 US$	For the twelve months ended 31 December 2023 US$	For the twelve months ended 31 December 2022 US$
Director's remuneration - executive (Note 6)	515	456	1,753	1,650
Director's remuneration - non-executive (Note 6)	28	6	74	25
	543	462	1,827	1,675

29. Financial assets at fair value through other comprehensive income

Name	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 31 December 2023 US$	As at 31.December 2022 US$
Promed Bioscience Ltd	Cyprus	16.0%	808	-	808	808
RSL Revolutionary Labs Ltd	Cyprus	15.5%	707	-	707	707
Theramir Ltd	Cyprus	4.5%	861	-	861	-
			2,376	-	2,376	1,515

30. Financial assets at fair value through profit and loss

Name	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 31 December 2023 US$	As at 31.December 2022 US$
KV Kinisis Ventures fund Raif V.V.I.V PLC	Cyprus	-	528	-	528	-

31. Business combinations

1. Acquisitions

1.1 Incorporations and acquisitions of subsidiaries to 31 December 2023

During the period the Group has acquired and incorporated the following subsidiaries.

Name of entity	Type of operations	Date acquired	% acquired	% owned
Breezy Trade-In Ltd (Cyprus)	Information Technology	30 May 2023	11.15%	91.15%
ASBIS Africa Proprietary Limited (South Africa)	Information Technology	01 June 2023	81%	100%

Name of entity	Type of operations	Date incorporated	% incorporated	% owned
ASBIS Georgia LLC (Georgia)	Information Technology	02 June 2023	100%	100%
ASBIS AM LLC (Armenia)	Information Technology	06 June 2023	100%	100%
ASBIS s.r.l. (Moldova)	Information Technology	16 June 2023	100%	100%
ASBIS AZ LLC (Azerbaijan)	Information Technology	20 June 2023	100%	100%
ASBC Morocco (Morocco)	Information Technology	20 June 2023	100%	100%
Sarovita Ltd (Cyprus)	Information Technology	25 December 2023	100%	100%
ASBC SA (South Africa)	Information Technology	25 December 2023	100%	100%

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

(in thousands of US$)

31. Business combinations (continued)

Incorporations of subsidiaries to 31 December 2022

During the year the Group has incorporated the following subsidiaries:

Name of entity	Type of operations	Date incorporated	% acquired/ incorporated	% owned
ACEAN.PL Sp. z.o.o (Poland)	Information Technology	12 April 2022	100%	100%
Entoliva Ltd (Cyprus)	Land Development	8 August 2022	100%	100%
ASBC SRL (Moldova)	Information Technology	8 November 2022	100%	100%
Breezy Poland (Poland)	Information Technology	18 November 2022	100%	100%
ASBIS Hellas Single Member S.A. (Greece)	Information Technology	18 November 2022	100%	100%
Prestigio Plaza Kft. (Hungary)	Information Technology	24 November 2022	100%	100%
Breezy-M SRL (Moldova)	Information Technology	8 December 2022	100%	100%

2. Disposals

Liquidation and disposals of subsidiaries to 31 December 2023

During the year, ASBIS PL SP. z o.o. and I.O. Clinic Latvia SIA has been disposed of and a gain of US$ 1 and US$ 9 respectively arose on the events. In addition, ASBIS OOO was disposed of and a loss of US$1,159 arose on the event.

Name of entity	Type of operations	Date liquidated	% sold
ASBIS PL SP. z o.o. (Poland)	Information Technology	25 October 2023	100%

Name of entity	Type of operations	Date disposed	% sold
ASBIS OOO (Russia)	Information Technology	31 October 2023	100%
I.O. Clinic Latvia SIA (Latvia)	Information Technology	21 December 2023	100%

Liquidations and disposals of subsidiaries to 31 December 2022

During the year, the following subsidiaries have been liquidated and disposed of and a gain of US$ 1 arose on the events.

Name of entity	Type of operations	Date liquidated	% liquidated
Private Educational Institution "Center of excellence in Education for executives and specialists in Information Technology (Belarus)	Information Technology	19 May 2022	100%

Name of entity	Type of operations	Date disposed	% sold
LLC Must (Russia)	Information Technology	29 July 2022	100%

32. Commitments and contingencies

As at 31 December 2023 the Group was committed in respect of purchases of inventories of a total cost value of US$ 36,552 (2022: US$ 32,603) which were in transit at 31 December 2023 and delivered in January 2024. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of purchase, title of the goods has not passed to the Group at period end.

As at 31 December 2023 the Group was contingently liable to banks in respect of bank guarantees and letters of credit of US$ 48,008 (2022: US$ 41,960) (note 17) which the Group has extended to its suppliers and other counterparties.

As at 31 December 2023 the Group had no other capital or legal commitments and contingencies.

33. Fair values

Financial instruments comprise financial assets and financial liabilities. Financial assets mainly consist of bank balances, receivables and investments. Financial liabilities mainly consist of trade payables, factoring balances, bank overdrafts and loans. The Directors consider that the carrying amount of the Group's financial instruments approximate their fair value at the reporting date. Financial assets and financial liabilities carried at fair value through profit or loss represent foreign currency derivative contracts categorized as a Level 2 (inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).