

EKSPRESS GRUPP



CONSOLIDATED INTERIM REPORT FOR Q4 AND 12 MONTHS OF 2022

January - December
(unaudited)

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MANAGEMENT REPORT

SUMMARY OF RESULTS

Q4 2022 in comparison with Q4 2021 (continuing operations):

- **Sales revenue** EUR 19.2 million (EUR 15.9 million) +20%
- **The share of digital revenue** of group's revenue 80% (79%)
- **EBITDA** EUR 3.8 million (EUR 3.2 million) +19%
- **Net profit** EUR 2.4 million (EUR 2.3 million) +6%
- **Earnings per share** EUR 0.0801 (EUR 0.0760) +5%

12 months 2022 in comparison with 12 months 2021 (continuing operations):

- **Sales revenue** EUR 64.1 million (EUR 53.5 million) +20%
- **The share of digital revenue** of group's revenue 78% (76%)
- **Digital subscriptions** in Baltics 147 thousand (131 thousand) +12%
- **EBITDA** EUR 8.9 million (EUR 8.2 million) +8%
- **Net profit** EUR 4.1 million (EUR 4.1 million) 0%
- **Earnings per share** EUR 0.1335 (EUR 0.1362) -2%

MANAGEMENT'S COMMENTS

In the 4th quarter of 2022, the revenue of AS Ekspress Grupp totalled EUR 19.2 million and net profit totalled EUR 2.4 million. The revenue for the 12-month period totalled EUR 64.1 million, increasing by 20% as compared to the previous year. The net profit for the 12-month period totalled EUR 4.1 million which is at the same level as in the previous year. Digital revenue increased by 23% and digital revenue made up 78% of the Group's total revenue at the end of December.

The Group's performance in 2022 was solid, despite the extremely unstable environment and the related effects in the economy. The Group's revenue in the 4th quarter grew strongly as compared to the same period in 2021. The consolidated revenue for the quarter totalled EUR 19.2 million (Q4 2021: EUR 15.9 million), increasing by 20% as compared to the previous year. The Group's online advertising sales continued to grow at the time when the total market did not increase. The Group's media companies managed to successfully increase their sales as opposed to their competitors by offering better solutions to their advertising customers in reaching consumers. 12-month revenue totalled EUR 64.1 million, also increasing by 20% as compared to the previous year. In addition to advertising sales, 12-month revenue was also boosted by the higher number of digital subscriptions and the growth in the average price of both paper as well as digital products. Demand for the events offered through the Group's ticket business platforms also picked up. The sales volumes of outdoor screens increased due to the more extensive digital outdoor screen network where 27 new screens were added.

The number of digital subscriptions of AS Ekspress Grupp increased by 12% year-over-year by the end of December 2022 and totalled 146.6 thousand subscriptions. The number of digital subscriptions continued to grow rapidly, which is a proof that the paid content model is sustainable and has an increasingly more important role on the revenue side of the Group's media companies. Despite the fact that the expenses of the people in the Baltic States are being more scrutinized due to inflation and general price rally, reader's interest in independent journalism remained high because of the disturbing events last year. Delfi's solid market leadership position in all Baltic States makes readers prefer the portal with the most comprehensive content.

**Digital revenue
growth of 23%**

The earnings before interest, tax, depreciation and amortisation (EBITDA) of Ekspress Grupp totalled EUR 3.8 million in the 4th quarter and EUR 8.9 million over the 12-month period. EBITDA increased both in the 4th quarter as well as over the 12-month period, by 19% and 8%, respectively. The Group has found it challenging to maintain its EBITDA margin due to the growth in input prices (primarily paper, printing and energy costs) and the general pressure from the economic environment on wage costs. Still, given the cost pressures, we are satisfied that due to revenue growth, we managed to maintain the 12-month EBITDA margin at around 14% (12 months 2021: 15%). The ability to maintain profitability and react quickly, especially if market developments are longer term than shown by current forecasts, will remain key topics for the Group in subsequent periods.

The consolidated net profit in the 4th quarter of 2022 totalled EUR 2.4 million and 12-month net profit totalled EUR 4.1 million. 12-month net profit remained at the same level (12 months 2021: EUR 4.1 million). Despite the Group demonstrating moderate, 8% EBITDA growth, net profit stayed at the same level as in 2021. The higher loss of the joint venture AS Express Post for the period and the increase of the Group's depreciation charge due to higher capital expenditures as compared to the same period last year had a negative impact on the Group's net profit in 2022. In addition, the revenue for 2021 included one-off finance income in the amount of EUR 0.4 million for fair value adjustment of the future commitment related the purchase price of the ticket sales platform.

In December 2022, the Group acquired a 100% ownership interest in one of the most popular Lithuanian news portals lytas.lt. The acquisition of the news portal Lrytas forms an organic part of the Group's strategy. The main purpose for the acquisition is the growth of the digital media business in the region's largest market. The news portal has an average of 420 000 daily readers (source: Gemius) and the portal's advertising revenue totals about EUR 3 million per year. The common goal of Lrytas and Ekspress Grupp is to provide captivating and independent content for its readers. After the transaction, Lrytas will continue to operate as an independent media company.

The Management Board of Ekspress Grupp rates the Group's 12-month performance as positive: the Group managed to increase its digital revenue base (both turnover and share of digital revenue, as well as the number of digital subscribers) and maintain decent profitability despite the unstable economic environment and the growth of both input prices and wage costs. This demonstrates that over the last two years, Ekspress Grupp has managed to quickly and efficiently adapt to the changed economic environment while adhering to its chosen strategy. Contradictory future forecasts require the readiness to be flexible and react promptly in the coming quarters.

Share buyback offer in the amount of EUR 1 million

At the end of the reporting period, the Group had available cash in the amount of EUR 7.4 million and equity in the amount of EUR 55.4 million (56% of total assets). The comparable data as of 31 December 2021 were EUR 11.0 million and EUR 53.7 million (57% of total assets), respectively. Given the Group's cash position, at 8 February 2023 the Group announced a share buyback programme approved by the shareholders in May 2022. In the buyback offer targeting all shareholders, the

Group offers shareholders from 15 February to 6 March 2023 the opportunity to sell Ekspress Grupp's shares back at the price of EUR 1.70 per share. The maximum volume of shares to be bought back is up to EUR 1 million (up to 588,235 shares). The purpose of share buyback is to take advantage of attractive market conditions to create value for shareholders by buying back own shares and using them for the reduction of share capital or for other purposes (e.g. sale of shares or use them for share option program).

The results of the buyback offer may affect the amount of dividends paid out of the Group's 2022 profits. The Management Board will make a proposal regarding the dividends to be paid out of the profit for 2022 along with the notice to call an ordinary general meeting, proceeding from the previously approved dividend policy and the volume of the shares to be bought back under the share buyback offer. The Group will pay out at least 30% of the last year's net profit as dividends under the condition that there will be sufficient monetary funds available to fund key operations and make new strategic investments. In case the economic environment significantly slows down or the cash flows are smaller than expected for other reasons, the Group may lower the dividend pay-out ratio or decide not to pay dividends.

STRATEGY AND GOALS OF THE GROUP

Mission – to serve democracy

Our goals

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

Group strategy

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

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

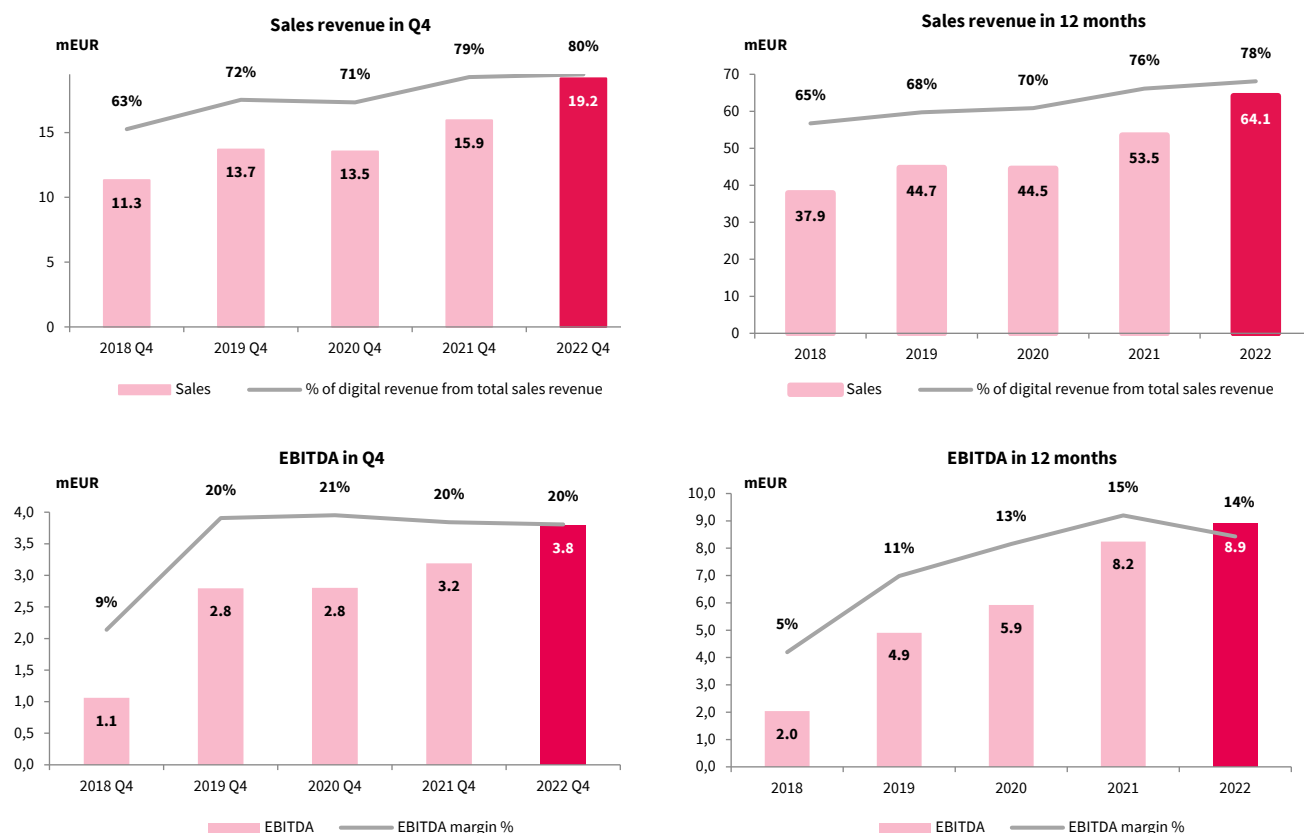
To implement the Group's strategy, our goal remains production of award-winning content valued by our readers and media experts alike while being a leading digital publisher in the Baltic States both in terms of digital subscriptions, the time spent online and the number of actual users. We wish to continue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

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

Ekspress Grupp long-term strategic financial targets

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

Q4 AND 12 MONTHS RESULTS



REVENUE

In the 4th quarter of 2022, the consolidated revenue totalled EUR 19.2 million (Q4 2021: EUR 15.9 million). The revenue for the 4th quarter increased by 20% year-over-year. The consolidated revenue for the 12 months of 2022 totalled EUR 64.1 million (12 months 2021: EUR 53.5 million). The revenue for the 12-month period increased by 20% year-over-year. This growth was attributable to both online advertising revenue as well as digital subscription revenue. The share of the Group's digital revenue in total revenue was 78% at the end of the 4th quarter of 2022 (at the end of Q4 2021: 76% of total revenue). Digital revenue for the 12 months of 2022 increased by 23% as compared to the same period last year.

PROFITABILITY

In the 4th quarter of 2022, the consolidated EBITDA totalled EUR 3.8 million (Q4 2021: EUR 3.2 million). In the 4th quarter of 2022, EBITDA increased by 19% as compared to last year and the EBITDA margin was 20% (Q4 2021: 20%). The consolidated EBITDA for the 12 months of 2022 totalled EUR 8.9 million (12 months 2021: EUR 8.2 million). In the 12 months of 2022, EBITDA increased by 8% as compared to the previous year and the EBITDA margin was 14% (12 months 2021: 15%).

The consolidated net profit for the 4th quarter of 2022 totalled EUR 2.4 million (Q4 2021: EUR 2.3 million). In the 4th quarter of 2022, net profit increased by 6% as compared to the previous year. The consolidated net profit for the 12 months of 2022 totalled EUR 4.1 million (12 months 2021: EUR 4.1 million). The Group demonstrated modest EBITDA growth of 8% while the net profit stayed at the same level as in 2021. The net profit for 2022 declined due the higher loss of the joint venture AS Express Post for the period and the Group's higher depreciation charge resulting from higher capital expenditures as compared to the same period last year. In addition, the comparable base for 2021 is higher due to recognition of one-off finance income in the

amount of EUR 0.4 million for fair value adjustment of the future commitment related to the purchase price of the ticket sales platform.

EXPENSES

In the 12 months of 2022, the cost of goods sold, marketing, and general and administrative costs totalled EUR 60.0 million (12 months 2021: EUR 49.5 million). In the 12 months of the year, operating expenses increased by EUR 10.5 million (+21%). Staff costs in the amount of EUR 5.4 million (+20%) increased the most. The significant growth in input expenses is linked to the outsourcing of the printing service related to print media as well as the home delivery service, total growth was EUR 1.0 million (+17%).

As of 31 December 2022, the Group employed 884 employees which is 143 more as compared to the same period last year (31.12.2021: 741 employees). This growth is attributable to 66 employees who were transferred from the companies acquired, incl. OÜ Geenius Meedia, ELTA news agency in Lithuania and the news portal lrytas.lt acquired in December 2022. 77 employees were hired in other companies in Estonia, Latvia and Lithuania. Given the high inflationary and rising interest rate environment, we have selectively adjusted the salaries of Group employees and set up one-off support measures. In addition, cost reductions and individual redundancies were carried out in Latvia already in the 3rd quarter of 2022, as its advertising sales have failed to meet the Group's internal targets.

In the 12 months of the year, the one-off expenditure includes donations to Ukraine in the total amount of EUR 0.2 million.

The war in Ukraine has had a major negative effect on the GDP growth in the Baltic States. As a result, the economy has slowed down and created a high inflationary environment (in December 2022, inflation was 17.5% in Estonia, 20.0% in Lithuania and 20.7% in Latvia as compared to the previous year) which is currently one of the highest in the Eurozone. The inflationary environment will be a challenge in 2023. However, the positive news is that it is in a downward trend as compared to October data. The Group has neither any operations nor any assets in Ukraine and Russia, and therefore, the war has only an indirect impact on the Group.

CASH POSITION

At the end of the reporting period, the Group had available cash in the amount of EUR 7.4 million and equity in the amount of EUR 55.4 million (56% of total assets). The comparable data as of 31 December 2021 were EUR 11.0 million and EUR 53.7 million (57% of total assets), respectively. As of 31 December 2022, the Group's net debt was EUR 13.3 million (31 December 2021: EUR 6.1 million).

In the 12 months of 2022, the Group's cash flows from operating activities totalled EUR 8.0 million (12 months 2021: EUR 8.1 million, incl. printing services segment) that were positively impacted by the ticket sales platforms in Estonia and Latvia. The sales activity of the Latvian ticket sales platform has recovered and is in a better position due to higher ticket prices as compared to the pre-Covid-19 period.

In the 12 months of 2022, the Group's cash flows from investing activities totalled EUR -10.6 million (12 months 2021: EUR 1.0 million, incl. the sale of a discontinued operation in the amount of EUR 6.3 million), of which EUR -3.7 million was related to development and acquisition of property, plant and equipment and intangible assets, indicating higher investments in products and technologies. In the 12 months of the year, the Group invested EUR -1.9 million in new LED screens, which has been partially funded with a finance lease.

In the 12 months of 2022, the Group's cash flows from financing activities totalled EUR -0.9 million (12 months 2021: EUR -4.4 million), of which EUR -2.4 was the dividend payment to the shareholders of AS Ekspress Grupp. Financing activities also include a net change in borrowings in the amount of EUR 3.3 million and lease liabilities in the amount of EUR -1.8 million. When making investments in 2022, the Group has used debt in moderate amounts in the form of bank loans.

DIVIDENDS

At the regular General Meeting of Shareholders of AS Ekspress Grupp held on 2 May 2022, it was decided to pay a dividend of 8 euro cents per share in the total amount of EUR 2.43 million. Dividends were paid to shareholders on 20 May 2022.

FINANCIAL INDICATORS AND RATIOS

Performance indicators (EUR thousand)	Q4 2022	Q4 2021	Change %	12 months 2022	12 months 2021	Change %
Continuing operations						
For the period						
Sales revenue	19 185	15 943	20%	64 141	53 516	20%
EBITDA	3 795	3 189	19%	8 891	8 240	8%
EBITDA margin (%)	19.8%	20.0%		13.9%	15.4%	
Operating profit /(loss)	2 740	2 301	19%	4 797	4 864	-1%
<i>Operating margin (%)</i>	<i>14.3%</i>	<i>14.4%</i>		<i>7.5%</i>	<i>9.1%</i>	
Interest expenses	(208)	(172)	-21%	(738)	(709)	-4%
Profit /(loss) of joint ventures under the equity method	85	(153)	156%	(242)	(281)	14%
Net profit /(loss) from continuing operations	2 438	2 310	6%	4 055	4 133	-2%
Net margin (%) - continuing operations	12.7%	14.5%		6.3%	7.7%	
<i>Return on assets (ROA) (%)</i>	<i>4.3%</i>	<i>2.4%</i>		<i>4.3%</i>	<i>2.4%</i>	
<i>Return on equity (ROE) (%)</i>	<i>7.6%</i>	<i>4.1%</i>		<i>7.6%</i>	<i>4.1%</i>	
Earnings per share (euro) - continuing operations						
Basic earnings per share	0.0801	0.0760		0.1335	0.1362	
Diluted earnings per share	0.0776	0.0734		0.1294	0.1316	

Balance sheet (EUR thousand)	31.12.2022	31.12.2021	Change %
As of the end of the period			
Current assets	19 444	20 553	-5%
Non-current assets	80 392	73 705	9%
Total assets	99 836	94 258	6%
<i>incl. cash and cash equivalents</i>	<i>7 448</i>	<i>10 962</i>	<i>-32%</i>
<i>incl. goodwill</i>	<i>48 779</i>	<i>45 576</i>	<i>7%</i>
Current liabilities	22 422	20 947	7%
Non-current liabilities	21 991	19 619	12%
Total liabilities	44 413	40 566	9%
<i>incl. borrowings (excl rental liabilities according IFRS 16)</i>	<i>20 763</i>	<i>17 062</i>	<i>22%</i>
Equity	55 423	53 692	3%
Net debt	13 315	6 100	118%
Total capital	68 738	59 793	15%

Financial ratios (%)	31.12.2022	31.12.2021	Change %
Equity ratio (%)	56%	57%	-3%
Debt to equity ratio (%)	46%	41%	10%
Debt to capital ratio (%)	24%	17%	41%
Total debt/EBITDA ratio	2.34	2.07	13%
Liquidity ratio	0.87	0.98	-11%

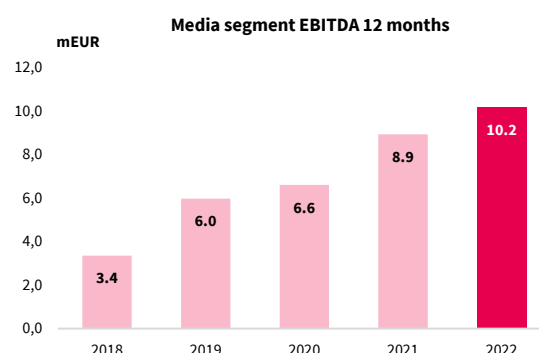
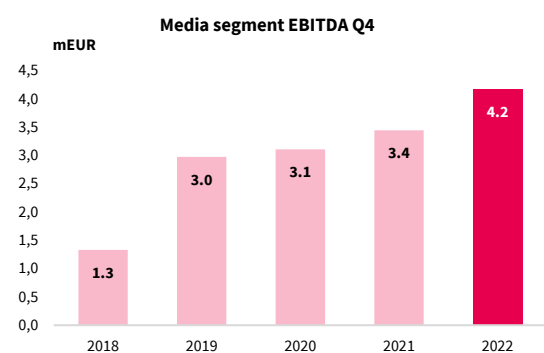
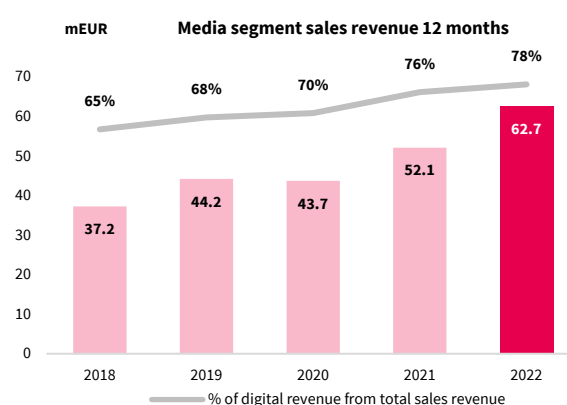
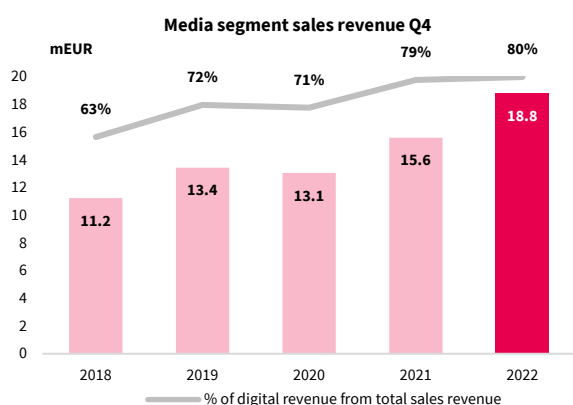
Formulas used to calculate the financial ratios

EBITDA	Earnings before interest, tax, depreciation and amortisation. EBITDA does not include any impairment losses recognised during the period or result from restructuring.
EBITDA margin (%)	EBITDA/sales x 100
Operating margin (%)	Operating profit /sales x100
Net margin (%) - continuing operations	Net profit from continuing operations in financial statements/sales x100
Earnings per share	Net profit attributable to owners of the parent / weighted average number of ordinary shares outstanding during the period
Diluted earnings per share	Net profit attributable to owners of the parent / (weighted average number of ordinary shares outstanding during the period + number of all potentially issued shares)
Equity ratio (%)	Equity/ (liabilities + equity) x100
Debt to equity ratio (%)	Interest bearing liabilities /equity x 100
Debt to capital ratio (%)	Interest bearing liabilities – cash and cash equivalents (net debt) /(net debt +equity) x 100
Total debt/EBITDA ratio	Interest bearing borrowings (excl rental liabilities according IFRS 16) /trailing twelve months EBITDA
Liquidity ratio	Current assets / current liabilities
Return on assets ROA (%)	Trailing twelve months net profit /average assets x 100
Return on equity ROE (%)	Trailing twelve months net profit /average equity x 100

Due to the disposal of the 100% holding in the subsidiary Printall AS in September 2021, the printing services segment is recognised as a discontinued operation in the consolidated financial statements. The revenue and expenses of the discontinued operation are shown in a separated line of the consolidated statement of comprehensive income “Gain/loss from discontinued operation”.

SEGMENT OVERVIEW

Starting from September 2021, the Group is operating only in one continuing business area – the media segment.



Key financial indicators for segments

(EUR thousand)	Sales					
	Q4 2022	Q4 2021	Change %	12 months 2022	12 months 2021	Change %
Media segment	18 803	15 608	20%	62 690	52 093	20%
<i>advertising revenue</i>	11 623	10 171	14%	37 613	33 781	11%
<i>subscriptions (incl single-copy sales)</i>	4 677	3 629	29%	16 819	13 311	26%
<i>marketplaces</i>	822	408	101%	2 232	1 013	120%
<i>outdoor screens</i>	749	569	31%	2 396	1 448	65%
<i>sale of other goods and services</i>	933	830	12%	3 630	2 539	43%
Corporate functions	1 157	1 013	14%	4 500	4 118	9%
Inter-segment eliminations	(776)	(677)		(3 050)	(2 695)	
TOTAL GROUP	19 185	15 943	20%	64 141	53 516	20%
<i>incl. revenue from all digital channels</i>	15 342	12 610	22%	49 928	40 453	23%
<i>% of revenue from all digital channels</i>	80%	79%		78%	76%	

(EUR thousand)	EBITDA					
	Q4 2022	Q4 2021	Change %	12 months 2022	12 months 2021	Change %
Media segment	4 175	3 449	21%	10 183	8 927	14%
Corporate functions	(319)	(245)	-30%	(1 122)	(669)	-68%
Inter-segment eliminations	(61)	(15)		(171)	(18)	
TOTAL GROUP	3 795	3 189	19%	8 891	8 240	8%

EBITDA margin	Q4 2022	Q4 2021	12 months 2022	12 months 2021
Media segment	22%	22%	16%	17%
TOTAL GROUP	20%	20%	14%	15%

MEDIA SEGMENT

In the 4th quarter of 2022, media segment revenue totalled EUR 18.8 million (Q4 2021: EUR 15.6 million). Revenue increased by 20% as compared to the 4th quarter last year. In 12 months of 2022, media segment revenue totalled EUR 62.7 million (12 months 2021: EUR 52.1 million). In 12 months of 2022, revenue increased by 20% as compared to the same period last year. In 12 months, revenue growth was strong as compared to the previous year, but it has still been negatively impacted by the war in Ukraine due to which several planned campaigns were postponed by advertising customers in the 1st quarter. At the end of 2022, the Group's digital revenue contributed 78% to total revenue.

Revenue growth is primarily attributable to the growth in online advertising. The advertising market has not significantly increased in terms of its size as compared to the same period last year, but it is the online advertising market that has continued its upward trend as compared to traditional media channels and where group companies have additionally managed to increase their volumes as compared to other market participants. Regarding print advertising, which the Group only has in Estonia, it is positive that we have been able to maintain the level of 2021. At the same time, due to the decrease in circulations and the cancellation of the publication of daily newspapers on Mondays, starting from January 2023, a decrease in the share of print advertising is predictable, which is expected for the Group.

In the 4th quarter subscription revenues increased by 29% and by 26% in total for 12 months as compared to the same period last year. The growth is primarily attributable to the growth in the number of digital subscriptions and the average price of the subscription in all media houses. For the Group, it is important to grow digital subscriptions and thereby be less dependent on advertising revenues in the long term.

Under marketplaces, the Group recognises the sales revenue of ticket sales platforms in Estonia and Latvia. In the 4th quarter and in total for 12 months, we doubled the sales revenue of the ticket sales platforms. The 2021 base has a significant impact from the Covid-19 restrictions that were in effect throughout the 4th quarter of 2021 and for the entire year of 2021. In Latvia, all Covid-19 restrictions, that were in effect for almost two years, were lifted from 1 April 2022. The sales of the Latvian ticket sales platform are exceeding the volume of 2019 (the normal operating period before the Covid-19 restrictions), partly due to the increase in the average ticket price in gross amounts. Starting from April 2021, the Group entered the Estonian market with the ticket sales platform [Piletitasku](#). With the expansion of the ticket sales business into Estonia, the Group will continue its current strategy, the purpose of which is to increase the share of digital revenue, and identify synergies between new business lines and existing media activities. We wish to provide the most convenient platform for both ticket buyers as well as event organisers. The platform has been well received and the Group has increased its market share in 2022 as expected.

Outdoor screens in Estonia and Latvia have grown mainly due to the increased number of screens, which as of 31.12.2022 was 84 (31.12.2021 the total number of screens: 57).

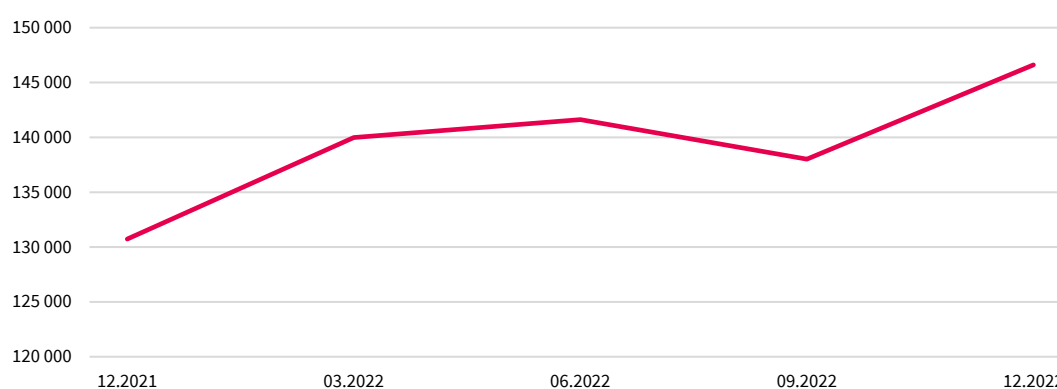
The Latvian outdoor media company SIA D Screens which won the public tender granting it the right to rent the real estate properties owned by the City of Riga continues to actively develop its outdoor screen network. The contract enables the company to expand its network to more than 100 screens and participate in the market with both large and small screen networks that cover the most important roads in Riga. New screens are partially installed by end of 2022, leading to additional advertising sales capabilities for the Group. Until the setup of new screens, the cost base of the Latvian outdoor media company will be impacted by the rent payable to the City of Riga which in 12 months of 2022 totalled EUR 0.2 million.

DIGITAL SUBSCRIPTIONS

Detailed overview of digital subscriptions:

(number of subscriptions)	31.12.2022	30.09.2022	change	31.12.2021	change
AS Delfi Meedia	85 551	77 920	10%	74 873	14%
AS Õhtuleht Kirjastus	22 530	23 548	-4%	20 992	7%
Geenius Meedia OÜ	5 616	5 162	9%	4 100	37%
Estonia total	113 697	106 630	7%	99 965	14%
Delfi AS (Latvia)	14 131	14 012	1%	13 446	5%
Delfi UAB (Lithuania)	18 780	17 370	8%	17 320	8%
Ekspress Grupp total	146 608	138 012	6%	130 731	12%

Digital subscriptions



The number of digital subscriptions of AS Ekspress Grupp increased by 12% year-over-year across the Baltic States (6% in the 4th quarter) and totalled 146 608 at the end of December.

- The number of digital subscriptions of AS Delfi Meedia that publishes the news portal Delfi, newspapers Eesti Päevaleht, Maaleht, Eesti Ekspress and several popular magazines increased by 14% year-over-year (10% in the 4th quarter) and totalled 85 551.
- The number of digital subscriptions of AS Õhtuleht Kirjastus, 50% of which is owned by Ekspress Grupp, increased by 7% year-over-year (-4% in the 4th quarter) and totalled 22 530.
- The number of digital subscriptions of Geenius Meedia OÜ increased by 37% year-over-year (9% in the 4th quarter) and totalled 5 616.
- In Latvia, the number of digital subscriptions of Delfi A/S increased by 5% year-over-year (1% in the 4th quarter) and totalled 14 131.
- In Lithuania, the number of digital subscriptions of Delfi increased by 8% year-over-year (8% in the 4th quarter) and totalled 18 780.

The number of Ekspress Group's digital subscriptions continued to grow rapidly in all Baltic States in 2022 and has increased the sales revenue of our digital subscriptions. The growth proves that the paid content model is sustainable and has an increasingly important role in the revenues of Group's media businesses. Although consumer spending in the Baltic States is under increasing scrutiny due to inflation and general price increase, the last year's turbulent events kept readers' interest in independent journalism high.

In Estonia, the number of subscribers of Delfi Meedia, the subsidiary with the largest number of digital subscribers, grew the most, by nearly 11 000 or 14% year-over-year. Geenius Meedia demonstrated the fastest growth last year, the digital subscriptions up 37% or by more than 1 500.

The number of digital subscriptions of Delfi in Latvia and Lithuania was affected by changing the packages to be similar to those of Estonia. While in Latvia and Lithuania previously narrower content packages of different Delfi topics were offered and each product was counted as digital subscription separately, in the 4th quarter of last year a unified package-based logic was introduced, giving the digital subscribers broader access to all Delfi content. As a result of the bundling, the number of digital subscriptions in Latvia and Lithuania decreased, but the average digital subscription price increased.

SHARES AND SHAREHOLDERS OF AS EKSPRESS GRUPP

As of 31 December 2022, the company's share capital is EUR 18 478 105 (31.12.2021: EUR 18 478 105), which is divided into 30 796 841 (31.12.2021: 30 796 841) shares with a nominal value of 0.60 euros per share.

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

Structure of shareholders as of 31 December 2022

Name	Number of shares	%
Hans H. Luik and companies under his control	22 552 672	73.23%
<i>Hans H. Luik</i>	7 963 307	25.86%
<i>OÜ HHL Rühm</i>	14 589 365	47.37%
LHV Bank and funds managed by LHV Varahaldus	2 550 924	8.28%
Members of the Management Boards*	122 463	0.40%
Other minority shareholders	5 123 706	16.64%
Treasury shares	447 076	1.45%
TOTAL	30 796 841	100.0%

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

Shares held by members of the Management Board and Supervisory Board

Mari-Liis Rüütsalu holds 36 924 shares.

Kaspar Hanni holds 18 462 shares.

Signe Kukin holds 38 140 shares.

Hans H. Luik holds 7 963 307 shares and OÜ HHL Rühm holds 14 589 365 shares, the ownership interest of Hans H. Luik as the ultimate beneficiary of AS Ekspress Grupp is 73.23% (22 552 672 shares).

The price of the share of Ekspress Grupp (EEG1T) in euros and the trading statistics on NASDAQ Tallinn Stock Exchange from 1 January 2018 until 31 December 2022.



The share price comparison (%) with Nasdaq Tallinn Stock Exchange index from 1 January 2018 until 31 December 2022.



Dividend policy

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

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

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

Dividends

At the regular General Meeting of Shareholders of AS Ekspress Grupp held on 2 May 2022, it was decided to pay a dividend of 8 euro cents per share in the total amount of EUR 2.43 million. Dividends were paid to shareholders on 20 May 2022.

Date of the General Meeting	13.06.2017	06.06.2018	04.11.2021	02.05.2022
Period for which dividends are paid	2016	2017	2020	2021
Dividend payment per share (EUR)	6 cents	7 cents	10 cents	8 cents
Total payment of dividends (EUR thousand)	1 787	2 085	3 028	2 425
Dividend pay-out ratio (%) - calculated on the net profit from continuing operations	131%	212%	119%	59%
Dividend pay-out ratio (%)	41%	66%	121%	108%
Date of fixing the list of dividend recipients	29.06.2017	20.06.2018	19.11.2021	16.05.2022
Date of dividend payment	06.07.2017	03.07.2018	23.11.2021	20.05.2022

Share buyback programme

On 8 February 2023 the Group, in accordance with the resolution of the shareholders of 2 May 2022, announces the buyback of up to 588,235 own shares (share of AS Ekspress Grupp, ISIN EE3100016965, hereinafter referred to as the share) from the shareholders in the period from 15 February to 6 March 2023 at the price of EUR 1.70 per share.

The buyback shall be subject to the following conditions:

- the purchase price is EUR 1.70 per share;
- the maximum amount payable for the shares to be bought back: EUR 1,000,000 (up to 588,235 shares);
- the shares shall not be encumbered by third party rights.

All shareholders can offer their shares to AS Ekspress Grupp for a buyback at equal terms. To participate in the buyback, during the period of submitting redemption orders a shareholder shall submit an over-the-counter redemption offer in his/ her bank (at the custodian of the securities account opened with Nasdaq CSD SE) within the framework of a respective corporate event of AS Ekspress Grupp, indicating the number of shares that the shareholder wishes to sell back to AS Ekspress Grupp under the conditions disclosed in this notice.

The period of placing share redemption orders begins on 15 February 2023 at 10.00 and ends on 6 March 2023 at 15.00. A shareholder may use any method offered by the shareholder's custodian to place a redemption order (e.g. physically at the custodian's customer service location, online or otherwise). A shareholder's redemption offer shall be deemed to have been submitted from the moment that Nasdaq CSD receives a duly executed redemption order from the shareholder's custodian. A shareholder shall have the right to modify or cancel their redemption order at any time until the end of the period during which the redemption order is submitted. To that end, the shareholder shall contact the shareholder's custodian through whom the relevant order has been made and execute any action required by the custodian to modify or cancel the order. When submitting a redemption order, the custodian shall block a corresponding amount of securities in the shareholder's securities

account. The shareholder shall bear all costs and charges related to the submission, cancellation or modification of the redemption order.

AS Ekspress Grupp shall decide on the distribution of the buyback of shares (acceptance of offers) after the end of the period for submitting redemption orders. If the total amount of the received redemption orders exceeds EUR 1,000,000, AS Ekspress Grupp shall distribute the shares to be bought back among the offers submitted by the shareholders proportionally (pro rata) so that the total buyback amount does not exceed EUR 1,000,000. In the event of excess, the custodian shall release the excessively blocked securities in the shareholder's securities account. If a pro rata distribution of shares to be bought back results in a number of shares that is not an integer, the corresponding number of shares shall be rounded down to the nearest whole number of shares in accordance with the rounding rules. The balance resulting from the rounding shall be distributed among the shareholders on a random basis.

AS Ekspress Grupp shall disclose the results of the buyback distribution in a stock exchange announcement on 7 March 2023. Shares sold as part of the buyback shall be transferred and funds for the shares shall be received into the shareholder's account on 9 March 2023.

Buyback schedule:

15 February 2023 at 10.00	Beginning of the period for submitting redemption offers (start of the period for submitting the offer to the custodian)
1 March 2023	Guaranteed participation date
3 March 2023	Buyer protection deadline
6 March 2023 at 15.00	End of the period for submitting redemption offers (end of the period for submitting the offer to the custodian)
7 March 2023	Disclosure of the buyback distribution results
9 March 2023	Date of transfer of shares and funds

The results of the buyback offer may impact the amount of dividends to be paid out of the Group's profit for 2022. The Management Board will make a dividend proposal along with the notice to call an ordinary general meeting and will form its proposal on dividends based on previously approved dividend policy and the volume of the shares bought back under the share buyback offer. The Group will pay out at least 30% of the last year's net profit as dividends under the condition that there will be sufficient monetary funds available to fund key operations and make new strategic investments. In case the economic environment significantly slows down, or the cash flows are lower than expected for other reasons, the Group may lower the dividend pay-out ratio or decide not to pay dividends.

CORPORATE GOVERNANCE

GROUP'S LEGAL STRUCTURE

As of 31 December 2022, the Group consists of 23 companies (31.12.2021: 21). A detailed list of group companies is disclosed in Note 1 to the financial statements.

Changes in the Group's legal structure

In September 2021, a merger agreement was concluded to merge the wholly-owned subsidiary of A/S Delfi (the wholly-owned subsidiary of AS Ekspress Grupp), i.e. SIA Delfi Tickets Service with the wholly-owned subsidiary of A/S Delfi, i.e. SIA Biļešu Paradīze, agreeing that SIA Biļešu Paradīze as the acquiring company will acquire all assets and liabilities of SIA Delfi Tickets Service. The merger agreement was concluded for the purpose of simplifying the Group's management and legal structure. The merger was registered on 19 April 2022.

On 2 March 2022, AS Ekspress Grupp, AS Postimees Grupp and AS Eesti Post entered into a share purchase and sale agreement, whereby AS Eesti Post would have acquired a 100% ownership interest in AS Express Post. The transaction was subject to an approval of the Competition Authority. The latter issued a negative resolution on 5 October 2022, due to which the share purchase and sale transaction will not take effect and the structure of shareholders of AS Express Post will not change.

On 31 May 2022, UAB Delfi, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of the business activities of the news agency ELTA in Lithuania. The acquisition of operations of news agency ELTA is an organic step in our strategy. The main goal of this deal is to strengthen and modernize a news agency with a hundred-year experience so that it becomes a modern, competitive, and objective source of journalism for the Lithuanian media and foreign channels.

On 16 June 2022, AS Ekspress Grupp's 100% subsidiary Geenius Meedia OÜ and OÜ RMP Eesti signed an agreement to acquire the business activities of the RMP.ee portal in Estonia. The merger of RMP to Geenius products increases the amount of information offered to the business user and is an important addition to the content of Ärigeenius and DigiPRO. Organizing of trainings and conferences forms an important part of RMP's activities. Together with the RMP team, Geenius Meedia plans to expand the training activities to the other topics. The acquisition of operations of RMP.ee portal is an organic step in our strategy.

On 28 July 2022, OÜ Ekspress Finants signed a demerger contract, according to which OÜ Ekspress Finants was divided by way of separation. During the demerger, a new company Vaheekspress OÜ was set up, which will become a wholly-owned subsidiary of AS Ekspress Grupp with the share capital of EUR 2500. The demerger was finalised and Vaheekspress OÜ was registered as of 14 October 2022.

On 28 July 2022, the sole shareholder of OÜ Babahh Media, AS Ekspress Grupp, adopted a decision to terminate the operations of OÜ Babahh Media and launch liquidation proceedings.

On 27 October 2022, Vaheekspress OÜ and Geenius Meedia OÜ concluded a merger agreement for the purpose of simplifying the Group's structure and based on the terms of the loan agreement of AS SEB Pank. The merger was registered on 22 December 2022.

On 9 December 2022, UAB Satyre, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of 100% of shares in the media company UAB Lrytas from UAB "Lietuvos rytas". UAB Lrytas operates one of the most popular local news portal, lrytas.lt in Lithuania. Online portal was founded in 2006. News portal has a strong and independent editorial team, producing its own online content. The acquisition of UAB Lrytas is an organic step in our strategy. The main goal of this deal is to grow the digital media business. Ekspress Grupp acquires the online portal but keeps very close cooperation with Lietuvos rytas newspaper. The shared goal of Lrytas and Ekspress Grupp is to continue offering attractive and independent content for its readers. After the transaction, UAB Lrytas will continue to operate as a separate media company.

Changes in the management of the Group's subsidiaries

On 24 May 2022, the Supervisory Board of OÜ Hea Lugu decided to recall Tiina Kaalepi from the Management Board as of 1 June 2022. Vallo Kalvik was elected as a member of the Management Board from the same date.

On 6 October 2022, the Supervisory Board of A/S Delfi decided to elect Filips Lastovskis and Maira Meija as the new members of the Management Board from 20th October 2022. The mandates of Ingus Bērziņš and Anatolijs Golubovs were not extended. Starting from 20 October 2022, the Management Board of A/S Delfi will be as follows: Konstantins Kuzikovs (the Chairman of the Board), Filips Lastovskis and Maira Meija.

On 19 December 2022, The Supervisory Board of AS Delfi Meedia, the subsidiary of AS Ekspress Grupp, decided to elect Sander Maasik as a new member of the Management Board from the January 1, 2023 until December 31, 2025. Sander Maasik will be responsible for the company's advertising area. Starting from January 1, 2023, the Management Board of Delfi Meedia will be as follows: Argo Virkebau (Chairman of the Board), Erle Laak-Sepp, Tarvo Ulejev, Urmo Soonvald, Piret Põldoja and Sander Maasik.

On 21 December 2022, AS Ekspress Grupp extended the mandate of Mari-Liis Rüütsalu and Signe Kukin, members of the Supervisory Board of UAB Delfi – the Lithuanian subsidiary of AS Ekspress Grupp – until December 20, 2026, and elected Hans Luik as a new member of the Supervisory Board for the same period. The Supervisory Board of UAB Delfi will continue in the three-member composition: Mari-Liis Rüütsalu (Chairman of the Board), Signe Kukin and Hans Luik.

Due to the resignation of the member of the Management Board of AS Ekspress Grupp, Kaspar Hanni, changes will take place in the supervisory and management boards of the key subsidiaries of Ekspress Grupp. The Supervisory Board of AS Delfi Meedia has three members: Hans Luik (chairman), Mari-Liis Rüütsalu and Signe Kukin. The Management Board of OÜ Ekspress Finants has two members: Mari-Liis Rüütsalu and Signe Kukin. Hans Luik will become a member of the Supervisory Board of the Latvian subsidiary A/S Delfi and the Supervisory Board has three members: Mari-Liis Rüütsalu (chairman), Hans Luik and Signe Kukin.

GENERAL MEETING OF SHAREHOLDERS

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

In January 2022, The Management Board of AS Ekspress Grupp proposed to the shareholders to adopt resolutions without convening a general meeting in accordance to § 299¹ of the Commercial Code. The notice of adoption of resolutions was published on 20 January 2022 in the stock exchange information system and on the company's homepage, as well as in the 21 January 2022 issue of newspaper Eesti Päevaleht.

On 11 February 2022, the shareholders of AS Ekspress Grupp adopted the following resolutions:

- The approval of the Share Option Program of AS Ekspress Grupp up to 371,000 options with the exercise date May 2023. The program enables Ekspress Grupp to comply with the commitment arising from the purchase and sale agreement of the shares of Geenius Meedia OÜ entered into on 17 December 2021.

The regular General Meeting of Shareholders of AS Ekspress Grupp was held on 2 May 2022 in the seat of the public limited company. All members of the Management Board and the Chairman of Supervisory Board participated in the meeting. The general meeting:

- Approved the 2021 annual report of AS Ekspress Grupp.
- Approved the Profit Distribution Proposal for 2021 to distribute total EUR 2.24 million as follows: to increase statutory reserve by EUR 0.11 million and to pay dividends 8 (eight) euro cents per share in total amount of EUR 2.43 million, of which EUR 2.13 million is distributed from the 2021 profit and EUR 0.29 million distributed from the retained earnings.
- Decided to approve the share buyback program of AS Ekspress Grupp's own shares under the following terms:
 - AS Ekspress Grupp shall have the right to buy back a maximum of 2 500 000 own shares whereby the total amount of the nominal value of the treasury shares owned by the company may not exceed 1/10 of its share capital.
 - AS Ekspress Grupp shall have the right to buy back its own shares in one or multiple transactions via buyback offer(s) targeted at all shareholders within 12 months from the date of adoption of this decision.
 - The minimum amount to be paid for its own shares shall be EUR 0.60 per share and the maximum amount per share shall be the closing price on the Nasdaq Tallinn Stock Exchange plus 20% but not more than EUR

1.90 per share at the trading day preceding the announcement of each respective buyback. The total amount payable for the shares to be bought back pursuant to this decision shall be up to EUR 1 million at most. The acquisition of the shares may not lead to a reduction in net assets below the total amount of share capital and reserves, the payment of which to the shareholders is not permitted under law or the articles of association.

- The purpose of the share buyback is to use the attractive market conditions in order to create value for the shareholders. The shares bought back will thereafter be cancelled or used for other purposes (e.g. sale or use of shares for the option program).
- Recalled Mr. Aleksandras Česnavičius from the Supervisory Board.
- Decided to remunerate Priit Rohumaa, the Chairman of the Supervisory Board, as follows: current monthly remuneration of EUR 1000 (gross) to be increased to EUR 3000 (gross) per month.
- Approved the Remuneration Policy for the Executive Management of AS Ekspress Grupp.
- Elected Triin Hertmann as the Member of the Supervisory Board for the five years until 2 May 2027.
- Decided to remunerate Triin Hertmann as follows: a monthly remuneration of 1,350 euros (gross) to be paid.

In August 2022, The Management Board of AS Ekspress Grupp proposed to the shareholders to adopt resolutions without convening a general meeting in accordance to § 299¹ of the Commercial Code. The notice of adoption of resolutions was published on 9 August 2022 in the stock exchange information system and on the company's homepage, as well as in the 10 August 2022 issue of newspaper Eesti Päevaleht.

On 31 August 2022, the shareholders of AS Ekspress Grupp adopted the following resolutions:

- Recall of Indrek Kasela from the Supervisory Board
- Election of Sami Jussi Petteri Seppänen as the member of the Supervisory Board for the five years until 31 August 2027.
- Remuneration of Sami Jussi Petteri Seppänen as follows: a monthly remuneration of 1,350 euros (gross) to be paid.

SUPERVISORY BOARD

The Supervisory Board of AS Ekspress Grupp consists of four members and includes:

- Priit Rohumaa (chairman)
- Hans H. Luik
- Sami Jussi Petteri Seppänen
- Triin Hertmann

On 2 May 2022 Triin Hertmann was elected as the Member of the Supervisory Board for the five years until 2 May 2027.

The member of the Supervisory Board of AS Ekspress Grupp Aleksandras Česnavičius who was member of the Supervisory Board of AS Ekspress Grupp since 26 October 2016, was recalled from the position of the member of the Supervisory Board of AS Ekspress Grupp on 2 May 2022.

On 31 August 2022 Sami Jussi Petteri Seppänen was elected as the Member of the Supervisory Board for the five years until 31 August 2027.

The member of the Supervisory Board of AS Ekspress Grupp Indrek Kasela who was member of the Supervisory Board of AS Ekspress Grupp since 20 June 2014, was recalled from the position of the member of the Supervisory Board of AS Ekspress Grupp on 31 August 2022.

More information about supervisory board on the [website of AS Ekspress Grupp](#).

MANAGEMENT BOARD

The Management Board of AS Ekspress Grupp operates with three members and includes:

- Mari-Liis Rüütsalu (chairman)
- Kaspar Hanni
- Signe Kukin

Kaspar Hanni, the development director and member of the Management Board of AS Ekspress Grupp, left the company at his own request on February 2, 2023. Kaspar Hanni has been working as Group development director and member of the Management Board since December 2017. The Group's Management Board will continue with two members: Mari-Liis Rüütsalu (Chairman of the Board) and Signe Kukin.

More information about management board on the [website of AS Ekspress Grupp](#).

SUPERVISORY AND MANAGEMENT BOARDS OF SUBSIDIARIES

The supervisory and management boards of AS Ekspress Grupp's key subsidiaries as of 31 December 2022 is shown below:

COMPANY*	SUPERVISORY BOARD	MANAGEMENT BOARD
Delfi Meedia AS (13 958 631)	Hans Luik (chairman), Mari-Liis Rüütsalu, Kaspar Hanni, Signe Kukin	Argo Virkebau (chairman) Urmo Soonvald, Tarvo Ulejev, Erle Laak-Sepp, Piret Põldoja
Delfi UAB (4 782 173)	Mari-Liis Rüütsalu (chairman), Signe Kukin, Hans Luik	Vytautas Benokraitis
SIA Biļešu Paradīze (3 654 972)	-	Jānis Ņuzulis (chairman), Jānis Daube
Delfi A/S (Latvia) (4 383 922)	Mari-Liis Rüütsalu (chairman), Kaspar Hanni, Signe Kukin	Konstantīns Kuzikovs (chairman), Filips Lastovskis and Maira Meija
Digital Matter UAB (297 840)	-	Gediminas Blažys
Ekspress Finants OÜ (16 471 737)	-	Mari-Liis Rüütsalu (chairman), Kaspar Hanni, Signe Kukin

* The amount of equity of the key subsidiary that is held by the owners of the parent company as of 31 December 2022 is shown in parentheses.

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Consolidated balance sheet (unaudited)

(EUR thousand)	31.12.2022	31.12.2021
ASSETS		
Current assets		
Cash and cash equivalents	7 448	10 962
Trade and other receivables	11 661	9 323
Corporate income tax prepayment	49	2
Inventories	286	266
Total current assets	19 444	20 553
Non-current assets		
Other receivables and investments	1 580	1 671
Deferred tax asset	60	42
Investments in joint ventures	1 017	1 011
Investments in associates	2 279	2 210
Property, plant and equipment (Note 5)	8 736	7 964
Intangible assets (Note 5)	66 720	60 807
Total non-current assets	80 392	73 705
TOTAL ASSETS	99 836	94 258
LIABILITIES		
Current liabilities		
Borrowings (Note 6)	3 393	3 201
Trade and other payables	19 004	17 664
Corporate income tax payable	25	82
Total current liabilities	22 422	20 947
Non-current liabilities		
Long-term borrowings (Note 6)	21 948	19 018
Other long-term liabilities	43	601
Total non-current liabilities	21 991	19 619
TOTAL LIABILITIES	44 413	40 566
EQUITY		
Minority interest	147	140
Capital attributable to equity holders of parent company:		
Share capital (Note 11)	18 478	18 478
Share premium	14 277	14 277
Treasury shares (Note 11)	(334)	(384)
Reserves (Note 11)	2 059	1 920
Retained earnings	20 796	19 261
Total capital attributable to equity holders of parent company	55 276	53 552
TOTAL EQUITY	55 423	53 692
TOTAL LIABILITIES AND EQUITY	99 836	94 258

The Notes presented on pages 27-34 form an integral part of the consolidated interim report.

Consolidated statement of comprehensive income (unaudited)

(EUR thousand)	Q4 2022	Q4 2021	12 months 2022	12 months 2021
Continuing operations				
Sales	19 185	15 943	64 141	53 516
Cost of sales	(13 473)	(11 132)	(48 185)	(39 674)
Gross profit	5 712	4 811	15 956	13 842
Other income	263	320	789	929
Marketing expenses	(847)	(766)	(2 979)	(2 359)
Administrative expenses	(2 381)	(2 013)	(8 823)	(7 435)
Other expenses	(7)	(51)	(146)	(113)
Operating profit /(loss)	2 740	2 301	4 797	4 864
Interest income	9	9	36	35
Interest expenses	(208)	(172)	(738)	(709)
Other finance income/(costs)	(14)	401	179	339
Net finance cost	(214)	239	(523)	(335)
Profit/(loss) on shares of joint ventures	85	(153)	(242)	(281)
Profit/(loss) on shares of associates	(1)	78	325	161
Profit /(loss) before income tax	2 610	2 465	4 357	4 409
Income tax expense	(173)	(156)	(302)	(276)
Net profit /(loss) from continuing operations	2 438	2 310	4 055	4 133
Net profit /(loss) from discontinued operation	0	0	0	(1 876)
Net profit /(loss) for the reporting period	2 438	2 310	4 055	2 257
Net profit /(loss) for the reporting period attributable to				
Equity holders of the parent company	2 431	2 300	4 048	2 243
Minority interest	7	10	7	14
Total comprehensive income /(loss)	2 438	2 310	4 055	2 257
Comprehensive income /(loss) for the reporting period attributable to				
Equity holders of the parent company	2 431	2 300	4 048	2 243
Minority interest	7	10	7	14
Earnings per share (euro) - continuing operations				
Basic earnings per share (Note 9)	0.0801	0.0760	0.1335	0.1362
Diluted earnings per share (Note 9)	0.0776	0.0734	0.1294	0.1316
Earnings per share (euro)				
Basic earnings per share (Note 9)	0.0801	0.0760	0.1335	0.0742
Diluted earnings per share (Note 9)	0.0776	0.0734	0.1294	0.0716

The Notes presented on pages 27-34 form an integral part of the consolidated interim report.

Consolidated statement of changes in equity (unaudited)

(EUR thousand)	Attributable to equity holders of parent company					Total	Minority interest	Total equity
	Share capital	Share premium	Treasury shares	Reserves	Retained earnings			
Balance on 31.12.2020	18 478	14 277	(209)	1 758	20 189	54 493	126	54 619
Increase of statutory reserve capital	0	0	0	126	(126)	0	0	0
Purchase of treasury shares	0	0	(446)	0	0	(446)	0	(446)
Share options	0	0	271	36	(17)	290	0	290
Dividends paid	0	0	0	0	(3 028)	(3 028)	0	(3 028)
<i>Total transactions with owners</i>	<i>0</i>	<i>0</i>	<i>(175)</i>	<i>162</i>	<i>(3 171)</i>	<i>(3 184)</i>	<i>0</i>	<i>(3 184)</i>
Net profit /(loss) for the reporting period	0	0	0	0	2 243	2 243	14	2 257
<i>Total comprehensive income /(loss) for the reporting period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2 243</i>	<i>2 243</i>	<i>14</i>	<i>2 257</i>
Balance on 31.12.2021	18 478	14 277	(384)	1 920	19 261	53 552	140	53 692
Increase of statutory reserve capital	0	0	0	110	(110)	0	0	0
Share options	0	0	50	29	22	101	0	101
Dividends paid	0	0	0	0	(2 425)	(2 425)	0	(2 425)
<i>Total transactions with owners</i>	<i>0</i>	<i>0</i>	<i>50</i>	<i>139</i>	<i>(2 513)</i>	<i>(2 324)</i>	<i>0</i>	<i>(2 324)</i>
Net profit /(loss) for the reporting period	0	0	0	0	4 048	4 048	7	4 055
<i>Total comprehensive income /(loss) for the reporting period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4 048</i>	<i>4 048</i>	<i>7</i>	<i>4 055</i>
Balance on 31.12.2022	18 478	14 277	(334)	2 059	20 796	55 276	147	55 423

The Notes presented on pages 27-34 form an integral part of the consolidated interim report.

Consolidated cash flow statement (unaudited)

(EUR thousand)	12 months 2022	12 months 2021*
Cash flows from operating activities		
Operating profit /(loss) for the reporting year	4 797	3 060
<u>Adjustments for (non-cash):</u>		
Depreciation and amortisation (Note 5)	4 084	4 162
(Gain)/loss on sale, write-down and impairment of property, plant and equipment	29	(10)
Change in value of share option	29	36
Loss on sale of discontinued operation	0	2 077
Cash flows from operating activities:		
Trade and other receivables	(1 939)	(1 599)
Inventories	(9)	(33)
Trade and other payables	2 188	1 464
Income tax paid	(401)	(281)
Interest paid	(767)	(803)
Net cash generated from operating activities	8 011	8 073
Cash flows from investing activities		
Acquisition of subsidiaries/ associates (less cash acquired) and other investments / cash paid-in equity-accounted investees	(7 632)	(3 325)
Disposal of discontinued operation, net of cash disposed of	0	6 326
Receipts of other investments	10	51
Interest received	2	3
Purchase of property, plant and equipment and intangible assets (Note 5)	(3 748)	(2 786)
Proceeds from sale of property, plant and equipment and intangible assets	66	3
Loans granted	(30)	(212)
Loan repayments received	86	156
Dividends received	601	828
Net cash used in investing activities	(10 645)	1 044
Cash flows from financing activities		
Dividends paid	(2 425)	(3 028)
Payment of lease liabilities	(1 751)	(1 814)
Loans received / Repayments of bank loans (Note 6)	3 296	864
Purchases of treasury shares	0	(446)
Net cash used in financing activities	(880)	(4 424)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(3 514)	4 693
Cash and cash equivalents at the beginning of the period	10 962	6 269
Cash and cash equivalents at the end of the period	7 448	10 962

*No adjustments have been made to the consolidated cash flows for 2021 in accordance with the requirements of IFRS. Cash flows related to the printing services segment are still consolidated line-by-line.

The Notes presented on pages 27-34 form an integral part of the consolidated interim report.

SELECTED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. General information

The main fields of activity of AS Ekspress Grupp and its subsidiaries include online media, publishing of newspapers, magazines and books. AS Ekspress Grupp (registration number 10004677, address: Narva mnt 13, 10151 Tallinn) is a holding company registered and operating in the Republic of Estonia. The Group consists of the subsidiaries, joint ventures and associates listed below.

The Management Board approved and signed these financial statements on 14 February 2023. The interim consolidated financial statements of AS Ekspress Grupp (hereinafter the Group) reflect the results of operations of the following group companies.

Company name	Status	Ownership interest 31.12.2022	Ownership interest 31.12.2021	Main field of activity	Domicile
Operating segment: corporate functions					
Ekspress Grupp AS	Parent company			Holding company and support services	Estonia
Ekspress Finants OÜ	Subsidiary	100%	100%	Financing and book-keeping services	Estonia
Operating segment: media (online and print media)					
Delfi Meedia AS	Subsidiary	100%	100%	Online media, publishing of daily and weekly newspapers (formerly named as Ekspress Meedia AS)	Estonia
Delfi A/S	Subsidiary	100%	100%	Online media	Latvia
D Screens SIA	Subsidiary	100%	100%	Sale of outdoor advertising	Latvia
Delfi Ticket Service SIA	Subsidiary	-	100%	Holding company (merged with Biļešu Paradīze SIA from April 2022)	Latvia
Biļešu Paradīze SIA	Subsidiary	100%	100%	Operation of the electronic ticket platform and box offices	Latvia
Altero SIA	Associate	25.48%	25.48%	Financial comparison and brokerage platform	Latvia
Delfi UAB	Subsidiary	100%	100%	Online media	Lithuania
Naujienu agentūra Elta UAB	Subsidiary	100%	-	News agency	Lithuania
Sport Media UAB	Subsidiary	51%	51%	Currently dormant	Lithuania
Satyre UAB	Subsidiary	100%	-	Holding company (founded December 2022)	Lithuania
Lrytas UAB	Subsidiary	100%	-	Online media (acquired December 2022)	Lithuania
Hea Lugu OÜ	Subsidiary	83%	83%	Book publishing	Estonia
Estonia Audioraamatute Keskus OÜ	Associate	33.33%	33.33%	Production and sale of audio books	Estonia
Digital Matter UAB	Subsidiary	100%	100%	Online advertising solutions and network	Lithuania
Digital Matter SIA	Subsidiary	100%	100%	Online advertising solutions and network	Latvia
Videotinklas UAB	Subsidiary	100%	100%	Production studio for content creation	Lithuania
Geenius Meedia OÜ	Subsidiary	100%	100%	Online media and publishing magazines	Estonia
Linna Ekraanid OÜ	Subsidiary	100%	100%	Sale of digital outdoor advertising	Estonia
Babahh Media OÜ	Subsidiary	100%	100%	Sale of video production, media and infrastructure solutions (in liquidation)	Estonia
Õhtuleht Kirjastus AS	Joint venture	50%	50%	Newspaper and magazine publishing	Estonia
Express Post AS	Joint venture	50%	50%	Home delivery of periodicals	Estonia
Kinnisvarakeskkond OÜ	Associate	49%	49%	Development of a real estate portal	Estonia

Note 2. Bases of preparation

The consolidated interim financial statements of AS Ekspress Grupp for the 4th quarter and 12 months ended on 31 December 2022 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The condensed interim consolidated financial statements should be read together to the annual report for the financial year ended on 31 December 2021.

The Management Board estimates that the interim consolidated financial statements for the 4th quarter and 12 months 2022 present a true and fair view of the Group’s operating results, and all group companies are going concerns. These interim financial statements have neither been audited nor reviewed in any other way by auditors. These consolidated interim financial statements are presented in thousands of euros, unless otherwise indicated.

The accounting policies used for preparation of these financial statements are the same as those used for preparation of the Group's consolidated annual report for the year ended 31 December 2021.

Note 3. Risk management

The management of financial risks is an essential and integral part in managing the business processes of the Group. The ability of the management to identify, measure and verify different risks has a substantial impact on the profitability of the Group. The risk is defined by the management of the Group as a possible negative deviation from the expected financial performance.

Several financial risks are related to the activities of the Group, of which the more substantial ones include credit risk, liquidity risk, market risk (including foreign exchange risk, interest rate risk and price risk), operational risk and capital risk.

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

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

More information about risk management on the [website of AS Ekspress Grupp](#).

Note 4. Business combinations

On 31 May 2022, UAB Delfi, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of the business activities of the news agency ELTA in Lithuania. The acquisition of operations of news agency ELTA is an organic step in our strategy. The main goal of this deal is to strengthen and modernize a news agency with a hundred-year experience so that it becomes a modern, competitive, and objective source of journalism for the Lithuanian media and foreign channels.

On 16 June 2022, AS Ekspress Grupp’s 100% subsidiary Geenius Meedia OÜ and OÜ RMP Eesti signed an agreement to acquire the business activities of the RMP.ee portal in Estonia. The merger of RMP to Geenius products increases the amount of information offered to the business user and is an important addition to the content of Ärigeenius and DigiPRO. Organizing of trainings and conferences forms an important part of RMP’s activities. Together with the RMP team, Geenius Meedia plans to expand the training activities to the other topics. The acquisition of operations of RMP.ee portal is an organic step in our strategy.

On 9 December 2022, UAB Satyre, 100% subsidiary of AS Ekspress Grupp, entered into the contract for the acquisition of 100% of shares in the media company UAB Lrytas from UAB “Lietuvos rytas”. UAB Lrytas operates one of the most popular local news portal, lrytas.lt in Lithuania. Online portal was founded in 2006. News portal has a strong and independent editorial team, producing its own online content. The acquisition of UAB Lrytas is an organic step in our strategy. The main goal of this deal is to grow the digital media business. Ekspress Grupp acquires the online portal but keeps very close cooperation with Lietuvos

rytas newspaper. The shared goal of Lrytas and Ekspress Grupp is to continue offering attractive and independent content for its readers. After the transaction, UAB Lrytas will continue to operate as a separate media company.

Note 5. Property, plant and equipment and intangible assets

(EUR thousand)	Property, plant and equipment		Intangible assets	
	12 months 2022	12 months 2021	12 months 2022	12 months 2021
Balance at beginning of the period				
Cost	14 493	42 714	82 081	77 076
Accumulated depreciation and amortisation	(6 529)	(28 580)	(21 274)	(20 441)
Carrying amount	7 964	14 134	60 807	56 635
Acquisitions and improvements	4 153	5 323	2 024	1 732
Disposals (at carrying amount)	(23)	(2)	0	0
Write-down, write-off and impairment of non-current assets	(914)	(145)	(136)	(78)
Reclassification	(13)	40	0	(40)
Acquired through business combinations	16	45	5 663	4 278
Disposed through business combinations	0	(8 608)	0	(382)
Depreciation and amortisation	(2 446)	(2 823)	(1 638)	(1 339)
Balance at end of the period				
Cost	17 324	14 493	89 406	82 081
Accumulated depreciation and amortisation	(8 588)	(6 529)	(22 686)	(21 274)
Carrying amount	8 736	7 964	66 720	60 807

Note 6. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term		
		Up to 1 year	Between 1-5 years	More than 5 years
Balance as of 31.12.2022				
Long-term bank loans	14 646	1 728	12 918	0
Notes	5 000	0	5 000	0
Lease liability	5 695	1 665	4 030	0
Total	25 341	3 393	21 948	0
Balance as of 31.12.2021				
Long-term bank loans	11 350	1 680	9 670	0
Notes	5 000	0	0	5 000
Lease liability	5 869	1 521	4 348	0
Total	22 219	3 201	14 018	5 000

Note 7. Segment reporting

Operating segments have been specified by the management on the basis of the reports monitored by the Management Board of the Parent Company AS Ekspress Grupp. The Management Board considers the business from the company perspective.

Starting from September 2021, the Group has only one continued operating segment, i.e. the media segment.

Media segment: management of online news portals and classified portals, advertising sales in own portals in the Baltics and publishing of newspapers, magazines, customer and advertising fliers, publishing and publication of books as well as sale of digital outdoor advertising in Estonia and Latvia. The media segment also includes organisation of the technology and innovation conference *Login* in Lithuania and operation of the electronic ticket sales platform and box offices in Latvia, and production studio for content creation in Lithuania.

This segment includes subsidiaries Delfi Meedia AS (Estonia), AS Delfi (Latvia), UAB Delfi (Lithuania), OÜ Hea Lugu (Estonia), D Screens SIA (Latvia), Digital Matter (Lithuania, Estonia, Latvia), Linna Ekraanid OÜ (Estonia), Babahh Media OÜ (Estonia) – in liquidation, SIA Biļešu Paradīze (Latvia), Videotinklas UAB (Lithuania), News agency ELTA UAB (Lithuania), Lrytas UAB (Lithuania – since December 2022) and Geenius Meedia OÜ (Estonia).

The revenue of the **media segment** is derived from sale of advertising banners and other advertising space and products and digital subscriptions in its own portals in Estonia, Latvia and Lithuania. Sale of advertising space in newspapers and magazines, revenue from subscriptions and single copy sales of newspapers and magazines. Sale of books and miscellaneous book series, services fees for preparation of customer fliers and other projects. In addition sale of digital outdoor advertising and electronic ticket sales platforms in Estonia and Latvia.

The **Group's corporate functions** are shown separately and they do not form a separate business segment. It includes the Parent Company AS Ekspress Grupp, which provides legal advisory and IT services to its group companies and Ekspress Finants OÜ, which provides accounting services to group companies.

The Management Board assesses the performance of the operating segments based on revenue, EBITDA and the EBITDA margin. Internal management fees and goodwill impairment are not included in segment results.

According to the estimate of the Parent Company's management, the inter-segment transactions have been carried out on an arm's length basis and they do not differ significantly from the conditions of the transactions concluded with third parties.

Q4 2022 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	18 770	415	0	19 185
Inter-segment sales	33	742	(776)	0
Total segment sales	18 803	1 157	(776)	19 185
EBITDA	4 175	(319)	(61)	3 795
EBITDA margin	22%			20%
Depreciation				1 050
Operating profit /(loss)				2 740
Investments				1 720

Q4 2021 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	15 590	353	0	15 943
Inter-segment sales	18	660	(677)	0
Total segment sales	15 608	1 013	(677)	15 943
EBITDA	3 449	(245)	(15)	3 189
EBITDA margin	22%			20%
Depreciation				887
Operating profit /(loss)				2 301
Investments				3 091

12 months 2022 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	62 587	1 554	0	64 141
Inter-segment sales	103	2 946	(3 050)	0
Total segment sales	62 690	4 500	(3 050)	64 141
EBITDA	10 183	(1 122)	(171)	8 891
EBITDA margin	16%			14%
Depreciation				4 084
Operating profit /(loss)				4 797
Investments				6 177

12 months 2021 (EUR thousand)	Media	Corporate functions	Eliminations	Total Group
Sales to external customers	52 031	1 485	0	53 516
Inter-segment sales	62	2 633	(2 695)	0
Total segment sales	52 093	4 118	(2 695)	53 516
EBITDA	8 927	(669)	(18)	8 240
EBITDA margin	17%			15%
Depreciation				3 418
Operating profit /(loss)				4 864
Investments				6 660

Note 8. Discontinued operation

In September 2021, AS Ekspress Grupp sold its 100% ownership interest in its subsidiary Printall AS. The management decided to sell Printall AS in order to exit from a business sector that doesn't match with Group's strategy and sector with a significant CAPEX requirements. As a result of the transaction, the capital is released for financing Group's continued growth in digital media.

In accordance with the decision of the extraordinary general meeting of shareholders of AS Ekspress Grupp from 13 July 2021, AS Ekspress Grupp and OÜ Trükitung concluded a sales agreement on 3 September 2021, according to which Ekspress Grupp sold its 100% ownership interest in its subsidiary Printall AS. The transaction was completed as of 6 September 2021, from which the business of Printall AS is reported in the consolidated financial statements as a discontinued operation and comparable data are presented for continuing operations, where the revenues and expenses of discontinued operations are shown in a separate line in the comprehensive income statement "Gain/-loss from discontinued operations".

The effect of the sales transaction on the Group's financial statements is disclosed in more detail in the consolidated financial statements of the Group for the year ended 31 December 2021.

Note 9. Earnings per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period. Treasury shares owned by the Parent Company are not taken into account as shares outstanding.

Diluted earnings per share have been calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the period, taking into account the number of shares potentially issued. Treasury shares owned by the Parent Company are not taken into account as shares outstanding.

EUR	Q4 2022			Q4 2021		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit / (loss) attributable to equity holders	2 430 854	0	2 430 854	2 300 046	0	2 300 046
Average number of ordinary shares at the end of the period	30 349 765	30 349 765	30 349 765	30 282 869	30 282 869	30 282 869
Number of ordinary shares potentially issued as the part of option program at the end of the period	958 617	958 617	958 617	1 064 071	1 064 071	1 064 071
Basic earnings per share	0.0801	0.0000	0.0801	0.0760	0.0000	0.0760
Diluted earnings per share	0.0776	0.0000	0.0776	0.0734	0.0000	0.0734

EUR	12 months 2022			12 months 2021		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit / (loss) attributable to equity holders	4 047 812	0	4 047 812	4 119 006	(1 875 904)	2 243 103
Average number of ordinary shares at the end of the period	30 320 378	30 320 378	30 320 378	30 243 148	30 243 148	30 243 148
Number of ordinary shares potentially issued as the part of option program at the end of the period	958 617	958 617	958 617	1 064 071	1 064 071	1 064 071
Basic earnings per share	0.1335	0.0000	0.1335	0.1362	(0.0620)	0.0742
Diluted earnings per share	0.1294	0.0000	0.1294	0.1316	(0.0599)	0.0716

Note 10. Share option plan

Program approved in 2017

In June 2017, the General Meeting of Shareholders approved the share option plan for key employees, most of which were exercised at the end of 2020 and in the 1st quarter of 2021.

By 31 December 2022, all options under the share option plan approved in 2017 have been exercised. As of 31.12.2021 the balance of issued options of the above mentioned stock option plan was 69 thousand options and the liability amounted to EUR 72 thousand.

Program approved in 2020

In September 2020, the General Meeting of Shareholders approved a new share option plan for the management of AS Ekspress Grupp and its group companies for the period 2021-2023. As of 31 December 2022 total amount of share options granted was

959 thousand (31.12.2021: 1 064 thousand), each giving a right to acquire one share at the nominal price (currently 60 euro cents) of the shares at the time of the issuing the options.

The options are vesting proportionally 1/3 per year over three-year period. The exercise of the options and issue of the shares shall be performed by means of an increase of the share capital of AS Ekspress Grupp and issue of new shares that shall take place in Q1 2024. As of 31 December 2022 the number of options issued is 639 thousand.

Upon approving the share option, the option was recognised at its fair value and recognised on the one hand in the profit or loss statement as labour cost and, on the other hand, as a share option reserve in equity. As of 31 December 2022 this reserve totalled EUR 65 thousand (31.12.2021 EUR 36 thousand).

Program approved in 2022

In February 2022, the General Meeting of Shareholders approved a new share option plan that entitles the option holders to acquire the shares of AS Ekspress Grupp in exchange for the underlying asset of the options issued by Geenius Meedia OÜ in 2020. Share option plan was approved up to 371 thousand options, each of which grants the right to receive one share of the company free of charge, with the exercise date May 2023. The exercise of these options will be performed in exchange for the own shares of Ekspress Grupp. No new shares shall be issued under this program. The program enables AS Ekspress Grupp to comply with the commitment arising from the purchase and sale agreement of the shares of Geenius Meedia OÜ entered into on 17 December 2021. As of 31 December 2022, the liability of the mentioned share option amounted to EUR 378 thousand (31.12.2021: EUR 378 thousand).

Note 11. Equity and dividends

Share capital

As of 31 December 2022, the company's share capital is EUR 18 478 105 (31.12.2021: EUR 18 478 105), which is divided into 30 796 841 (31.12.2021: 30 796 841) shares with the nominal value of 0.60 euros per share.

The maximum amount of share capital as stipulated by the articles of association is EUR 25 564 656.

Treasury shares

In 2021, within the framework of the share option plan the option owners were transferred 374 611 shares and bought back 547 162 shares. As a result, the balance of treasury shares increased by EUR 175 thousand.

In the 12 months of 2022, within the framework of the share option plan the option owners were transferred 66 896. As a result, the balance of treasury shares decreased by EUR 50 thousand.

As of 31 December 2022, the Company had 447 076 treasury shares (31.12.2021: 513 972) in the total amount of EUR 334 thousand (31.12.2021: EUR 384 thousand). Treasury shares to be used for the share option plans due to be exercised in 2023.

Dividends

At the regular general meeting of shareholders of AS Ekspress Grupp held on 2 May 2022, it was decided to pay a dividend of 8 euro cents per share in the total amount of EUR 2.43 million. Dividends were paid to shareholders on 20 May 2022.

In 2021, in conjunction with the sale of Printall AS, the Group paid an extraordinary dividend of 10 euro cents per share to its shareholders in the total amount of EUR 3.03 million. Shareholder resolutions were adopted without calling the extraordinary general meeting of shareholders on 4 November 2021.

As of 31 December 2022, it is possible to distribute dividends without income tax payment in the total amount of EUR 23.5 million.

Note 12. Related party transactions

Transactions with related parties are transactions with Key Management Personnel and companies controlled by the Key Management Personnel, associates and joint ventures. The Key Management Personnel are members of the Group's and Group companies' Supervisory Board and Management Board.

The ultimate controlling individual of AS Ekspress Grupp is Hans H. Luik.

The Group has purchased from (goods for resale, manufacturing materials, non-current assets) and sold its goods and services to (lease of non-current assets, management services, other services) to the following related parties.

(EUR thousand)	12 months 2022		31.12.2022	
	Sales	Purchases	Receivables	Payables
Companies controlled by the Key Management Personnel*	124	3 084	712	171
Associates	162	2	133	1
Joint ventures	1 492	2 077	166	236
Total	1 778	5 163	1 011	408

(EUR thousand)	12 months 2021		31.12.2021	
	Sales	Purchases	Receivables	Payables
Companies controlled by the Key Management Personnel*	62	1 170	717	252
Associates	160	21	192	0
Joint ventures	1 369	1 999	145	226
Total	1 591	3 189	1 055	478

* since September 2021, Printall AS is a company related to a member of the Supervisory Board, and transactions and balances related to Printall AS are reported in the line "Companies controlled by the Key Management Personnel". Previously, Printall AS was a Group company and transactions and balances related to it are not reflected in the note "Related party transactions".

Note 13. Contingent assets and liabilities

On 28 April 2020, Harju County Court forwarded a statement of claim of MM Grupp OÜ to AS Delfi Meedia, in which MM Grupp OÜ demands EUR 2.0 million from AS Delfi Meedia for compensation of non-patrimonial or alternatively future patrimonial damages caused by the publication of allegedly false factual allegations. On 17 March 2021, Harju County Court made a decision in the action of MM Grupp OÜ against AS Delfi Meedia, in which the court dismissed the claim for the compensation of damage in the amount of EUR 2.0 million and satisfied the action in the claim to refute one factual allegation. The court ordered both parties to cover their own procedural expenses. MM Grupp OÜ appealed the judgement to Tallinn Circuit Court. On 2 February 2022, Tallinn Circuit Court ruled in favour of AS Delfi Meedia in an action brought by MM Grupp OÜ pertaining to rebuttal of false data and compensation for damages. The procedural costs at both instances shall be borne by the plaintiff. MM Grupp OÜ appealed in cessation to the Supreme Court. 13 June 2022, the Supreme Court dismissed the appeal in cassation of MM Grupp OÜ against AS Delfi Meedia pertaining to rebuttal of false data and compensation for damages and MM Grupp OÜ shall bear the costs of the proceedings in the cassation instance.

Note 14. Events after the balance sheet date

At **27 January 2023**, the Supervisory Board of AS Express Post in which AS Ekspress Grupp has a 50% ownership interest, to shut down the home delivery business of Express Post during 2024. The company will still provide the call centre service and the management service for the subscriber bases of periodicals that make up ca 7% of the company's current business. The change will neither impact the volume and frequency of publishing the paper periodicals of Ekspress Grupp nor the home delivery conditions for its subscribers. As a result of the closure of the business line, AS Express Post will lay off approximately 450 employees. The estimated additional one-off expenditure related to the closure of the business line will total EUR 1.0–1.2 million, of which the share of Ekspress Grupp will be EUR 0.5–0.6 million.

As at 31 December 2022, the value of the investment recognised in the Group's balance sheet is EUR 0 (31.12.2021: EUR 0). The additional one-off expenditure related to the closure of the business line in the amount of EUR 0.5–0.6 million will be reflected in the Group's results for the 1st quarter of 2023.

Management Board's confirmation of the Group's interim financial statements

The Management Board confirms that the management report and interim consolidated financial statements of AS Ekspress Grupp disclosed on pages 3 to 37 present a true and fair view of the key events which have occurred during the reporting period and their effect on the Group's financial position, results and cash flows, and they include a description of major risks and related party transactions of great significance.

Mari-Liis Rüütsalu	chairman of the Management Board	<i>signed digitally</i>	14.02.2023
Signe Kukin	member of the Management Board	<i>signed digitally</i>	14.02.2023

BRIEF OVERVIEW OF THE GROUP

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

- **Key activity:** production of journalistic content and sale of advertisements to digital platforms in all Baltic States. Publishing of newspapers, magazines and books in Estonia.
- **Key activities are supported by** IT development, solutions of audio-visual production, rental of advertising space, home delivery of paper periodicals.
- **Development of digital business lines:** in 2021, the Group exited the printing segment after which the Group's revenue base became almost entirely digital. At the end of 2021, digital products/services contributed 76% to the Group's total revenue.
- Management of the **ticket sales platform** and **ticket sales sites** in Estonia and Latvia.
- Advertising sales on **digital outdoor screens** in Estonia and Latvia.
- Importance of organisation of **entertainment events and thematic conferences** will increase.

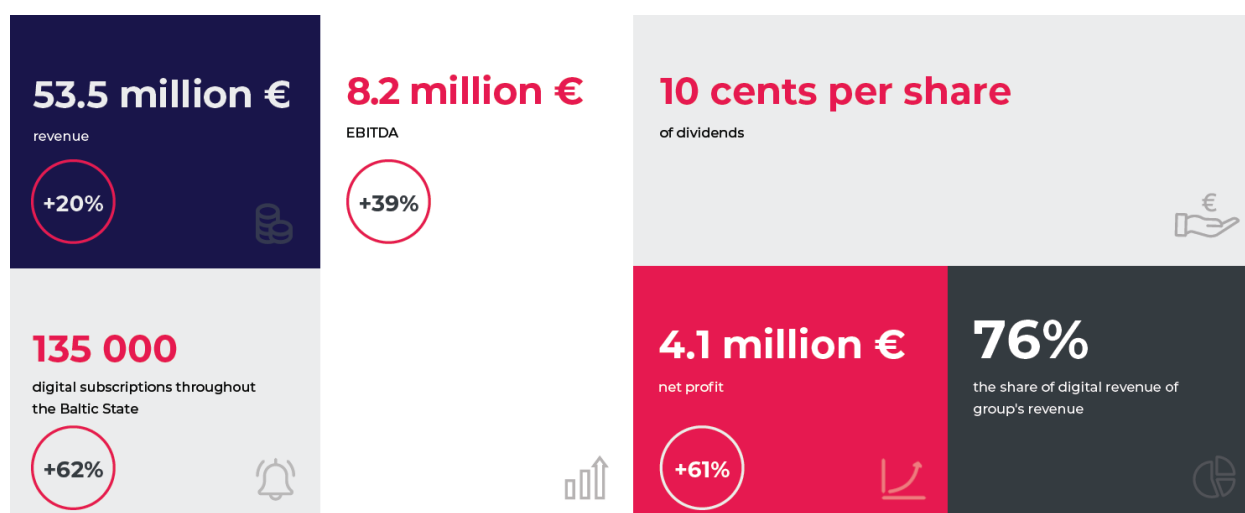
The customers of Ekspress Grupp are divided into three major groups:

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

In 2021, Ekspress Grupp reinforced its positions in all areas of operation. In the financial year, the ongoing spread of the coronavirus significantly impacted the work of group companies, primarily challenging the work procedures of media publications and turning other services digital.

The shares of AS Ekspress Grupp have been listed on NASDAQ Tallinn Stock Exchange since 5 April 2007. The key shareholder is Hans H. Luik, whose ownership interest as the final beneficiary through various entities is 73.23%.

Ekspress Grupp in figures (2021 – continuing operations)



* The number of digital subscriptions also includes the figures of joint ventures.

Digital
Matter

 altero.ee

ELTA

 BILEŠU
PARADIZE

 LINNA EKRAANID

 Ds
dscreens.lv

HEA
LUGU

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Delfi

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EESTI EKSPRESS

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Nipiraamat

käsitöö

 Kalale! / LOODUSES

Eesti Ajalugu

Eesti Mets

*Brands that AS Ekspress Grupp owns or has invested in

*Detailed information about our brands and businesses on the [website of AS Ekspress Grupp](#)