



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements
Six months ended 30 June 2024



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

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VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report for the Six Months Ended 30 June 2024

On August 1st 2024, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first half of the year that ended 30 June 2024.

Financial results

Revenues for the first half of 2024 amounted to €69.108.000 compared to €81.119.000 for the same period in 2023 due to lower total sales volumes.

Even though energy prices were lower than expected in the first half of the year, the fast-evolving energy landscape demands that the Company remains proactive in its approach to address any challenges. As part of our strategic initiatives, we are actively working to replace traditional fossil fuels with cleaner and more sustainable alternative energy sources incrementally. This approach aligns with our goal of reducing carbon emissions.

The expenses include the sum of €5.070.950 paid to the Commission for the Protection of Competition ("CPC") as an administrative fine, which was imposed on the Company on February 24, 2023, for alleged excessive pricing of grey cement in the domestic market during 2013-2018. This payment has been made with full reservation of all legal rights, pending the Company's recourse to the Administrative Court for the annulment of the CPC's decision.

As a result of the aforementioned factors, profit for the period reached €11.625.000, compared to €13.241.000 for the same period in 2023.

Transactions with related parties

The transactions with related parties for the first half of 2024 are presented on note 4 of the consolidated interim financial statements.

Main risks and uncertainties

The main risks and uncertainties faced by the Group are presented on note 5 of the consolidated interim financial statements.

Prospects for the year

Fuels, energy, and the cost of emission rights remain the highest cost factors in cement production, and their high volatility can significantly impact the entire industry. As a result, we are monitoring these factors closely to manage their potential effects on our operations.

Additionally, the persistence of high interest rates and political tensions in the region can influence market demand moving forward. The Company remains vigilant and is proactively adapting its strategies to navigate these challenges, focusing on cost management, operational efficiencies, and sustainable practices to mitigate the impact of these external factors.

VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Profit or Loss and Other Comprehensive Income **Six months ended 30 June 2024**

| | Six months ended 30 June | |
|---|-------------------------------------|----------------------|
| | 2024 €000 | 2023 €000 |
| Revenue | 69.108 | 81.119 |
| Cost of sales | (45.528) | (60.768) |
| Gross profit | 23.580 | 20.351 |
| Other operating income | 997 | 1.196 |
| Distribution expenses | (2.772) | (3.201) |
| Administrative expenses | (2.326) | (2.419) |
| Administrative fine | (5.071) | - |
| Other operating expenses | (764) | (1.011) |
| Operating profit before financing costs | 13.644 | 14.916 |
| Financial income | 233 | 26 |
| Financial expenses | (359) | (217) |
| Net financial expenses | (126) | (191) |
| Loss from investing activities | (4) | - |
| Share of profit from equity-accounted investees | 557 | 463 |
| Profit before tax | 14.071 | 15.188 |
| Taxation expense | (2.446) | (1.947) |
| Profit for the financial period | 11.625 | 13.241 |
| Other comprehensive income | | |
| Revaluation gain on financial assets at fair value through other comprehensive income | 107 | 40 |
| Other comprehensive income for the period | 107 | 40 |
| Total comprehensive income for the period | 11.732 | 13.281 |
| Profit attributable to: | | |
| Equity holders of the parent | 11.625 | 13.241 |
| Non-controlling interest | - | - |
| | 11.625 | 13.241 |
| Total comprehensive income attributable to: | | |
| Equity holders of the parent | 11.732 | 13.281 |
| Non-controlling interest | - | - |
| | 11.732 | 13.281 |
| Basic and diluted earnings per share (cents) | 16,2 | 18,4 |



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Financial Position

30 June 2024

| | 30 June 2024 | 31 December 2023 |
|---|----------------|------------------|
| | €000 | €000 |
| ASSETS | | |
| Property, plant and equipment | 196.850 | 200.381 |
| Intangible assets | 12.336 | 12.336 |
| Investment property | 10.135 | 10.187 |
| Rights of use assets | 2.296 | 2.377 |
| Investment in equity-accounted investee | 2.030 | 1.842 |
| Financial assets at fair value through other comprehensive income | 470 | 363 |
| Total non-current assets | 224.117 | 227.486 |
| Inventories | 50.933 | 47.332 |
| Trade and other receivables | 9.480 | 11.063 |
| Cash and cash equivalents | 27.668 | 18.181 |
| Total current assets | 88.081 | 76.576 |
| Total assets | 312.198 | 304.062 |
| EQUITY AND LIABILITIES | | |
| Equity and reserves | | |
| Share capital | 30.932 | 30.932 |
| Reserves | 238.044 | 226.312 |
| Total equity attributable to equity holders of the parent | 268.976 | 257.244 |
| LIABILITIES | | |
| Interest-bearing loans and borrowings | 6.919 | 9.023 |
| Lease liabilities | 1.374 | 1.412 |
| Deferred taxation | 21.472 | 21.472 |
| Total non-current liabilities | 29.765 | 31.907 |
| Interest bearing-loan and borrowings | 2.585 | 3.501 |
| Lease liabilities | 116 | 116 |
| Trade and other payables | 7.950 | 10.862 |
| Income tax payable | 2.806 | 432 |
| Total current liabilities | 13.457 | 14.911 |
| Total liabilities | 43.222 | 46.818 |
| Total equity and liabilities | 312.198 | 304.062 |



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Changes in Equity

Six months ended 30 June 2024

| | Share Capital | Share premium reserve | Revaluation reserve | Fair value reserve | Retained profits | Equity attributable to holders of parent | Non-controlling interest | Total equity |
|---|------------------|-----------------------------|------------------------|-----------------------|---------------------|---|-----------------------------|--------------|
| | €000 | €000 | €000 | €000 | €000 | €000 | €000 | €000 |
| Six months ended 30 June 2024 | | | | | | | | |
| Balance 1 January 2024 | 30.932 | 45.388 | 32.461 | (268) | 148.731 | 257.244 | - | 257.244 |
| Profit for the period | - | - | - | - | 11.625 | 11.625 | - | 11.625 |
| Other comprehensive income for the period | - | - | - | 107 | - | 107 | - | 107 |
| Total comprehensive income for the period | - | - | - | 107 | 11.625 | 11.732 | - | 11.732 |
| Balance 30 June 2024 | 30.932 | 45.388 | 32.461 | (161) | 160.356 | 268.976 | - | 268.976 |
| Six months ended 30 June 2023 | | | | | | | | |
| Balance 1 January 2023 | 30.932 | 45.388 | 34.625 | (351) | 137.943 | 248.537 | - | 248.537 |
| Profit for the period | - | - | - | - | 13.241 | 13.241 | - | 13.241 |
| Other comprehensive income for the period | - | - | - | 40 | - | 40 | - | 40 |
| Total comprehensive income for the period | - | - | - | 40 | 13.241 | 13.281 | - | 13.281 |
| Balance 30 June 2023 | 30.932 | 45.388 | 34.625 | (311) | 151.184 | 261.818 | - | 261.818 |



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Cash Flows

Six months ended 30 June 2024

| | Six months ended 30 June | |
|---|-----------------------------|----------------|
| | 2024 €000 | 2023 €000 |
| Cash flows from operating activities | | |
| Profit for the period | 11.625 | 13.241 |
| Adjustments for: | | |
| Depreciation and amortisation charges | 7.302 | 7.622 |
| Unrealised exchange (profit)/loss | (10) | 4 |
| Interest income | (223) | (30) |
| Interest expense | 359 | 217 |
| Share of profit of equity-accounted investees | (557) | (463) |
| Loss on disposal of investment property | 4 | - |
| Gain on sale of property, plant and equipment | (34) | (1) |
| Bad debts recovered | - | (38) |
| Taxation expense | 2.446 | 1.947 |
| Operating profit before changes in working capital | 20.912 | 22.499 |
| Changes in: | | |
| Trade and other receivables | 1.708 | 3.320 |
| Inventories | (3.601) | 1.383 |
| Trade and other payables | (2.918) | 1.319 |
| Cash generated from operations | 16.101 | 28.521 |
| Interest paid | (350) | (216) |
| Taxes paid | (4) | - |
| Net cash inflow from operating activities | 15.747 | 28.305 |
| Cash outflows to investing activities | | |
| Proceeds from sale of property, plant and equipment | 94 | 15 |
| Interest received | 223 | 30 |
| Dividends received | 175 | 250 |
| Acquisition of property, plant and equipment | (3.687) | (2.198) |
| Net cash used in investing activities | (3.195) | (1.903) |
| Cash flows from financing activities | | |
| Repayment of loans | (3.021) | (1.578) |
| Repayment of leases | (54) | (54) |
| Net cash outflows to financing activities | (3.075) | (1.632) |
| Effect of exchange rate fluctuations on cash held | 10 | (4) |
| Net increase of cash and cash equivalents | 9.487 | 24.766 |
| Cash and cash equivalents at 1 January | 18.181 | 2.209 |
| Cash and cash equivalents at 30 June | 27.668 | 26.975 |

Notes to the Consolidated Interim Financial Statements

1. The interim financial statements relate to the period from 1 January to 30 June 2024, are not audited by the Company's auditors and were approved by the Board of Directors on 1 August 2024.
2. The interim financial statements comply with the International Accounting Standard 34 "Interim Financial Statements".
3. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The interim financial statements are expressed in thousands of Euro.

4. Transactions with related parties

The Company entered into various transactions with associated and related parties. These transactions include the rendering of technical, administrative, commercial and other services to the Group as well as the purchase and sale of raw materials, spare parts and other goods and services at mutually agreed prices. During the period, the transactions with the above were as follows:

| | Sales | | Purchases | |
|--------------------------------------|----------------|--------------|------------------|--------------|
| | 30 June | | 30 June | |
| | 2024 | 2023 | 2024 | 2023 |
| | €000 | €000 | €000 | €000 |
| Hellenic Mining Group | - | - | 89 | 90 |
| Heidelberg Materials | - | - | 18 | 19 |
| KEO Plc | - | - | 5 | 6 |
| The Cyprus Cement Public Company Ltd | - | - | 60 | 60 |
| Enerco - Energy Recovery Ltd | 1.371 | 1.108 | 778 | 1.027 |
| HM Trading Global GMBH | - | 3.019 | - | - |
| | 1.371 | 4.127 | 950 | 1.202 |

5. Main risks and uncertainties

The uncertain economic conditions, the increased regulatory conditions imposed by the EU ETS, energy prices and exchange rates, could affect:

- (1) the Group's income and operating costs,
- (2) the ability of the Group's trade and other debtors to repay the amounts due to the Group, and
- (3) the cash flow forecasts of the Group and the assessment of impairment of other financial and non financial assets.

The uncertainty regarding the course of developments in the markets does not allow a safe prediction for the remaining of the current year, which may affect negatively the future financial performance, cash flows and financial position of the Group. Considering the above uncertainties the Group's Management is taking measures to limit exposure to certain risks and mitigate any possible negative consequences.

Other risks and uncertainties faced by the Group are detailed in note 33 of the Annual Report and Financial Statements for 2023.



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Statement of the members of the Board of Directors and other responsible persons of the Company for the interim financial statements

In accordance with Article 10 of the Transparency Requirements (Securities for Trading on Regulated Market) Law 190(I)/2007 ("Law"), we the members of the Board of Directors, General Manager and the Chief Financial Officer of Vassiliko Cement Works Public Company Ltd, confirm that to the best of our knowledge:

(a) The interim financial statements for the period from 1 January 2024 to 30 June 2024 that are presented on pages 1 to 6:

i. were prepared in accordance with the International Financial Reporting Standards and in accordance with the provisions of Article 10 (4) of the Law, and

ii. give a true and fair view of the assets and liabilities, the financial position and the profits of Vassiliko Cement Works Public Company Ltd and the businesses that are included in the consolidated financial statements as a total, and

(b) the interim report gives a fair review of the information required under Article 10 (6) of the Law.

Members of the Board of Directors

Antonios Antoniou - Executive Chairman

George Galatariotis

Costas Galatariotis

Maurizio Mansi Montenegro

Stelios Anastasiades

Hakan Gürdal

Mihail Polendakov

Anastasia Papadopoulou

Ioannis Savvides

Georgios Chari

Company Officials

George Savva

General Manager

Melina Kyriakou

Chief Financial Officer

1 August 2024