



VASSILIKO CEMENT WORKS

PUBLIC COMPANY LTD

Since 1963

ANNUAL REPORT
AND FINANCIAL STATEMENTS
2025



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ADDRESS BY THE EXECUTIVE CHAIRMAN for the year 2025

DEAR SHAREHOLDERS,

I would like to welcome you all to the 60th Annual General Meeting of our Company.

YEAR IN REVIEW

The year 2025 was marked by improved activity in the local construction sector, while regulatory developments for environmental targets at European level and ongoing geopolitical uncertainty continued to shape industry conditions. Despite these challenges, the Company and the Group remained focused on their core priorities and delivered a strong operational and financial performance.

Domestic demand remained solid throughout the year, reflecting continued construction activity in Cyprus. The Group maintained a strong focus on the local market and operated with optimum production volumes, whilst exports were managed on a targeted basis. Macroeconomic conditions in Cyprus remained supportive and contributed positively to overall performance during the year.

Operationally, continued emphasis was placed on production efficiency, cost discipline and reliability. The continued efforts of our people across all levels of the organisation once again played a central role in delivering consistent performance under increasingly demanding external conditions.

FINANCIAL RESULTS

On behalf of the Board of Directors, I am pleased to present the financial results of the Group and the Company for the year ended 31 December 2025.

Group and Company revenues increased to €152.755.000 and €152.662.000 respectively, representing an increase of 11% compared to the previous year. This improvement was primarily driven by higher domestic sales volumes, reflecting the stronger activity levels in the local market.

Gross profit increased significantly to €50.305.000 for the Group and €50.211.000 for the Company, compared to €42.497.000 for both the Group and the Company in 2024. This improvement reflects continued gains in production efficiency and disciplined cost management, including enhanced electricity efficiency, as well as the expanded use of alternative fuels. These initiatives contributed to lower unit production costs and supported the Group's environmental strategy.

Net profit for the year amounted to €35.527.000 for the Group and €34.994.000 for the Company, confirming the Group's ability to deliver strong profitability while operating in an increasingly complex energy and regulatory environment.

OUTLOOK AND STRATEGIC PRIORITIES

Looking ahead, the Group's operating outlook is increasingly influenced by developments in global energy markets and ongoing reviews and proposed revisions to key European climate policy instruments, particularly carbon pricing mechanisms and the newly introduced Carbon Border Adjustment Mechanism (CBAM). Energy costs remain subject to significant volatility, driven by geopolitical developments affecting key international supply routes, including disruptions in the wider Middle East region. These developments have resulted in higher fuel costs and indirect pressure on electricity prices, increasing cost pressure for energy-intensive industries.



ADDRESS BY THE EXECUTIVE CHAIRMAN (continued) for the year 2025

OUTLOOK AND STRATEGIC PRIORITIES (continued)

Uncertainty remains surrounding the European Green Deal, as the evolving CO₂ emissions regulatory framework and the implementation of the Carbon Border Adjustment Mechanism continue to challenge planning and investment decisions across the sector.

While cement production remains inherently emissions-intensive due to unavoidable process emissions, the Group continues to focus on measures that improve efficiency and mitigate cost exposure within these structural constraints.

Regarding renewable energy, the Group has completed its part of the expansion of the Photovoltaic Park, increasing total installed capacity to 16MW. The connection of the additional 8MW capacity to the national grid still however remains dependent on the completion of infrastructure works by the Electricity Authority of Cyprus. Once connected, the expanded facility is expected to strengthen the Group's energy mix and reduce exposure to electricity price volatility. At the same time, nationwide power curtailments imposed by the grid regulator continue to limit the effective performance of photovoltaic installations.

Targeted investments continue to be assessed to expand the use of alternative fuels and enhance operational efficiency. In parallel, the Group closely monitors energy, regulatory and geopolitical developments and adjusts its priorities accordingly.

DIVIDEND

On 25 September 2025, the Board of Directors approved the payment of an interim dividend of €0,15 per share of €10.790.392,05. Considering our 2025 financial performance, strong operational base, and outlook, the Board of Directors has decided to propose at the Annual General Meeting the payment of dividend of €16.545.267,81 or €0,23 per share. The interim dividend together with the dividend that is proposed for approval at the Annual General Meeting amounts to €27.335.659,86 or €0,38 per share.

SHAREHOLDERS, CLIENTS, PERSONNEL

In closing, I would like to express my sincere appreciation to our General Manager and to all our employees. Their commitment, professionalism and adaptability continue to underpin the Group's performance.

I would also like to thank our shareholders and customers for their continued trust. Going forward, we remain committed to efficiency, sustainability and long term value creation.



Antonios Antoniou
Executive Chairman

23 April 2026



NOTICE OF ANNUAL GENERAL MEETING

The 60th Annual General Meeting of the shareholders of Vassiliko Cement Works Public Company Limited (the “Company”) will be held at the Plant Offices of the Company at Vassiliko, on 28 May 2026 at 5:00 p.m. to transact the following business:

1. Consider the Management Report and Consolidated Management Report of the Board of Directors for the year 2025.
2. Receive, consider and approve the Annual Financial Statements and the Report of the Auditors for the year 2025.
3. Approve a total dividend payment of €0,23 per share, €0,22 out of the profits of the year 2025 and €0,01 out of the profits of 2024 included in Retained Earnings.
4. Elect new Directors in the place of those who retire.
5. Approve the Remuneration Report.
6. Fix the remuneration of the Directors for the year 2026.
7. Re-appoint PricewaterhouseCoopers Limited as the auditors of the Company and fix their remuneration for the year 2026.
8. Transact any other business which, in accordance with the Company's Articles of Association, can be presented at the Annual General Meeting.

By order of the Board

M. MAVRIDOU

Secretary

23 April 2026



NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING

ENTITLEMENT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

1. Any person appearing as a shareholder in the Register of Members of the Company on the record date is entitled to participate in the Annual General Meeting. Each ordinary share is entitled to one vote. The record date for determining the right to vote at the Annual General Meeting is 26 May 2026. Transactions which will be taking place on 25 May 2026 and thereafter will not be considered in determining the right to vote at the Annual General Meeting.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf. Shareholders may appoint any person as their proxy. Such proxy need not be a member of the Company. Shareholders who appoint a proxy to vote on their behalf, but wish to specify how their votes will be cast, should tick the relevant boxes on the Form of Proxy.
3. The instrument appointing a proxy, which is available on the website of the Company at www.vassiliko.com (under Investors Relations), must be deposited at the Registered Offices of the Company (1A, Kyriakos Matsis Avenue, 4th Floor, CY-1082 Nicosia, Cyprus, fax +357 24 332 651) at least 24 hours prior to the commencement of the business of the Annual General Meeting.
4. If such appointor is a company, the Form of Proxy must bear the name of the company, and be signed by its duly authorised officer/s. In the case of joint shareholders, the Form of Proxy can only be signed by the person whose name appears first in the Register of Members. Shareholders should confirm that the form of proxy has been successfully received by the Company by calling +357 24 845 555.
5. Shareholders and/or their proxies who will attend the Annual General Meeting are requested to carry with them their identity card, or other proof of identification.
6. Any legal entity, which is a shareholder of the Company, may by resolution of its Directors or other governing body, authorise such person, as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he/she represents, as that corporation could exercise, if it were an individual member of the Company.

VOTING PROCEDURES AT THE ANNUAL GENERAL MEETING

7. At the Annual General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - a. by the Chairman, or
 - b. by at least three members present in person or by proxy, or
 - c. by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
 - d. by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.



NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING (continued)

8. If a poll is demanded in the manner aforesaid, it shall be taken in such a manner, as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

SHAREHOLDERS RIGHTS AT THE ANNUAL GENERAL MEETING

9. Pursuant to article 127B of Cyprus Companies Law, Cap. 113, shareholders of the Company have the right to put an item on the agenda of the Annual General Meeting, provided that the item is accompanied by a written explanation justifying the inclusion of the item or the proposed resolution for approval at the Annual General Meeting, and that:
- the shareholder or group of shareholders hold at least 5% of the issued share capital of the Company, representing at least 5% of the voting rights of shareholders entitled to vote at the meeting for which an item has been added on the agenda, and
 - the shareholders' request to put an item on the agenda or resolution (as described above) is received by the Company's Secretary in hard copy or electronically at the addresses indicated below at least 42 days prior to the Annual General Meeting:

Vassiliko Cement Works Public Company Limited
1A, Kyriakos Matsis Avenue, 4th Floor, CY-1082 Nicosia, Cyprus
or by fax at +357 24 332 651
or by email at investors@vassiliko.com

10. Pursuant to article 128C of the Cyprus Companies Law, Cap. 113, shareholders have a right to ask questions related to items on the agenda and to have such questions answered by the Board of Directors of the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders.

OTHER INFORMATION AND AVAILABLE DOCUMENTS

11. As at 23 April 2026, the issued share capital of the Company is €30.932.457 divided into 71.935.947 ordinary shares of nominal value €0,43 each.
12. The Annual Report and Consolidated and Company Financial Statements for 2025 (incorporating the Notice to and the Agenda of the Annual General Meeting, Explanatory Notes on the Agenda Items, the Management Report and Consolidated Management Report, the Corporate Governance Report, the Remuneration Report, the Auditors' Report and the Consolidated and Company Financial Statements), and the Form of Proxy are available in electronic form on the website of the Company at www.vassiliko.com (Investor Relations) and in hard copy at the Company's Registered Offices, at 1A Kyriakos Matsis Avenue, 4th Floor, 1082 Nicosia.

NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING (continued)

EXPLANATORY NOTES

The formal Notice of the 2026 Annual General Meeting is set out on page 3. The Notice asks the shareholders of Vassiliko Cement Works Public Company Limited to approve a number of items of business. For your information, the explanatory notes below summarise the purpose of each resolution to be voted on, by the Company's shareholders, at this year's Annual General Meeting.

RESOLUTION 1: TO CONSIDER THE MANAGEMENT REPORT

The Chairman will present the Management Report and Consolidated Management Report for the year 2025.

RESOLUTION 2: TO RECEIVE, CONSIDER AND APPROVE THE ANNUAL FINANCIAL STATEMENTS AND THE REPORT OF THE AUDITORS

The Chairman will present the Annual Financial Statements and PricewaterhouseCoopers Limited will present their Audit Report for the year ended 31 December 2025.

RESOLUTION 3: APPROVE A DIVIDEND PAYMENT

The Directors proposed the payment of a dividend of €0,23 per share, €0,22 out of the profits of the year 2025 and €0,01 out of the profits of 2024, included in Retained Earnings. If approved at the Annual General Meeting, the dividend will be paid to the entitled shareholders registered as at 11 June 2026 (record date). The shares of the Company will be traded ex-dividend as of 10 June 2026. Payment of the dividend will be made (effected) till the 7 July 2026.

RESOLUTION 4: RE-ELECTION OF DIRECTORS

In accordance with the articles of association, Messrs Stavros G. Galatariotis, Anastasia Papadopoulou and George N. Chari are the Directors who will retire by rotation this year and offer themselves for re-election.

Brief details of all Directors appear on pages 21 to 24 of the Annual Report.

RESOLUTION 5: APPROVE THE REMUNERATION REPORT

The Shareholders are asked to approve the remuneration report that appears on pages 19 to 20.

RESOLUTION 6: TO FIX THE REMUNERATION OF THE DIRECTORS

The Shareholders are asked to approve that the remuneration of the Directors for the year 2026 remains the same as for the previous year, i.e.:

€30.000 for the Chairman,

€25.000 for each of the Directors,

€300 representation allowance per presence in a meeting held.

RESOLUTION 7: RE-APPOINTMENT OF AUDITORS

This resolution relates to the re-appointment of PricewaterhouseCoopers Limited as the Company's auditors to hold office until the next Annual General Meeting of the Company, and to authorise the Directors to set their remuneration.

OFFICERS, PROFESSIONAL ADVISORS AND BANKERS

Directors: ANTONIOS A. ANTONIOU (Executive Chairman)
GEORGE ST. GALATARIOTIS
COSTAS ST. GALATARIOTIS
STAVROS G. GALATARIOTIS
MAURIZIO MANSI MONTENEGRO
STELIOS S. ANASTASIADES
HAKAN GÜRDAL
MIHAIL POLENDAKOV
ANASTASIA PAPADOPOULOU
IOANNIS SAVVIDES
GEORGE N. CHARI

General Manager: GEORGE S. SAVVA

Financial Manager: MELINA KYRIAKOU

Secretary: MARIA MAVRIDOU

Independent Auditors: PRICEWATERHOUSECOOPERS LIMITED
43, DIMOSTHENI SEVERI AVENUE
1080 NICOSIA
CYPRUS

Legal Advisors: TASSOS PAPADOPOULOS & ASSOCIATES
CHRYSSES DEMETRIADES & CO. LLC
L. PAPAPHILIPPOU & CO LLC
CHRISTYS & CO LLC
IOANNIDES DEMETRIOU LLC

Bankers: ALPHA BANK LTD
BANK OF CYPRUS PUBLIC COMPANY LTD
EUROBANK LTD
NATIONAL BANK OF GREECE (CYPRUS) LTD
UBS SWITZERLAND AG

Registered office: 1A, KYRIAKOS MATSIS AVENUE
1082 NICOSIA
CYPRUS

Registered number: HE 1210

Website: www.vassiliko.com



STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND OTHER RESPONSIBLE PERSONS OF THE COMPANY FOR THE FINANCIAL STATEMENTS



In accordance with Article 9 sections (3)(c) and (7) of the Transparency Requirements (Securities for Trading on Regulated Market) Law 2007 ("Law"), we, the members of the Board of Directors and the other responsible persons for the financial statements of Vassiliko Cement Works Public Company Limited for the year ended 31 December 2025, confirm that, to the best of our knowledge:

- a. The Annual Financial Statements that are presented on pages 36 to 78:
 - i. were prepared in accordance with the IFRS Accounting Standards as adopted by the European Union, and in accordance with the provisions of Article 9, section (4) of the Law, and
 - ii. give a true and fair view of the assets and liabilities, the financial position and the profit or loss and other comprehensive income of Vassiliko Cement Works Public Company Limited and the businesses that are included in the consolidated and Company financial statements as a total.
- b. The Management Report and Consolidated Management Report gives a fair review of the developments and the performance of the business as well as the financial position of Vassiliko Cement Works Public Company Limited and the businesses that are included in the consolidated and Company financial statements as a total, together with a description of the principal risks and uncertainties they are facing.

MEMBERS OF THE BOARD OF DIRECTORS

Antonios A. Antoniou	Executive Chairman	
George St. Galatariotis	Non-Executive Director	
Costas St. Galatariotis	Non-Executive Director	
Stavros G. Galatariotis	Non-Executive Director	
Maurizio Mansi Montenegro	Non-Executive Director	
Stelios S. Anastasiades	Independent Non-Executive Director	
Hakan Gürdal	Non-Executive Director	
Mihail Polendakov	Non-Executive Director	
Anastasia Papadopoulou	Independent Non-Executive Director	
Ioannis Savvides	Independent Non-Executive Director	
George N. Chari	Independent Non-Executive Director	

COMPANY OFFICIALS

George S. Sava	General Manager	
Melina Kyriakou	Financial Manager	

23 April 2026



MANAGEMENT REPORT AND CONSOLIDATED MANAGEMENT REPORT

The Board of Directors of Vassiliko Cement Works Public Company Limited (the “Company”) presents to the members of the Company its annual report together with the audited consolidated and Company financial statements of the Company for the year ended 31 December 2025.

FINANCIAL STATEMENTS

The consolidated financial statements for the year 2025 include the results of the holding company, its subsidiaries and associate companies (the “Group”). References in the financial statements to the “Group”, refer to the Group and the Company.

PRINCIPAL ACTIVITIES

The Group's principal activities are the production of cement products, which are distributed in the local and international markets as well as the production of electricity sold in the local competitive electricity market.

REVIEW OF DEVELOPMENTS, POSITION AND PERFORMANCE OF THE OPERATIONS

In 2025, the Group and the Company recorded revenues of €152.755 thousand and €152.662 thousand respectively, representing an increase of 11% compared to €137.783 thousand for the Group and the Company in 2024. The improvement was mainly attributable to higher domestic sales volumes, reflecting increased activity in the local construction sector. Overall market conditions during the year were favourable, supported by stable macroeconomic fundamentals and sustained demand in Cyprus.

Gross profit rose significantly to €50.305 thousand for the Group and €50.211 thousand for the Company, compared to €42.497 thousand for both the Group and the Company in the previous year, corresponding to an increase of 18,4% and 18,2% respectively. This performance was driven by improvements in production efficiency and disciplined cost management across operations. In particular, improved electricity efficiency and the continued expansion of alternative fuel usage contributed to lower unit production costs. In addition to their positive financial impact, these initiatives supported the Group's environmental strategy by reducing emissions and strengthening circular economy practices.

The comparative results of the prior year include a non-recurring expense of €5.070.950 paid to the Commission for the Protection of Competition (“CPC”) as an administrative fine. The fine, which was imposed on 24 February 2023 and relates to alleged excessive pricing of grey cement in the domestic market during the period 2013–2018, was settled under full reservation of all legal rights, pending the outcome of the Company's recourse before the Administrative Court.

Looking ahead, the Group continues to focus on reinforcing its operational framework while adapting to changes in the energy and regulatory landscape. Ongoing investment in energy efficiency, alternative fuels and improved production processes remains central to the Group's long-term strategy, supporting sustainable growth, cost efficiency and environmental objectives.

FINANCIAL RESULTS

The financial results of the Group and the Company for the year ended 31 December 2025 are presented in the consolidated and Company statements of profit or loss and other comprehensive income. Profit for the year ended 31 December 2025 for the Group amounted to €35.527 thousand compared to €25.881 thousand in 2024, whereas the profit for the year for the Company amounted to €34.994 thousand compared to €25.704 in 2024.

DIVIDENDS

On 25 September 2025, the Board of Directors approved the payment of an interim dividend of €0,15 per share (2024: €0,12) of €10.790 thousand (2024: €8.632 thousand).

The Board of Directors recommends the payment of a dividend of €16.545 thousand or €0,23 per share, €0,22 out of the profits of the year 2025 and €0,01 out of the profits of 2024 included in Retained Earnings, to the shareholders of the Company registered as at 11 June 2026 (record date). In June 2025 the Board of Directors approved the payment of a dividend of €12.948 thousand or €0,18 per share, €0,12 out of the profits of 2024 and €0,06 out of the profits of the year 2023 included in Retained Earnings.



MANAGEMENT REPORT AND CONSOLIDATED MANAGEMENT REPORT (continued)

MAIN RISKS AND UNCERTAINTIES

Statements made in this report that are not historical facts, including the expectations for future volume and pricing trends, demand for the products, energy costs and other market developments are forward looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions (“Factors”), which are difficult to predict.

Some of the Factors that could cause actual results to differ from those expressed in the forward-looking statements include, but are not limited to: the cyclical nature of the Group's business; national and regional economic conditions; currency fluctuations; energy prices; emission rights price fluctuation; seasonal nature of the Group's operations; levels of construction spending and, in particular, in Government infrastructure projects announced; supply/demand structure of the industry; competition from new or existing competitors; unfavourable weather conditions during peak construction periods; changes in and implementation of environmental and other governmental regulations. In general, the Group is subject to the risks and uncertainties of the construction industry. The forward-looking statements are made as of this date and the Group undertakes no obligation to update them, whether as a result of new information, future events or otherwise.

Further information for risks and uncertainties to which the Group is exposed, is disclosed in note 33 of the financial statements.

FUTURE DEVELOPMENTS

The Group's operating outlook is increasingly shaped by heightened volatility in global energy markets and ongoing uncertainty surrounding European climate policy. A key challenge during the period ahead is the sharp increase in energy costs arising from geopolitical developments in the Middle East, including the closure of the Strait of Hormuz. These developments have led to higher fuel costs and have also had a knock-on effect on electricity prices, increasing overall cost pressure on energy-intensive production activities such as cement and clinker production.

In parallel, uncertainty surrounding the European Green Deal, the future structure of CO₂ emissions regulation and the implementation of the Carbon Border Adjustment Mechanism (CBAM) continues to affect operational planning and investment decisions. Since the cement industry remains inherently emissions-intensive due to the nature of the production process, clarity on the future structure, timing and cost of these policies will be critical for long-term competitiveness and investment planning.

With regard to renewable energy, the Group has completed its part of the expansion of the Photovoltaic Park, increasing total installed capacity by 8MW to 16MW. However, the connection of the new capacity to the national grid remains dependent on the completion of infrastructure works by the Electricity Authority of Cyprus (EAC). Once connected, the expanded photovoltaic facility is expected to partially mitigate exposure to electricity price fluctuations.

Targeted investments remain under review to support greater use of alternative fuels and improved operational efficiency. The Group continues to monitor energy market and regulatory developments and adjust its priorities accordingly.

EVENTS AFTER THE REPORTING PERIOD

The important events that occurred after the reporting period are disclosed in note 38 of the financial statements.

SHARE CAPITAL

The issued share capital of the Company comprises 71.935.947 ordinary shares of €0,43 per share. There were no changes to the share capital of the Company during 2025. The Company's shares are listed on the Cyprus Stock Exchange (CSE).

There are no restrictions on the transfer of the Company's shares other than the requirements of the Market Abuse Regulation, which relates to transactions by persons in possession of inside information and persons discharging managerial responsibilities, as well as persons closely associated with them.

The Company does not have any shares in issue which carry special control or voting rights.

**MANAGEMENT REPORT AND CONSOLIDATED MANAGEMENT REPORT (continued)****AGREEMENTS WHICH ARE EFFECTIVE UPON A CHANGE OF CONTROL OF THE COMPANY**

The Company has not contracted any agreement which becomes effective, is amended or ceases to apply in case of change of control following a public tender offer to the Company's shareholders or the proposal of a resolution to the general meeting of the Company for a merger, acquisition or sale of its operations.

There are no agreements with the Executive Directors or employees of the Company providing for compensation in case of resignation or dismissal without a valid reason or for termination of their employment due to a public tender offer for the acquisition of the shares of the Company. In case of termination by the Company of the employment of Executive Directors or employees, prior to their retirement, the Company has to compensate them according to the provisions of the Law and the Company's agreements with the Trade Unions.

DIRECTORS' INTEREST IN THE SHARE CAPITAL OF THE COMPANY

The beneficial interest in the Company's shares held by members of the Board of Directors, directly or indirectly, at 31 December 2025 and 18 April 2026, is set out in note 29 of the Financial Statements.

BRANCHES

During the year, the Group did not operate any branches.

BOARD OF DIRECTORS

The members of the Board of Directors on the date of the report appear on page 7. In accordance with the Company's Articles of Association (Article 92), at the next Annual General Meeting, Messrs Stavros G. Galatariotis (non-Executive Director), Anastasia Papadopoulou (Independent non-Executive Director) and George N. Chari (Independent non-Executive Director) retire from office by rotation and, being eligible, offer themselves for re-election.

The Directors who served during the period from 5 June 2025, the date of the last Annual General Meeting, till this date were the following:

Antonios A. Antoniou
George St. Galatariotis
Costas St. Galatariotis
Stavros G. Galatariotis
Maurizio Mansi Montenegro
Stelios S. Anastasiades
Hakan Gürdal
Mihail Polendakov
Anastasia Papadopoulou
Ioannis Savvides
George N. Chari

The responsibilities of the Directors as members of the Board Committees are disclosed in the Corporate Governance Report.

There were no material changes to the compensation or responsibilities of the Board of Directors.

CORPORATE GOVERNANCE STATEMENT

The Company recognises the importance of implementing corporate governance principles and adopted the CSE's Corporate Governance Code and applies its principles. The CSE's Corporate Governance Code is available on CSE's website (www.cse.com.cy).

The Company has adopted the 6th Revised Edition of the Corporate Governance Code, issued by the Cyprus Stock Exchange in April 2024. At the date of this report, the principles of the Corporate Governance Code are partly implemented, given that the Principle regarding Board Balance was not fully met.

**MANAGEMENT REPORT AND CONSOLIDATED MANAGEMENT REPORT (continued)****CORPORATE GOVERNANCE STATEMENT (continued)**

The Corporate Governance Report of the Company for 2025 appears in pages 13 to 18 and is available on the website of the Company (www.vassiliko.com).

The rules governing the composition and function of the Board of Directors and the appointment and replacement of its members as well as the composition and function of the Board Committees are set out in Section B of the Report on Corporate Governance.

Any amendment or addition to the Articles of Association of the Company is only valid if approved by a special resolution at a shareholders' meeting.

The Board of Directors may issue share capital if there is sufficient authorised share capital, which has not been issued and as long as the new shares to be issued are offered first to the existing shareholders, pro-rata to their percentage holding. In the event that the new shares will not be offered to existing shareholders, a resolution approved with a special majority of at least the 80% of the shareholders, who are entitled to attend and vote in a General Meeting, must be passed. In the event that a share capital increase requires an increase in the authorised share capital, the approval of the shareholders in a General Meeting must be obtained. The Board of Directors may also propose to the General Meeting of shareholders a share buyback scheme.

There are no restrictions in voting rights and special control rights in relation to the shares of the Company.

SHAREHOLDERS HOLDING MORE THAN 5%

The shareholders holding directly or indirectly more than 5% of the issued share capital of the Company as at 31 December 2025 and 18 April 2026, are set out in note 30 of the Financial Statements.

PREPARATION OF PERIODIC REPORTING

The Group has in place an effective internal control system, the adequacy of which is evaluated at least annually by the Board of Directors and the Board's Audit Committee, in respect of financial and operational systems. The adequacy of the Internal Control System secures the validity of financial data and compliance with relevant legislation and aims to secure the management of risks while providing reasonable assurance that no loss will incur.

The Group's internal control system incorporates effective procedures aiming at the identification and prevention of errors, omissions or fraud that could result in material misstatements during the preparation of financial statements and relevant disclosures included in the periodic reporting provided by the Group based on Part II of the Transparency Law of Cyprus (Law Providing for Transparency Requirements in relation to Information about Issuers whose Securities are listed for trading on a Regulated Market) of 2007 and its amendments.

INDEPENDENT AUDITORS

The independent auditors of the Company, PricewaterhouseCoopers Ltd, have expressed their willingness to continue in office. A resolution to fix their remuneration for the financial year 2026 will also be proposed at the Annual General Meeting.



On behalf of the Board of Directors

ANTONIOS A. ANTONIOU

Executive Chairman

23 April 2026



CORPORATE GOVERNANCE REPORT

SECTION A

The Company has adopted the 6th Revised Edition of the Corporate Governance Code, issued by the Cyprus Stock Exchange in April 2024. At the date of this report the principles of the Corporate Governance Code are partly implemented, given that the Principle regarding Board Balance was not fully met.

SECTION B

THE BOARD

The Company is headed by the Board of Directors, which at 31 December 2025, comprised one Executive and ten non-Executive Directors and is responsible to the shareholders for the proper management of the company “Τσιμεντοποιία Βασιλικού Δημόσια Εταιρεία Λίμιτεδ” (English translation “Vassiliko Cement Works Public Company Limited”) and its subsidiaries. The non-Executive Directors comprised four independent Directors and six non-independent Directors. The members of the Board (excluding the Chairman) comprised four independent non-Executive Directors and six non-independent Directors, all of which are non-Executive Directors. The independent non-Executive Directors of the Board were Mr. Stelios S. Anastasiades, Ms. Anastasia Papadopoulou, Mr. Ioannis Savvides and Mr. George N. Chari.

The size and composition of the Board of Directors allow for the effective exercise of its responsibilities and reflect the Company’s size, activity and ownership status. The Board of Directors is sufficiently diversified in terms of age, educational and professional background reflecting a sufficiently wide range of experiences. Regarding the recommendation of the Corporate Governance Code for gender diversity amongst the board members, the Board of Directors, in the appointments process, positively considers nominations which promote gender diversity, without adversely affecting the educational and professional background diversification of the Board of Directors.

The Board of Directors of the Company, as at the date of this report, comprises the following members:

Antonios A. Antoniou	– Executive Chairman
George St. Galatariotis	– Non-Executive Director
Costas St. Galatariotis	– Non-Executive Director
Stavros G. Galatariotis	– Non-Executive Director
Maurizio Mansi Montenegro	– Non-Executive Director
Stelios S. Anastasiades	– Independent non-Executive Director
Hakan Gürdal	– Non-Executive Director
Mihail Polendakov	– Non-Executive Director
Anastasia Papadopoulou	– Independent non-Executive Director
Ioannis Savvides	– Independent non-Executive Director
George N. Chari	– Independent non-Executive Director

The Company’s shares are traded in the Alternative Market of the Cyprus Stock Exchange. Corporate governance provisions regarding Board Balance for Companies listed in the Alternative Market provide that the majority of the non-Executive Directors, or at least two Directors, have to be independent non-Executive Directors.



CORPORATE GOVERNANCE REPORT (continued)

THE BOARD (continued)

The Company complies with the above Board Balance provision, since four members of the Board are Independent non-Executive Directors. Based on the provisions of the Corporate Governance Code, and given that the Board of Directors is comprised of four Independent non-Executive members and seven non-Independent members (executives and non-executives), Board Balance is not met according to Principle A.2 of the Corporate Governance Code.

Mr. Stelios S. Anastasiades, independent non-Executive Director, was appointed on 30 May 2017 as Senior Independent Director. The Senior Independent Director of the Company is available to shareholders if they have concerns that have not been resolved through the normal channels of contact with the Executive Chairman, or the General Manager or for which such contact is inappropriate. The Senior Independent Director will attend sufficient meetings of major shareholders and financial analysts to develop a balanced understanding of the issues and concerns of such shareholders. The Senior Independent Director can be contacted initially via the Company Secretary at the Registered Office of the Company.

The Board has six scheduled meetings a year, setting and monitoring the Group's strategy, reviewing trading performance, ensuring adequate funding, examining major capital expenditure, formulating policy on key issues and reporting to shareholders where appropriate. The Board of Directors convened six times during 2025. In accordance with best practice, the Board has established the Audit Committee, the Remuneration Committee and the Nominations Committee as per the requirements of the Code. The Company Secretary is responsible to and appointed by the Board and all Directors have access to her advice and services. Directors may obtain independent professional advice if necessary, at the Company's expense. Formal agendas, papers and reports are supplied to Directors in a timely manner, prior to Board meetings. Briefings are also provided at other times, for example, through operational visits and business presentations.

EXECUTIVE CHAIRMAN AND GENERAL MANAGER

The division of responsibility for the management of the Group between the Executive Chairman and the General Manager of the Company is presented below.

The Executive Chairman of the Company, Mr. Antonios Antoniou has, among others, the following duties and responsibilities:

- Determines the Agenda of the meeting of the Board of Directors.
- Chairs the Meetings of the Board of Directors and the General Meetings of the Shareholders of the Company.
- Reviews the information and documents and confirms their relevance in order to be submitted to the Members of the Board of Directors prior to the Board Meetings.
- Reviews the strategy of the Group with the General Manager of the Company.
- Represents the Company in all its major dealings.
- Meets with the major shareholders of the Company and conveys their suggestions to the Board of Directors.
- Cooperates with the General Manager of the Company to determine the strategic targets of the Group according to the developments of the sector within which the Group operates and secures the thorough appraisal of the Company's strategic or other development proposals and the presentation thereof to the Board of Directors for final approval.
- Evaluates and promotes various other proposals of the General Manager.
- Represents together with the General Manager and/or selective members of the Management Team the Company at various meetings for the promotion of the strategic targets of the Company.
- Develops and maintains effective relationships with the Company's stakeholders ensuring the continuity and the sustainable development of the business.

CORPORATE GOVERNANCE REPORT (continued)

EXECUTIVE CHAIRMAN AND GENERAL MANAGER (continued)

- Supervises the internal control system, secures the proper implementation of the Company's targets and updates the Board of Directors on the related progress.
- Holds periodic meetings with the management of the Company to discuss various specific subjects.

The General Manager of the Company, Mr. George Savva, has, among others, the following duties and responsibilities:

- To manage the Company in line with the strategy and the commercial targets determined by the Board of Directors and in compliance with all relevant laws, regulations, Corporate Governance codes as well as internal policies and procedures.
- To ensure the daily smooth operation of the Company in line with the policy, the targets and the budgets approved by the Board of Directors.
- To ensure timely and effective implementation of the strategic resolutions of the Board of Directors in agreement with the Executive Chairman.
- In cooperation with the Executive Chairman to manage the business development of the Company's activities, its subsidiaries and associates.
- To inform regularly the Executive Chairman regarding all the major issues of the Company, including the current status of the operations of the Company.
- To implement procedures to ensure existence of an efficient internal control system.
- To define and introduce appropriate rules, measures and procedures to govern operations at risk.
- To identify the main business risks and approve the relevant action plans to mitigate them.

APPOINTMENTS TO THE BOARD

The Nominations Committee is chaired by Mr. G. St. Galatariotis (non-Executive Director) and is composed of two other Directors, Mr. M. Mansi Montenegro (non-Executive Director) and Ms. A. Papadopoulou (Independent non-Executive Director). All the members of the Committee are non-Executive Directors. The Nominations Committee is responsible for the selection and nomination of any new Director, for the Board's consideration. The Committee is responsible to carry out a selection process. Upon the appointment of a new Director, appropriate training is provided as required. In accordance with the Articles of Association of the Company and the Corporate Governance Code, at least three out of the eleven Directors of the Company (excluding the Executive Chairman of the Company) retire by rotation every year (each Director retires every three years) and, if eligible, may offer themselves for re-election. The Board has set the 75th year of age as the year of retirement however, reserved the right to make exceptions to the retirement age policy.

RELATIONS WITH SHAREHOLDERS

Importance is attached to maintaining a dialogue with the Company's institutional shareholders. The Annual General Meeting is used as a forum for communicating with shareholders, providing briefings on the Company's performance during the year under review and current business activity. There will be an opportunity for shareholders to meet with and put questions to the Directors, including the chairmen of the Audit, Nominations and Remuneration Committees. At Annual General Meetings, separate resolutions are proposed on each substantially separate issue and the number of proxy votes received for and against each resolution is announced. Members with voting rights of 5% may place items on the agenda of Annual General Meetings by submitting such items, either in hard copies or soft copies (electronic), accompanied with relevant explanations, at least 42 days before the date of the Annual General Meeting. Notices of Annual General Meetings are sent to the shareholders at least 21 days before the meeting. The Board of Directors appointed Mr. George Savva as Investor Liaison Officer to facilitate better communication with shareholders and investors.



CORPORATE GOVERNANCE REPORT (continued)

SHAREHOLDERS HOLDING MORE THAN 5%

The shareholders holding directly or indirectly more than 5% of the issued share capital of the Company as at 31 December 2025 and 18 April 2026, are set out in note 30 of the Financial Statements.

FINANCIAL REPORTING

The preparation and presentation of the consolidated and Company's report and financial statements and other price sensitive public reports, seek to ensure that reports are prepared in a way that represent a balanced and understandable assessment of the Group's position and prospects.

INTERNAL CONTROL

Risk assessment and review is carried out by the executive management with details of significant risks being documented. Periodic reports relating to significant risks and associated controls are prepared from this documentation and presented to the Board for its review. The Board has overall responsibility for the Group's systems of internal control and for the assessment of their effectiveness on an annual basis, as well as of the procedures which confirm the accuracy, completeness and validity of the information that is provided to the investors. The assessment covers all systems of internal control, including financial and operational systems, as well as compliance systems and systems for the management of risks, which threaten the attainment of the Company's objectives. On the basis of the process described above during the year the Internal Auditors prepare Internal Audit Reports addressed to the Audit Committee which informs the Board through its Annual Internal Audit Report. According to the Internal Auditors Reports, the systems of internal control do not present any significant weaknesses. The Board has reviewed the key risks inherent in the Group, together with the operating, financial and compliance controls that have been implemented to mitigate those key risks. However, any system of internal control can provide only reasonable and not absolute assurance against material misstatement or loss. The Board has put in place an organisation structure with clearly defined lines of accountability and delegated authority. The principles have been designed to establish clear local operating autonomy within a framework of central leadership, stated aims and objectives. Procedures were established for business planning, budgeting, capital expenditure approval and treasury management. The Executive Chairman and the General Manager regularly review the operating performance of each business and monitor progress against business plans.

The Board of Directors assures that to the best of its knowledge, there has been no violation of the Securities and Stock Exchange of Cyprus Laws and Regulations during the year ended 31 December 2025.

AUDIT COMMITTEE AND AUDITORS

The Audit Committee comprises of the Independent non-Executive Director, Mr. St. S. Anastasiades (Chairman), Mr. C. St. Galatariotis (non-Executive Director) and Mr. I. Savvides (Independent non-Executive Director). The majority of the members of the Audit Committee, including the Chairman, are Independent non-Executive Directors. The Committee met six times during 2025. The Committee meetings provide a forum for reporting by the Group's external and internal auditors who have access to the Committee for independent discussion, without the presence of Executive Directors.

The Audit Committee reviews a wide range of financial matters including the annual and half-yearly results, statements and accompanying reports, before their submission to the Board and evaluates the procedures used to ensure the integrity of the financial information reported to shareholders and the Company's internal financial controls which are in force. The Audit Committee also oversees the procedures for the selection of accounting policies and accounting estimates for the Company's financial statements and ensures that a mechanism is in place to ensure the Company's assets, including the prevention and detection of fraud. The Audit Committee also advises the Board on the appointment and termination of appointment of external auditors and on their remuneration both for audit and non-audit work, is responsible for keeping under continuous evaluation the scope and results of the audit and its cost-effectiveness and safeguards the independence and objectivity of the auditors.

CORPORATE GOVERNANCE REPORT (continued)

AUDIT COMMITTEE AND AUDITORS (continued)

The External Auditors of the Company provide permitted non-audit services to the Company. The provision by the External Auditors of non-audit services do not impair their independence and objectivity and they comply with the principles of independence in accordance with the relevant directive. Furthermore, the Audit Committee proposes to the Board of Directors the appointment and revocation of appointment of the audit firm assigned with the Internal Audit functions, and ensures its independence.

The Group's internal audit function is outsourced to Deloitte Limited, a professional Audit Firm, which evaluates the Group's internal financial control, the internal control systems and risk management systems and reports to the Management and to the Audit Committee.

The Audit Committee considers the above mentioned periodic reports whereas the Management is responsible for the implementation of the recommendations made by internal audit that carry out post-implementation reviews. The external auditors carry out independent and objective assessments and tests of the internal financial control processes, only to the extent that they consider necessary to form their judgement when expressing their audit opinion on the accounts.

The Audit Committee discusses extensively with the auditors significant audit findings arising during their audit work, which were resolved or remained unresolved, as well as the auditor's report which refers to weaknesses in the internal control system, in particular those concerning the procedures of financial reporting and the preparation of financial statements.

GOING CONCERN

After making appropriate enquiries, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts and state that the Company intends to operate as a going concern for the next twelve months.

REMUNERATION COMMITTEE

The Remuneration Committee comprises of three non-Executive Directors. The members of the Remuneration Committee are Mr. St. Galatariotis (non-Executive Director), Ms. A. Papadopoulou (Independent non-Executive Director) and Mr. G. Chari (Independent non-Executive Director). The Committee is chaired by Mr. St. Galatariotis who has knowledge and experience in remuneration policy. All the members of the Remuneration Committee are non-executive directors, and the majority are independent non-executive directors. The Committee will usually meet at least once a year. The Group's Executive Chairman will normally be invited to attend its meetings in order to make recommendations regarding the remuneration of the General Manager and the Deputy General Manager. The Committee periodically reviews the Directors' remuneration under their capacity as non-Executive Directors and members of the Board's Committees, as well as the remuneration policy for Executive Directors, the General Manager and the Deputy General Manager. Independent external legal and consultancy advice is obtained when necessary. The Group's Executive Chairman is not present when his own remuneration is discussed.

The Remuneration policy of the Directors of the Company is included in the Remuneration Report (page 19).



CORPORATE GOVERNANCE REPORT (continued)

DIRECTORS SEEKING RE-ELECTION

All the Directors are subject to election by the shareholders at the first Annual General Meeting that follows their appointment and thereafter retire every three years. According to the Articles of Association, one third of the ten Company Directors (excluding the Executive Chairman of the Company) retire from the Board at each Annual General Meeting. The Directors liable to retirement according to the above provisions are those who served as members of the Board for the longest period since their last election.

In accordance with the Company's Articles of Association (Article 92), at the next shareholders' Annual General Meeting Messrs Stavros G. Galatariotis (non-Executive Director), Anastasia Papadopoulou (Independent non-Executive Director) and George N. Chari (Independent non-Executive Director) shall retire from office by rotation. All above mentioned Directors, being eligible, shall offer themselves for re-election.

LOANS AND GUARANTEES GRANTED TO DIRECTORS

No loans and/or guarantees were granted to the Directors of the Company or to Directors of any subsidiary or associated company, either by the Company itself or by its subsidiary or associated companies, and there are also no monies receivable from any company involved with a Director, and/or any person related to him.

CORPORATE SOCIAL RESPONSIBILITY

The Company recognizes Corporate Social Responsibility (CSR) as an integral part of its business strategy and long-term sustainable development. Its CSR policy is based on the principles of environmental protection, social responsibility, and sound corporate governance.

Within this framework, the Company aims to minimize its environmental footprint, support the transition to a circular and low-carbon economy, and create positive social impact. Sustainability principles are embedded in its operations through continuous investments in energy efficiency, renewable energy, emission reduction and responsible resource management.

The Company implements a circular business model built on recycling, energy recovery, and the use of alternative fuels and raw materials, which has progressively contributed to a substantial reduction in reliance on fossil fuels. It also focuses on efficient use of natural resources, reduction of water consumption and waste generation, and the progressive rehabilitation of quarry sites through reforestation initiatives and the development of renewable energy installations.

In line with its energy transition strategy, the Company has further expanded its renewable energy capacity through the development of photovoltaic installations, while continuing to advance the production of lower-carbon cement products, reflecting its commitment to reducing the environmental impact of its operations and portfolio.

At the same time, the Company maintains a strong social responsibility agenda, investing in employee development, safety, and equal opportunities, while fostering strong ties with local communities, a significant proportion of which are directly supported through employment and engagement. It also continues to support educational, environmental, and social initiatives, including long-standing partnerships with charitable organizations and programs that promote environmental awareness, youth development, and social inclusion.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE OFFICER

The Board of Directors appointed Mr. George Savva, General Manager of the Company, at the position of Compliance with the Code of Corporate Governance Officer.



REMUNERATION REPORT

The Remuneration Report of the Company for the year 2025 has been prepared according to Appendices 1 and 2 of the Corporate Governance Code.

REMUNERATION COMMITTEE

The Remuneration Committee of the Board is responsible for ensuring that the remuneration packages awarded to Executive Directors are appropriate to individual levels of responsibility and performance, are consistent with the Company's remuneration policy, and are in line with the principles of the Corporate Governance Code.

REMUNERATION POLICY

The Board's policy is to employ high calibre people for its key positions. It requires a corresponding level of performance from those people and seeks to reward them accordingly. The Group may commission special reviews from time to time to assess the Directors' compensation levels. Account is taken of the salary and total remuneration levels prevailing in comparable jobs both inside and outside the Construction and Building Materials sector, together with the individual performance and contribution of each Executive Director.

The remuneration of the Executive Chairman and the General Manager includes variable-pay components to ensure that the executive remuneration is linked to the Company's performance. A maximum limit of the variable-pay component is set. The non-variable component is deemed as sufficient remuneration, even when a variable remuneration is not granted. The Board considers that packages of this nature are consistent with prevailing practice and are necessary to attract, retain and reward executives of the calibre the Group requires. In developing this policy, the Board has given full consideration to the provisions of the Corporate Governance Code. The annual incentive plan rewards for the performance of each year and is paid in cash. The maximum bonus payment is based on the evaluation of the performance of the Executive Chairman and the General Manager assessed by the Remuneration Committee at the end of each year. The Remuneration Committee evaluates the performance of the Executive Chairman and the General Manager considering the Company's financial performance, costs containment measures, measures towards the Group's long-term viability, as well as non-financial criteria relating to development and creating long term value for the Group. Bonuses granted in 2025 concern rewards for the financial performance of the Company for year 2025. The Company reserves the right for full or partial recovery of any bonuses granted on the basis of information which subsequently proves to be inaccurate.

In addition to the base salary and incentive plan participation, the Executive Chairman and the General Manager enjoy the same benefits as other employees of the Company, which in the case of the General Manager include the provident fund.

No significant changes were made to the remuneration policy of the Company for year 2025 compared to the previous year.

The total remuneration of the sole Executive Director under his capacity as Executive for the year 2025 was €491.811 (2024: €358.643).

PENSION SCHEME

All the Employees of the Company, including the General Manager, were members of the Company's Provident Fund during the year ended 31 December 2025, which is a defined contribution scheme. No other additional pension schemes exist for the Executive Member of the Board.

REMUNERATION REPORT (continued)

EMPLOYMENT CONTRACTS

Employment of Executive Directors are for indefinite periods, however, notice periods do not exceed one year as per the requirements of the Corporate Governance Code. In case of termination by the Company of the employment of Executive Directors, prior to their retirement, the Company has to compensate the Executive Directors according to the provisions of The Termination of Employment Law of 1967.

NON-EXECUTIVE DIRECTORS

The remuneration of the Directors, both Executives and non-Executives, for services rendered to the Company as Directors, is determined by the Annual General Meeting of the Company on the proposal of the Board. The non-Executive Directors have letters of appointment for a three-year term. They do not participate in any profit sharing, share option or other incentive scheme. The remunerations for each of the Directors for 2025 were €25.000, and €30.000 for the Chairman and €300 per meeting for attendance in person.

EXECUTIVE AND NON-EXECUTIVE DIRECTORS' REMUNERATIONS

The remunerations of the Directors, Executives and non-Executives, under their capacity as Directors of the Company and as members of the Board of Directors' Committees as well as under their capacity as Executive Directors for 2025 were as follows:

Directors	Fees as Members of the Board and its Committees	Fees and emoluments as Executives	Bonuses	Other Benefits	Social Benefits	Provident Fund	Total Remuneration
	€	€	€	€	€	€	€
Executive Directors							
Antonios A. Antoniou	31,800	216,000	260,000	15,811	-	-	523,611
Non-Executive Directors							
George St. Galatariotis	26,800	-	-	-	-	-	26,800
Costas St. Galatariotis	28,000	-	-	-	-	-	28,000
Stavros G. Galatariotis	27,100	-	-	-	-	-	27,100
Maurizio Mansi Montenegro	26,200	-	-	-	-	-	26,200
Stelios S. Anastasiades	28,300	-	-	-	-	-	28,300
Hakan Gürdal	25,900	-	-	-	-	-	25,900
Mihail Polendakov	25,900	-	-	-	-	-	25,900
Anastasia Papadopoulou	27,100	-	-	-	-	-	27,100
Ioannis Savvides	28,600	-	-	-	-	-	28,600
George N. Chari	27,100	-	-	-	-	-	27,100
	302,800	216,000	260,000	15,811	-	-	794,611

The Independent Non-Executive Directors, Mr. St. Anastasiades, Ms. A. Papadopoulou, Mr. I. Savvides and Mr. G. Chari did not receive from the Company, during their tenure and the 12 months preceding their appointment to the Board, any other material compensation, besides their remuneration as members of the Board of Directors of the Company.

LOANS AND GUARANTEES GRANTED TO DIRECTORS

No loans and/or guarantees were granted to the Directors of the Company or to Directors of any subsidiary company or to their related parties by the Company and its subsidiary companies.

DIRECTORS' CURRICULA VITAE

ANTONIOS A. ANTONIOU – EXECUTIVE CHAIRMAN

Mr. Antonios Antoniou was born in London. He studied at the University of London where he obtained a BSc (Hons) degree and a postgraduate diploma.

Mr. Antoniou worked for five years as a Biochemist at University College London and for three years as a Computer Systems Analyst at British Gas Headquarters in London. He was a founding partner of AMER World Research Ltd and Deputy General Manager from 1983 until 1998. From 1998 until December 2006 he served as Senior Vice President (Operations and Systems) of Nielsen Europe and was a member of the European Executive Committee.

As from February 2008 he has been the Executive Chairman of Vassiliko Cement Works Public Company Ltd. From August 2017 until December 2019 he undertook the additional role of the Chief Executive Officer of the Company.

From January 2021 to May 2025, he served as the Chairman of the Cyprus Employers & Industrialists Federation (OEB) of which he has been a Member of its Board of Directors since July 2011 and a Member of its Executive Committee since December 2013.

GEORGE ST. GALATARIOTIS

Mr. George St. Galatariotis was born in Limassol. He studied Business Administration at City Polytechnic in London.

Mr. George Galatariotis is Executive Chairman of companies of the Galatariotis Group, Executive Chairman of The Cyprus Cement Public Company Ltd and K+G Complex Public Company Ltd, as well as a Member of the Board of Directors of Vassiliko Cement Works Public Company Ltd and Enerco – Energy Recovery Limited. He is also Member of the Board of Directors of several other private and public companies. He is a Trustee of the Cyprus Conservation Foundation (Terra Cypria). Mr. George Galatariotis has also served as a member of the Board of Limassol Chamber of Commerce and Industry and the Cyprus Ports Authority. As from 2017, Mr. Galatariotis is a member of the Board of Directors of the Cyprus Employers & Industrialists Federation.

COSTAS ST. GALATARIOTIS

Mr. Costas Galatariotis was born in Limassol. He graduated the 5th Gymnasium of Limassol and is a holder of a Bachelor of Science degree in Economics, Industry & Commerce from the London School of Economics and Political Science.

He is Executive Chairman of companies of the Galatariotis Group, Executive Director of The Cyprus Cement Public Company Ltd, member of the Board of Directors of Vassiliko Cement Works Public Company Ltd and member of the Board of Directors of several private companies.

He has served as Honorary Consul General of Japan in Cyprus from 2007 until 2012.

He has served as President of the Limassol Chamber of Commerce and Industry from September 2014 until October 2020 and since October 2020 he is Vice President of the Cyprus Chamber of Commerce and Industry. He also served as Vice President of the Cyprus Investment Promotion Agency (CIPA Invest Cyprus) from July 2018 until November 2020, and as the President of the Council of the Cyprus Technological University from February 2024 until June 2025.

Since February 2023, he is a member of the Bicomunal Technical Committee for financial affairs and commerce.



DIRECTORS' CURRICULA VITAE (continued)

STAVROS G. GALATARIOTIS

Mr. Stavros Galatariotis was born in Limassol. He graduated from the University of Surrey with a BSc in Business Economics (First Class). During his studies he was awarded the CIMA award by the Chartered Institute of Management Accountants. Mr. Stavros Galatariotis holds an MBA from the Cyprus International Institute of Management.

Since 2000, Mr. Stavros Galatariotis is an Executive Director of the Galatariotis Group of Companies, Executive Director of The Cyprus Cement Public Company Ltd and a member of the Board of Directors of several private and public companies.

He is a Director of Vassiliko Cement Works Public Company Limited since 2008.

MAURIZIO MANSI MONTENEGRO

Mr. Maurizio Mansi Montenegro was born on March 10, 1962. He holds a degree in Statistical Science from Rome University "La Sapienza" and a post-graduate degree in Strategic and International Marketing from SDA Bocconi (Milan), after having attended the International Executive Program at "Institut Européen d'Administration des Affaires" (INSEAD). He started his career in Hewlett Packard as Business Analyst, then as Strategic Planning Specialist in Agusta – Westland.

In 1990, he joined Italcementi Group as Marketing Analyst Coordinator and, after seven years of experience in the Group's Strategic Plan Direction, he has been responsible for Cement Commercial activities in Egypt. In 2007 he was appointed as Assistant to the C.E.O. of Italcementi S.p.A. and between 2009 and the end of 2016, he was the Managing Director of Interbulk Trading S.A. Since January 2017 he is General Director Trading of HM Trading, the trading company of Heidelberg Material Group. He is also member of the Board of Directors of Interbulk Trading SA, HM Trading Global GmbH, HC Trading Malta Ltd and HCT Green Ltd.

STELIOS S. ANASTASIADES

Mr. Stelios S. Anastasiades was born on November 28, 1953. He studied Mechanical Engineering and he was awarded a First-Class Honours B.Sc. (Eng) degree from Queen Mary College, University of London, as well as a M.Sc. degree and D.I.C from the Imperial College London.

Mr. Anastasiades was for 25 years the Managing Director of KONE Elevators Cyprus Ltd, the leading company in Cyprus in the field of lifts and escalators, with 130 employees and an annual turnover of €20 million. He retired at the end of 2022.

He is the former President of the Nicosia Chamber of Commerce and Industry, an honorary member of the executive committee of the Cyprus Chamber of Commerce and Industry, a member of the Cyprus Technical Chamber and former President of the Board of Directors of the Financial Ombudsman of the Republic of Cyprus. In the past he served as Vice Chairman of Eurocypria Airlines, member of the Board of Social Insurance, member of the Board of the Loan Commissioners, member of the Board of the Cyprus Organization for Standards and Quality Control, member of the Labour Court and member of the Board of Directors of Laing O' Rourke Corporation Ltd.

DIRECTORS' CURRICULA VITAE (continued)

HAKAN GÜRDAL

Mr. Hakan Gürdal studied mechanical engineering at the Yildiz Technical University in Istanbul and holds an MBA in International Management from the University of Istanbul.

He joined Çanakkale Çimento (today part of Heidelberg Materials joint venture Akçansa in Turkey) in 1992, as investment engineer to build Istanbul port & terminal. Commissioning terminal, he became terminal manager, and then Vice General Manager in charge of cement & concrete business lines. He held various management positions at Akçansa, such as Strategy & Business Development Manager (1996–1997), Vice General Manager Cement Domestic Sales & Exports (1997–2000) and Vice General Manager Ready-mixed Concrete, Aggregates and Purchasing (2000–2008), before he became General Manager Akçansa (2008–2014). From 2014 to the end of January 2016 he was President of the Cement Strategic Business Unit of Sabanci Holding, in charge of Cimsa & Akçansa.

Mr. Hakan Gürdal has been appointed as member of the Managing Board (Vorstand) of Heidelberg Materials on 1 February 2016. Since 1 April 2016, he is in charge of the Africa & Eastern Mediterranean Basin Group area. Additionally, from 1 January 2017 until 30 April 2019, he was the Board Level in charge for Group Purchasing function within Heidelberg Materials AG. He is chairing Global Alternative Fuel Working Group.

In January 2024, he also assumed responsibility for Kazakhstan and Russia; the Group area was renamed Africa-Mediterranean-Western Asia. As of 5 April 2019, he is additionally in charge at Board Level for HM Trading.

MIHAIL POLENDAKOV

Mr. Mihail Polendakov was born in Sofia, Bulgaria in 1964. He graduated from the University of World Economy with major in International Economic Relations in 1990 and was enrolled within the Senior Management Development Program of INSEAD in 2002. He completed the SUMMIT course of Duke University.

Mr. Mihail Polendakov started his career at Heidelberg Materials Group AG as a Commercial Director of Zlatna Panega Cement AD in 1997 and in 2001 became Country Manager for Zlatna Panega Cement AD, Member of the Board and Chairman of the Supervisory Board of Granatoid AD, Chairman of the Supervisory Board of “Karieri za pyasatzi I tchakuli” AD and Executive Director of “Ceskomoravski Cement–Sofia Branch”. In 2004 Mr. Polendakov was appointed as Director Business Development and M&A of Central Europe East, Russia and CIS in Heidelberg Materials Group AG, Germany. In 2009 Mr. Polendakov became CEO of Black Sea Property Fund Bulgaria EAD / (BKSA) listed on AIM.

In 2011 Mr. Mihail Polendakov took a role as General Director of HeidelbergCement Russia and had worked there for 11 years until May 2022. In May 2022 he became General Manager of Heidelberg Materials for Bulgaria, Greece and Albania.

DIRECTORS' CURRICULA VITAE (continued)

ANASTASIA PAPADOPOULOU

Ms. Anastasia Papadopoulou studied at the University of Edinburgh, where she graduated in 1997 with a Master's degree in History (M.A. History). In 1999, she graduated from the Law School of the University of Cambridge, and in 2000, she completed the Legal Practice Course at the College of Law in London.

In 2000, she began her practice at the law firm Slaughter & May in London and in 2001 she joined the law firm Tassos Papadopoulos & Associates LLC as an Associate. In 2007, Ms. Papadopoulou became a Partner at the law firm Tassos Papadopoulos & Associates LLC, a position she held until 2022.

Ms. Papadopoulou is a member of the Board of Directors of the AG Leventis House Limited since 2025 and Independent Non-Executive Director of Themis Portfolio Management Holdings Limited since 2023. Ms. Papadopoulou also served as a member of the Board of Directors of the University of Cyprus from 2021 to July 2025 and of the Cyprus Institute of Neurology and Genetics from 2020 until 2023.

From 2018 to 2024, she served as the President of the Council for the Implementation of the National Strategy for the Combatting of Sexual Abuse and Exploitation of Children and Child Pornography "Foni".

Ms. Papadopoulou attended specialized seminars on Compliance, Anti-Money Laundering, Corporate Governance, and Blockchain Law, offered by institutions such as INSEAD, the European Institute of Management and Finance, and the University of Nicosia.

IOANNIS SAVVIDES

Mr. Ioannis Savvides was born on July 1st, 1967. He holds an MBA (Quality Management) from Leicester University and a "General Banking Diploma" from the American Bankers Association – AIB.

He is certified in Strategic Marketing from the Chartered Management Institute and holds a third-level certificate in Accounting, Economics, and Commercial Law. In addition, Mr. Savvides has been an approved Insurance Representative of the Insurance Institute of Cyprus since 2001.

From 1989 to 2008, Mr. Savvides was employed at the Hellenic Bank where he held several positions including Accounting Manager, Budget Coordinator, Internal Auditor, Retail Banking Branch Manager, and Quality Program Coordinator "EFQM". Since 2008 he has been working at Astrobank (former Piraeus Bank) as a Branch Manager, Regional Manager of Paphos – Limassol, and Regional Manager of Paphos. Since November 2025, following the acquisition of AstroBank by Alpha Bank Cyprus Ltd, his employment has been transferred to Alpha Bank.

GEORGE N. CHARI

Mr. George N. Chari was born in Athienou in 1962. He graduated from the Pancyprian Gymnasium of Nicosia in 1980. After the completion of his military service from the 33rd Special Forces Battalion in 1982, he obtained, in 1987, a Bachelor's degree in Electrical Engineering from the New York Institute of Technology (NYIT), which is accredited by the Board of Engineers in the USA.

From 1987 to 1992, he worked as an Electrical Engineer at MDM Consulting Engineers in New York, where he became an Associate in 1990. Upon his return to Cyprus in 1992, he joined GEMAC in Nicosia, where he held the position of the Head of the Electrical Department until 1997, and the position of the Partner from 1997 until 2002.

In 2002, he founded the Chari Consulting Engineers in Cyprus, a company which specialises in the field of Building Services Consulting. Additionally, Mr. Chari also established Dynamic Power Solutions, a Consulting Company based in London (2014-2018).

He served as a member of the Board of Directors of CYTA from 2004 to 2011 and is an active member of the Institution of Electrical Engineers, Illuminating Engineering Society and the National Fire Protection Association.

Mr. George N. Chari holds an ETEK licence in Electrical Engineering and is classified by the Electromechanical Services as an 'A' category Electrical Engineer (Unlimited Power for Designs / Installations Responsibility).



FINANCIAL STATEMENTS **2025**



Independent Auditor's Report

To the Members of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report on the Audit of the Consolidated and Company Financial Statements

Opinion

In our opinion, the accompanying consolidated and Company financial statements of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD (the "Company") and its subsidiaries (the "Group") give a true and fair view of the financial position of the Group and the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

What we have audited

We have audited the consolidated and Company financial statements which are presented in pages 36 to 78 and comprise:

- the consolidated statement of financial position and the Company statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss and other comprehensive income and the Company statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity and the Company statement of changes in equity for the year then ended;
- the consolidated statement of cash flows and the Company statement of cash flows for the year then ended; and
- notes to the consolidated and Company financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements* section of our report.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group and the Company throughout the period of our appointment in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* as applicable to audits of consolidated and Company financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated and Company financial statements of public interest entities in Cyprus. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and Company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and Company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition from the sale of cement products</p> <p>As described in Note 5, the Group's and the Company's main revenue stream is the sale of cement products, generating revenue of €151.493 thousand for each, for the year ended 31 December 2025.</p> <p>Revenue recognition from the sale of cement products was identified as a key audit matter because it received focused attention during our audit due to its magnitude, its importance as a key performance measure and its impact on profitability.</p> <p>Refer to Note 3 to the consolidated and Company financial statements, for the Group's and Company's accounting policy for revenue recognition, and to Note 5 for analysis of revenue.</p>	<p>We have performed the following audit procedures to address the risk of material misstatement associated with this financial statement line item:</p> <ul style="list-style-type: none"> • We evaluated whether the accounting policy regarding revenue recognition is in line with the applicable IFRS Accounting Standards. • We obtained an understanding of, and evaluated the operating effectiveness of, the Group's and Company's internal controls over revenue recognition. • Using computer-assisted audit techniques (CAATs), we analysed the entire population of sales transactions to identify unusual patterns in sales postings based defined criteria. • We performed substantive tests of details on a sample basis, which included: <ul style="list-style-type: none"> - Assessing whether revenue was recorded in the appropriate period, by reference to the terms of sale, invoices and delivery notes. - Inspecting evidence supporting delivery and customer acceptance of products. - Testing whether prices charged were consistent with the approved price list effective at the time of invoicing. - Testing whether discounts granted complied with the Group's and Company's established policies. <p>The results of the above procedures were considered satisfactory for the purposes of our audit.</p>

Reporting on Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report and Consolidated Management Report, the Corporate Governance Statement, the Remuneration Report and the Directors' Curricula Vitae but does not include the consolidated and Company financial statements and our auditor's report thereon.

Our opinion on the consolidated and Company financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated and Company financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and Company financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated and Company Financial Statements

The Board of Directors is responsible for the preparation of the consolidated and the Company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and Company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and Company financial statements, the Board of Directors is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and Company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and Company financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and Company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and Company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and Company financial statements, including the disclosures, and whether the consolidated and Company financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with



them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and Company financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

Requirements of Article 10(2) of the EU Regulation 537/2014

Appointment of the Auditor and Period of Engagement

We were first appointed as auditors of the Group and of the Company on 05 June 2025 during the Annual General Meeting by the shareholders for the year ended 31 December 2025. Our appointment represents a total period of uninterrupted engagement appointment of 1 year.

Consistency of the Additional Report to the Audit Committee

We confirm that our audit opinion on the consolidated and Company financial statements expressed in this report is consistent with the additional report to the Audit Committee of the Company, which we issued on 23 April 2026 in accordance with Article 11 of the EU Regulation 537/2014.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 of the EU Regulation 537/2014 and Section 72 of the Auditors Law of 2017 were provided. In addition, there are no non-audit services which were provided by us to the Group and the Company and which have not been disclosed in the consolidated and Company financial statements or the Management Report and Consolidated Management Report.

European Single Electronic Format

We have examined the digital files of the European Single Electronic Format (ESEF) of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD for the year ended 31 December 2025 comprising an XHTML file which includes the consolidated and Company financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated statement of financial position as at 31 December 2025, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and all disclosures made in the consolidated financial statements in accordance with IFRS Accounting Standards or made by cross-reference therein to other parts of the annual financial report for the year ended 31



December 2025 that correspond to the elements of Annex II of the EU Delegated Regulation 2019/815 of 17 December 2018 of the European Commission, as amended from time to time (the “ESEF Regulation”) (the “digital files”).

The Board of Directors of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD is responsible for preparing and submitting the consolidated and Company financial statements for the year ended 31 December 2025 in accordance with the requirements set out in the ESEF Regulation.

Our responsibility is to examine the digital files prepared by the Board of Directors of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD. According to the Audit Guidelines issued by the Institute of Certified Public Accountants of Cyprus (the “Audit Guidelines”), we are required to plan and perform our audit procedures in order to examine whether the content of the consolidated and Company financial statements included in the digital files correspond to the consolidated and Company financial statements we have audited, and whether the format and marking up included in the digital files have been prepared in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined correspond to the consolidated and Company financial statements, the consolidated financial statements included in the digital files, are presented and marked-up, in all material respects, in accordance with the requirements of the ESEF Regulation, and the Company financial statements included in the digital files, are presented in all material respects, in accordance with the requirements of the ESEF Regulation.

Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Management Report and Consolidated Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the consolidated and Company financial statements.
- In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Management Report and Consolidated Management Report. We have nothing to report in this respect.
- In our opinion, based on the work undertaken in the course of our audit, the information included in the corporate governance statement in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113, has been prepared in accordance with the



requirements of the Cyprus Companies Law, Cap. 113, and is consistent with the consolidated and Company financial statements.

- In our opinion, based on the work undertaken in the course of our audit, the corporate governance statement includes all information referred to in subparagraphs (i), (ii), (iii), (vi) and (vii) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113.
- In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the corporate governance statement in relation to the information disclosed for items (iv) and (v) of subparagraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113. We have nothing to report in this respect.

Other Matters

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Comparative figures

The financial statements of VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 16 April 2025.

The engagement partner on the audit resulting in this independent auditor's report is Loizos A. Markides.

Loizos Markides

Loizos A. Markides
Certified Public Accountant and Registered Auditor
for and on behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

PwC Central, 43 Demostheni Severi Avenue
CY-1080 Nicosia, Cyprus

23 April 2026



*PricewaterhouseCoopers Ltd, PwC Central , 43 Demostheni Severi Avenue , CY-1080 Nicosia ,
Cyprus P O Box 21612, CY-1591 Nicosia, Cyprus*

T: +357 - 22 555 000, F: +357 - 22 555 001, www.pwc.com/cy

PricewaterhouseCoopers Ltd is a private company registered in Cyprus (Reg. No.143594). Its registered office is at PwC Central, 43 Demostheni Severi Avenue, CY- 1080 Nicosia. A list of the company's directors, including for individuals the present and former (if any) name and surname and nationality, if not Cypriot and for legal entities the corporate name, is kept by the Secretary of the company at its registered office. PwC refers to the Cyprus member firm, PricewaterhouseCoopers Ltd and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

**Consolidated statement of profit or loss and other comprehensive income
for the year ended 31 December 2025**

	Note	2025 €000	2024 €000
Revenue	5	152.755	137.783
Cost of sales		(102.450)	(95.286)
Gross profit		50.305	42.497
Other operating income	6	2.692	2.482
Distribution expenses		(3.779)	(3.908)
Administrative expenses		(5.576)	(4.959)
Administrative fine	36	-	(5.071)
Other operating expenses		(1.066)	(1.599)
Operating profit before net finance income/(cost)	7	42.576	29.442
Finance income		275	401
Finance expenses		(218)	(509)
Net finance income/(cost)	9	57	(108)
Net profit from investing activities	10	21	96
Share of profit from equity-accounted investee	18	1.349	985
Profit before tax		44.003	30.415
Taxation	11	(8.476)	(4.534)
Profit for the year		35.527	25.881
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Equity investments at fair value through other comprehensive income - net change in fair value	19	46	114
Other comprehensive income for the year		46	114
Total comprehensive income for the year		35.573	25.995
Profit attributable to:			
Equity holders of the parent		35.527	25.881
Non-controlling interest		-	-
		35.527	25.881
Total comprehensive income attributable to:			
Equity holders of the parent		35.573	25.995
Non-controlling interest		-	-
		35.573	25.995
Basic and diluted earnings per share (cents)	12	49,4	36,0

**Company statement of profit or loss and other comprehensive income
for the year ended 31 December 2025**

	Note	2025 €000	2024 €000
Revenue	5	152.662	137.783
Cost of sales		<u>(102.451)</u>	<u>(95.286)</u>
Gross profit		50.211	42.497
Other operating income	6	2.692	2.482
Distribution expenses		(3.779)	(3.908)
Administrative expenses		(5.518)	(4.956)
Administrative fine	36	-	(5.071)
Other operating expenses		<u>(1.443)</u>	<u>(1.599)</u>
Operating profit before net finance income/(cost)	7	42.163	29.445
Finance income		280	401
Finance expenses		(218)	(509)
Net finance income/(cost)	9	62	(108)
Net profit from investing activities	10	1.076	796
Profit before tax		43.301	30.133
Taxation	11	(8.307)	(4.429)
Profit for the year		34.994	25.704
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Equity investments at fair value through other comprehensive income - net change in fair value	19	46	114
Other comprehensive income for the year		46	114
Total comprehensive income for the year		35.040	25.818
Basic and diluted earnings per share (cents)	12	48,6	35,7

**Consolidated statement of financial position
as at 31 December 2025**

	Note	2025 €000	2024 €000
Assets			
Property, plant and equipment	13	189.320	193.640
Intangible assets	15	12.342	12.344
Investment property	14	10.318	10.309
Right-of-use assets	32	2.099	2.236
Investment in equity-accounted investee	18	2.147	2.022
Financial assets at fair value through other comprehensive income	19	350	304
Total non-current assets		216.576	220.855
Inventories	20	41.618	47.130
Tax receivable		165	165
Trade and other receivables	21	14.353	12.389
Cash and cash equivalents	22	42.184	25.380
Total current assets		98.320	85.064
Total assets		314.896	305.919
Equity			
Share capital	23	30.932	30.932
Reserves		243.281	231.446
Total equity attributable to equity holders of the parent		274.213	262.378
Liabilities			
Interest-bearing loans and borrowings	24	3.651	5.703
Lease liabilities	32	1.205	1.320
Deferred taxation	25	22.172	20.349
Total non-current liabilities		27.028	27.372
Interest-bearing loans and borrowings	24	2.198	2.599
Lease liabilities	32	152	132
Tax payable		455	3.037
Trade and other payables	26	10.850	10.401
Total current liabilities		13.655	16.169
Total liabilities		40.683	43.541
Total equity and liabilities		314.896	305.919

These financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf on 23 April 2026 by:

ANTONIOS ANTONIOU

GEORGE GALATARIOTIS

} Directors

**Company statement of financial position
 as at 31 December 2025**

	Note	2025 €000	2024 €000
Assets			
Property, plant and equipment	13	189.320	193.640
Intangible assets	15	12.342	12.344
Investment property	14	10.115	10.106
Right-of-use assets	32	2.099	2.236
Investments in subsidiaries	17	10	10
Investment in associate	18	500	500
Interest-bearing amounts owned by subsidiary company	27	255	-
Financial assets at fair value through other comprehensive income	19	350	304
Total non-current assets		214.991	219.140
Inventories	20	41.618	47.130
Tax receivable		165	165
Trade and other receivables	21	14.526	12.939
Cash and cash equivalents	22	41.878	25.380
Total current assets		98.187	85.614
Total assets		313.178	304.754
Equity			
Share capital	23	30.932	30.932
Reserves		241.576	230.274
Total equity		272.508	261.206
Liabilities			
Interest-bearing loans and borrowings	24	3.651	5.703
Lease liabilities	32	1.205	1.320
Deferred taxation	25	22.172	20.349
Total non-current liabilities		27.028	27.372
Interest-bearing loans and borrowings	24	2.198	2.599
Lease liabilities	32	152	132
Income tax payable		455	3.037
Trade and other payables	26	10.837	10.408
Total current liabilities		13.642	16.176
Total liabilities		40.670	43.548
Total equity and liabilities		313.178	304.754

These financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf on 23 April 2026 by:

ANTONIOS ANTONIOU

GEORGE GALATARIOTIS

} Directors

**Consolidated statement of changes in equity
for the year ended 31 December 2025**

	Share capital €000	Share premium €000	Revaluation reserve €000	Fair value reserve €000	Retained earnings €000	Total equity attributable to equity holders of the parent €000	Non- controlling interest €000	Total equity €000
Balance at 1 January 2024	30.932	45.388	32.461	(268)	148.731	257.244	-	257.244
Comprehensive income								
Profit for the year	-	-	-	-	25.881	25.881	-	25.881
Other comprehensive income								
Other comprehensive income for the year	-	-	-	114	-	114	-	114
Total comprehensive income for the year	-	-	-	114	25.881	25.995	-	25.995
Transactions with owners of the Company								
Contributions and distributions								
Dividends (note 28)	-	-	-	-	(20.861)	(20.861)	-	(20.861)
Transfer	-	-	(453)	390	63	-	-	-
Balance at 31 December 2024 / 1 January 2025	30.932	45.388	32.008	236	153.814	262.378	-	262.378
Comprehensive income								
Profit for the year	-	-	-	-	35.527	35.527	-	35.527
Other comprehensive income								
Other comprehensive income for the year	-	-	-	46	-	46	-	46
Total comprehensive income for the year	-	-	-	46	35.527	35.573	-	35.573
Transactions with owners of the Company								
Contributions and distributions								
Dividends (note 28)	-	-	-	-	(23.738)	(23.738)	-	(23.738)
Transfer	-	-	(458)	-	458	-	-	-
Balance at 31 December 2025	30.932	45.388	31.550	282	166.061	274.213	-	274.213

The notes on pages 44 to 78 form an integral part of these financial statements.

**Company statement of changes in equity
 for the year ended 31 December 2025**

	Share capital €000	Share premium €000	Revaluation reserve €000	Fair value reserve €000	Retained earnings €000	Total equity €000
Balance at 1 January 2024	30.932	45.388	32.573	(268)	147.624	256.249
Comprehensive income						
Profit for the year	-	-	-	-	25.704	25.704
Other comprehensive income						
Other comprehensive income for the year	-	-	-	114	-	114
Total comprehensive income for the year	-	-	-	114	25.704	25.818
Transactions with owners of the Company						
Contributions and distributions						
Dividends (note 28)	-	-	-	-	(20.861)	(20.861)
Transfer	-	-	(453)	390	63	-
Balance at 31 December 2024 / 1 January 2025	30.932	45.388	32.120	236	152.530	261.206
Comprehensive income						
Profit for the year	-	-	-	-	34.994	34.994
Other comprehensive income						
Other comprehensive income for the year	-	-	-	46	-	46
Total comprehensive income for the year	-	-	-	46	34.994	35.040
Transactions with owners of the Company						
Contributions and distributions						
Dividends (note 28)	-	-	-	-	(23.738)	(23.738)
Transfer	-	-	(458)	-	458	-
Balance at 31 December 2025	30.932	45.388	31.662	282	164.244	272.508

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at the rate of 17% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents and domiciled. From 1 March 2020, the deemed dividend distribution is subject to a 2,65% contribution to the National Health System, with the exception of April 2020 until June 2020 when the 1,70% rate was applicable. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders. The deemed dividend distribution system is abolished for profits arising from 1 January 2026 onwards.

The notes on pages 44 to 78 form an integral part of these financial statements.

**Consolidated statement of cash flows
for the year ended 31 December 2025**

	Note	2025 €000	2024 €000
Cash flows from operating activities			
Profit for the year		35.527	25.881
Adjustments for:			
Depreciation and amortisation charges	13,15,32	14.196	14.251
Unrealised exchange gain	9	(21)	(16)
Loss on disposal of investment property		-	4
Change in fair value of land	13	-	304
Change in fair value of investment property	14	(9)	(97)
Interest income	9	(254)	(385)
Dividend income	10	(12)	(11)
Interest expense	9	218	509
Share of profit of equity-accounted investee	18	(1.349)	(985)
Gain on disposal of property, plant and equipment	6	(7)	(67)
Loss on disposal of other investments	19	-	8
Reversal of provision for bad debts	21	(378)	-
Write off of assets	13	249	-
Bad debts recovered		-	(27)
Income tax expense	11	8.476	4.534
Operating profit before changes in working capital and provisions		56.636	43.903
Changes in:			
Trade and other receivables		(1.416)	890
Inventories		5.512	(587)
Trade and other payables		465	(2.317)
Cash generated from operating activities		61.197	41.889
Interest paid		(180)	(469)
Tax paid		(9.066)	(3.451)
Net cash inflow from operating activities		51.951	37.969
Cash flows to investing activities			
Proceeds from disposal of property, plant and equipment		8	67
Proceeds from disposal of investment property		-	60
Proceeds from disposal of other investments	19	-	165
Interest received		254	385
Dividends received	18,19	887	711
Acquisition of property, plant and equipment	13	(9.966)	(6.876)
Acquisition of intangibles	15	(17)	(16)
Acquisition of investment property	14	-	(85)
Acquisition of right-of-use assets	32	(4)	-
Net cash used in investing activities		(8.838)	(5.589)
Cash flows to financing activities			
Repayment of loans	24	(2.453)	(4.222)
Lease payments	32	(133)	(116)
Dividends paid	28	(23.738)	(20.861)
Net cash used in financing activities		(26.324)	(25.199)
Effect of exchange rate fluctuations on cash held		15	18
Net increase in cash and cash equivalents		16.804	7.199
Cash and cash equivalents at 1 January		25.380	18.181
Cash and cash equivalents at 31 December	22	42.184	25.380

**Company statement of cash flows
 for the year ended 31 December 2025**

	Note	2025 €000	2024 €000
Cash flows from operating activities			
Profit for the year		34.994	25.704
Adjustments for:			
Depreciation and amortisation charges	13,15,32	14.196	14.251
Unrealised exchange gain	9	(21)	(16)
Loss from disposal of investment property		-	4
Change in fair value of land	13	-	304
Change in fair value of investment property	14	(9)	(97)
Interest income	9	(259)	(385)
Dividend income	10	(1.067)	(711)
Interest expense	9	218	509
Gain on disposal of property, plant and equipment	6	(7)	(67)
Loss on disposal of other investments	19	-	8
Write off of assets	13	249	-
Bad debts recovered		-	(27)
Income tax expense	11	8.307	4.429
Operating profit before changes in working capital and provisions		56.601	43.906
Changes in:			
Trade and other receivables		(1.417)	885
Inventories		5.512	(587)
Trade and other payables		440	(2.305)
Cash generated from operations		61.136	41.899
Interest paid		(180)	(469)
Tax paid		(9.066)	(3.451)
Net cash inflow from operating activities		51.890	37.979
Cash flows to investing activities			
Proceeds from disposal of property, plant and equipment		8	67
Proceeds from disposal of investment property		-	60
Proceeds from disposal of other investments	19	-	165
Interest received		259	385
Dividends received	18,19	887	711
Acquisition of property, plant and equipment	13	(9.966)	(6.876)
Acquisition of intangibles	15	(17)	(16)
Acquisition of investment property	14	-	(85)
Acquisition of right-of-use assets	32	(4)	-
Interest-bearing amount provided to subsidiary company	27	(250)	-
Net cash used in investing activities		(9.083)	(5.589)
Cash flows to financing activities			
Repayment of loans	24	(2.453)	(4.222)
Lease payments	32	(133)	(116)
Dividends paid	28	(23.738)	(20.861)
Net cash used in financing activities		(26.324)	(25.199)
Effect of exchange rate fluctuations on cash held		15	18
Net increase in cash and cash equivalents		16.498	7.209
Cash and cash equivalents at 1 January		25.380	18.171
Cash and cash equivalents at 31 December	22	41.878	25.380

The notes on pages 44 to 78 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2025

1 Reporting entity and principal activities

"Τοιμεντοποιία Βασιλικού Δημόσια Εταιρεία Λίμιτεδ", translated in English as "Vassiliko Cement Works Public Company Ltd" (the 'Company') was established in Cyprus in 1963. The Company is domiciled in Cyprus and is a public company in accordance with the requirements of the Cyprus Companies Law, Cap. 113 and the Cyprus Stock Exchange Laws and Regulations. The Company's registered office is at 1A Kyriakos Matsis Avenue, CY-1082 Nicosia, Cyprus.

The consolidated financial statements for the year ended 31 December 2025, consist of the financial statements of the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates. Where references are made in the financial statements to 'Group', we refer to the Group and the Company.

The consolidated and Company financial statements (the "financial statements") were approved and authorised for issue by the Board of Directors on 23 April 2026.

Principal activities

The Group's principal activity is the production of cement products, which are sold in the local and international markets, as well as the production of electricity sold in the local competitive electricity market.

2 Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with IFRS accounting standards as adopted by the European Union ("EU"). In addition, the financial statements have been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113.

Basis of measurement

The financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value, and by the revaluation of land, Vassiliko port, investment property and financial assets at fair value through other comprehensive income.

Functional and presentation currency

The financial statements as at and for the year ended 31 December 2025, are presented in Euro (€), which is the functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Use of estimates and judgements

The preparation of the financial statements in accordance with IFRS Accounting Standards requires from management the exercise of judgement, to make estimates and assumptions that influence the application of accounting principles and the related amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

The estimates and underlying assumptions are reviewed on a regular basis. Revisions in accounting estimates are recognised in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

In particular, information about significant estimates, uncertainties and judgements made in applying the Group's accounting policies, which have the most significant effect on the amounts recognised in the financial statements, is set out below:

i) Useful life of production facilities

The Group operates production facilities with useful lives as described in Note 3. As at 31 December 2025, the carrying amount of the production facilities amounted to €137,373 thousand (2024: €143,150 thousand). The Group estimates the useful lives of these production facilities based on the management's assessment. However, the actual useful lives may be shorter or longer due to factors such as technological innovations, future regulatory changes and environmental risks that may affect cement production.

Determining the useful lives requires the use of assumptions; therefore, management reviews these estimates on a regular basis. Any changes in the underlying assumptions may result in adjustments to the remaining useful lives and, where applicable, the recognition of impairment losses in accordance with IAS 36.

ii) Impairment of production facilities and other property, plant and equipment

The Group assesses at the end of each reporting period whether there are any indicators of impairment for its property, plant and equipment, and in particular for its production facilities, in accordance with the accounting policy set out in Note 3. In performing this assessment, the Group considers economic and other relevant factors, including environmental risks and technological innovations that may affect the recoverable amounts of these assets.

3 Material accounting policies

The following accounting policies have been applied consistently to all years presented in these financial statements. The accounting policies have been applied consistently by all Group entities.

New or amended IFRS accounting standards and interpretations

As from 1 January 2025, the Group and the Company adopted all changes to IFRS Accounting Standards as adopted by the European Union which are relevant to its operations. This adoption did not have a material effect on the financial statements.

The following new or amended accounting standards and interpretations have been issued by International Accounting Standards Board ("IASB") but are not yet effective for annual periods beginning on 1 January 2025. Those which may be relevant to the Group and the Company are set out below. The Group and the Company do not plan to adopt these new or amended accounting standards and interpretations early.

i. New or amended IFRS Accounting Standards and interpretations adopted by the EU

- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024 and effective for annual periods beginning on or after 1 January 2026).

Early application is permitted. If an entity applies the amendments for an earlier period, it shall disclose that fact. These amendments change the "own use" and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as "contracts referencing nature-dependent electricity".

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).

On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026).

IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs'. This new phrase replaced reference to 'significant inputs that were not based on observable market data'.

The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at 'the amount determined by applying IFRS 15' instead of at 'their transaction price (as defined in IFRS 15)'.

IFRS 10 was amended to use less conclusive language when an entity is a 'de-facto agent' and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to 'cost method' that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'.

- IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027).

In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

As of the date of the approval of the financial statements, the board of directors is still assessing the potential impact of the new accounting standard.

ii. New or amended IFRS Accounting Standards and interpretations not adopted by the EU

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB).

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary.

Unless otherwise stated, the Board of Directors expects that the adoption of these standards or interpretations in future periods will not have a material effect on the financial statements.

Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists where the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring them in line with the accounting policies of the Group.

ii. Loss of control

On the loss of control, the Group de-recognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

iii. Investments in associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence but no control or joint control, over the financial and operating policies. Significant influence is the power to participate in the financial and operating policy decisions of the investee. Investments in associates are initially recognised at cost, which includes transactions costs, and are accounted for using the equity method.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The guidance in IAS 28 is applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Company

Associates are all entities over which the Company has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are measured at cost less impairment. Investments in associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Property, plant and equipment

i. Recognition and measurement

Land and Vassiliko port are carried at fair value. Revaluations are carried out with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. All other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Increases in the carrying amount arising on revaluation of land and port are credited to other comprehensive income. Decreases that offset previous increases of the same asset are charged against that reserve; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings.

Quarry land is recognized as an asset when it is probable that future economic benefits associated with the land will flow to the entity and the cost of the land can be measured reliably. The cost of quarry land includes the purchase price, any costs directly attributable to bringing the land to the condition necessary for its intended use, and any estimated costs of site restoration. Quarry land is measured at cost less any accumulated depreciation and any accumulated impairment losses.

Properties under construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Borrowing cost is capitalized as part of the cost of a qualifying asset when it is likely that it will lead to future financial benefits for the business and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

ii. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

iv. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component. Land is not depreciated.

Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Quarry land is depreciated annually over its useful life, which is the period during which the entity expects to use the land. In calculating the depreciation charge, the residual value is taken into account, which is deducted from cost. The depreciation charge for each period is recognized in profit or loss.

Items of the property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the assets are completed and are ready for use.

The estimated useful lives are as follows:

Production facilities	20 - 50 years
Vassiliko Port	50 years (term of lease)
Equipment	4 - 25 years
Photovoltaic Park	20 years

Intangible assets

i. Goodwill

All business combinations are accounted for by applying the acquisition method. Goodwill represents amounts arising on acquisition of subsidiaries and associates. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets of the acquired undertaking at the date of acquisition.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (note 15). Goodwill on acquisition of associates is included in investments in associates.

ii. Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Expenditure on internally generated goodwill and brands is recognised in profit or loss as incurred.

iii. Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

iv. Amortisation

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Computer software	3 years
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Investments

Investment properties

Investment properties are properties which are held either to earn rental income, or for capital appreciation, or for both, but not for sale in the ordinary course of business, or used for the production or supply of goods or services, or for administrative purposes. Investment properties are carried at fair value, representing open market value determined annually by external valuers. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Any gain or loss arising from a change in fair value is recognised in profit or loss.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity, if it is a gain. Upon disposal of the item the gain is transferred to retained earnings. Any loss arising in this manner is recognised immediately in profit or loss.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording. When the Group begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property, which is measured based on fair value model, and is not reclassified as property, plant and equipment during the redevelopment.

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of raw materials, fuels, spare parts and other consumables is based on the average cost and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Emission rights owned by the Group are reported under inventories. Emission rights granted free of charge are initially measured at a nominal value of zero. Emission rights acquired for consideration are initially accounted for at cost. The cost of emission rights is expensed based on the weighted average cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. In the balance sheet bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at fair value through profit or loss.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Impairment of non-financial assets

The carrying amounts of the Group's assets (other than investment property, inventories and deferred tax assets) that have an indefinite useful life are not subject to amortisation and are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each year end date.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

ii. Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Leases

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

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - the Group has the right to operate the asset; or
 - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group as lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

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

Lease payments included in the measurement of the lease liability comprises of fixed and variable payments.

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

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

The Group presents its right-of-use assets that do not meet the definition of investment property separately in the statement of financial position.

The lease liabilities are presented separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets (i.e. IT equipment, office equipment etc). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument at the transaction date.

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

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive income (FVOCI) debt investment; Fair Value through Other Comprehensive income (FVOCI) equity investment; or FVTPL.

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

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

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

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

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

Interest-bearing amounts owned by subsidiary companies are classified as financial assets at amortised cost.

Financial assets - Subsequent measurement and gains and losses:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt Instruments at FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains/(losses)". Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)".

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

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

The financial liabilities of the Group are measured as follows:

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value plus any direct attributable transaction costs. Subsequently they are measured at amortised cost using the effective interest method.

Trade and other payables

Trade and other payables are presented as current liabilities, unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

iii. Impairment

Financial instruments

The Group recognises loss allowances for Expected Credit Loss ("ECL") on financial assets measured at amortised cost.

The impairment methodology applied by the Group for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.
- For all other financial assets that are subject to impairment under IFRS 9, the Company applies the general approach – three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 365 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

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

Credit impaired financial assets

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt investments the loss allowance is measured at FVTPL and recognised through profit and loss in other comprehensive income.

Write off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This assessment is based on all relevant facts and circumstances, including the financial condition of the counterparty and the status of recovery efforts.

For trade receivables, a write-off is recognised when there is objective evidence that the receivable is not recoverable, and there are no realistic prospects of future recovery. Any subsequent recoveries of amounts previously written off are recognised in profit or loss.

Derecognition of financial assets and liabilities

i. Financial assets

The Group derecognises a financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) when:

- the contractual rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Group transfers the rights to receive the contractual cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When an asset recognised in its statement of financial position, is transferred, but the Group retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

ii. Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when it is replaced by another from the same lender on substantially different terms, or when the terms of the liability are substantially modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position when, and only when, the Group has a currently enforceable legal right to offset the recognised amounts and it intends to settle them on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the consolidated statement of financial position.

Revenue recognition

Contracts identification

The Group recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Group can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Group's future cash flows is expected to change as a result of the contract), it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Group's contracts with customers.

The transaction price

Revenue represents the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value added taxes).

The Group does not have any material contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group elects to use the practical expedient and does not adjust any of the transaction prices for the time value of money.

Identification of the performance obligations

The Group assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand alone selling prices. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

Performance obligations and revenue recognition policies

i. Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue from the sale of goods is recognised in profit or loss at the point in time when the Group satisfies its performance obligation by transferring control over the promised goods to the buyer and the buyer has accepted the goods, i.e upon the signing of the waybill for any domestic sales or signing of the bill of lading for any exports. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods. Invoices are usually settled by customers at the end of the next month for domestic sales and based on individual agreements for any exports.

ii. Sale of Electricity

Revenue from the sale of electricity is generated by the Photovoltaic Park and recognised on a monthly basis based on meter readings. The electricity produced over time is sold to electricity supply companies at mutually agreed prices indexed on renewable energy sources purchase price as published by Electricity Authority Cyprus. Invoices are settled within 60 days.

Port income

Port income comprises income generated from port operations, including services provided to vessels and cargo owners, net of directly attributable expenses, and is recognised within other operating income.

Finance income

Finance income includes interest income which is recognised on a time proportion basis using the effective interest method.

Dividend income

Dividend income is recognised in profit or loss, within net profit from investing activities, when the Group's right to receive payment is established. For quoted securities, this is generally the ex-dividend date.

Expenses

i. Financing costs

Finance costs comprise interest expense on borrowings and bank overdrafts, foreign exchange losses, and bank charges. Interest expense and other costs on borrowings to finance construction or production of qualifying assets are capitalised, during the period of time that is required to complete and prepare the asset for its intended use. All other finance costs, excluding bank charges, are recognised to profit or loss using the effective interest method. Bank charges are recognised in profit or loss in the period which incurred.

ii. Foreign currency transactions

Functional currencies

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which each entity operates ('the functional currency').

Transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the tax rates and laws that have been enacted, or substantially enacted, by the reporting date. Current tax includes any adjustments to tax payable in respect of previous periods.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Share capital and share premium

Ordinary share capital is classified as equity. The difference between the fair value of the consideration received by the Group and the nominal value of the share capital being issued is taken to the share premium account.

Dividends

Dividend distribution to the Group's shareholders is recognised in the Group's financial statements in the year in which they are approved by the Group's shareholders.

Related party transactions

A party is considered affiliated if it has the ability to control the other party or to exert significant influence over the other party's financial and operational decisions. Related party transactions are considered to be transfers of assets or liabilities between related parties, regardless of whether there is a charge.

Events after the reporting period

Assets and liabilities are adjusted for events that occurred after the reporting period up to the date of approval of the financial statements by the Board of Directors, when these events provide additional information for the evaluation of existing events at the reporting date or indicate that the going concern status is not appropriate.

Comparatives

When necessary, comparative figures have been adjusted to conform with changes in presentation adopted in the current year.

The following reclassifications have been applied to the comparative figures:

-The comparative revenue presented in the Consolidated and Company statement of profit or loss and other comprehensive income has been restated to correct the classification of revenue-related discounts. As a result, the Group's and the Company's revenue has been restated from €139.996 thousand to €137.783 thousand, while distribution expenses have been restated from €6.121 thousand to €3.908 thousand.

-The Consolidated and Company statement of financial position includes comparative figures that have been adjusted to reflect a reclassification between Trade and other receivables and Trade and other payables. The Group's Trade and other receivables and Trade and other payables have been restated from €10.212 thousand to €12.389 thousand and from €8.224 thousand to €10.401 thousand, respectively. The Company's Trade and other receivables and Trade and other payables have been restated from €10.762 thousand to €12.939 thousand and from €8.231 thousand to €10.408 thousand, respectively. The related changes have also been reflected in the Consolidated and Company statement of cash flows, included in the working capital movements.

4 Operating segments

The Group considers that there are no separate operating segments based on IFRS 8 "Operating Segments" for which separate financial information exists for decision-making regarding resource allocation and performance evaluation.

Geographic information

Non Current Assets

The Group's property, plant and equipment is located in Cyprus.

Revenue

The geographic information analyzes the Group's and Company's revenues based on the domestic market and other countries. When presenting geographic information, segmental revenue was based on the geographic location of customers.

Revenue analysis:	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Domestic market	135.763	120.845	135.670	120.845
Exports	16.992	16.938	16.992	16.938
	152.755	137.783	152.662	137.783

Important customers

Group's revenue from one customer, represent €25,2 million of the Group's total revenue for the year 2025 and €19,9 million of 2024.

5 Revenue

Revenue analysis:	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Cement products	151.493	136.038	151.493	136.038
Sale of electricity	1.127	1.613	1.034	1.613
Other	135	132	135	132
	152.755	137.783	152.662	137.783

6 Other operating income

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Income from Vassiliko Port	2.200	1.803	2.200	1.803
Gain on disposal of property, plant and equipment	7	67	7	67
Other	485	612	485	612
	2.692	2.482	2.692	2.482

7 Operating profit before financing costs

This is stated after charging:	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Staff costs (note 8)	14.778	14.296	14.778	14.296
Directors' remuneration as directors	303	251	303	251
Directors' remuneration as executives	497	364	497	364
Depreciation of property, plant and equipment and amortisation of right-of-use assets	14.177	14.243	14.177	14.243
Amortisation of intangible assets	19	8	19	8
Independent auditors' remuneration for the statutory audit	80	75	72	75
Independent auditors' remuneration for other non-audit services	6	10	6	10

8 Staff costs

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Wages and salaries	12.204	11.778	12.204	11.778
Social insurance contributions	956	926	956	926
Provident and medical fund contributions (note 31)	1.165	1.153	1.165	1.153
Other contributions	453	439	453	439
	14.778	14.296	14.778	14.296
Average number of employees	236	235	236	235

The Provident Funds in which the Company participates as a Financing Company, operate independently and submit their own financial statements. Staff members are entitled to payment of certain benefits when they retire or terminate their services early.

The Company's contributions for the year 2025 amounts to €816 thousand (2024: €813 thousand).

9 Net finance income/(cost)

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Interest income	254	385	259	385
Net foreign exchange differences	21	16	21	16
Finance income	<u>275</u>	<u>401</u>	<u>280</u>	<u>401</u>
Interest expense	(218)	(509)	(218)	(509)
Finance expense	<u>(218)</u>	<u>(509)</u>	<u>(218)</u>	<u>(509)</u>
Net finance income/(cost)	<u>57</u>	<u>(108)</u>	<u>62</u>	<u>(108)</u>

Interest income is earned on bank deposits held in current and short-term notice accounts. The interest rate on the above deposits is variable.

Interest expense relates to loan interest charges, interest charges on overdraft accounts and interest on lease liabilities.

10 Net profit from investing activities

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Dividend income	12	11	1.067	711
Change in fair value of investment property	9	97	9	97
Loss on disposal of other investments	-	(8)	-	(8)
Loss on disposal of investment property	-	(4)	-	(4)
	<u>21</u>	<u>96</u>	<u>1.076</u>	<u>796</u>

11 Taxation

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Recognised in profit or loss				
Analysis of charge in the year				
Income tax on profits of the year	6.455	5.537	6.455	5.537
Special contribution to the defence fund	12	13	12	13
Share of tax from associate	169	105	-	-
Deferred tax (note 25)	<u>1.823</u>	<u>(1.123)</u>	<u>1.823</u>	<u>(1.123)</u>
	<u>8.459</u>	<u>4.532</u>	<u>8.290</u>	<u>4.427</u>
Adjustment for prior periods	17	2	17	2
	<u>8.476</u>	<u>4.534</u>	<u>8.307</u>	<u>4.429</u>

The Group is subject to income tax at 12,5%, increased to 15% from 1 January 2026.

Brought forward losses of only five years may be utilised. From 1 January 2026, the timeframe for carry forward of tax losses has been extended to seven years.

In certain cases, dividends received from abroad may be subject to special contribution for defence at the rate of 17%, reduced to 5% from 1 January 2026.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

Reconciliation of tax based on taxable income and tax based on accounting profits	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Accounting profit before tax	44.003	30.415	43.301	30.133
Tax calculated at the applicable tax rates	5.500	3.802	5.413	3.767
Tax effect of expenses not deductible for tax purposes	96	929	183	964
Tax effect of allowances and income not subject to tax	(166)	(112)	(166)	(112)
Special contribution to the defence fund	12	13	12	13
Prior year tax	17	2	17	2
Deferred tax	48	(205)	48	(205)
Remeasurement of deferred tax due to changes in applicable tax rate from 12.5% to 15%	2.800	-	2.800	-
Share of tax from associates	169	105	-	-
Tax charge for the year	8.476	4.534	8.307	4.429

12 Earnings per share

The calculation of basic and fully diluted earnings per share was based on the profit attributable to ordinary shareholders of €35.527 thousand (2024: €25.881 thousand) and the weighted average number of ordinary shares outstanding during the year of 71.935.947 (2024: 71.935.947).

There are no dilutive potential ordinary shares in issue.

The calculation of earnings per share in the Company's statement of profit or loss and other comprehensive income was based on the profit for the year of €34.994 thousand (2024: €25.704 thousand).

13 Property, plant and equipment

Group	Land €000	Quarries €000	Production facilities €000	Vassiliko port €000	Equipment €000	Photovoltaic Park €000	Assets under construction €000	Total €000
Cost or valuation								
Balance at 1 January 2024	22.646	350	340.482	24.583	10.833	6.595	7.428	412.917
Additions	2.204	-	1.516	136	659	-	2.361	6.876
Change in fair value	(304)	-	-	-	-	-	-	(304)
Transfer of assets	-	-	138	-	506	-	-	644
Disposals	-	-	-	-	(235)	-	-	(235)
Capitalised assets	-	-	1.865	-	-	-	(1.865)	-
Balance at 31 December 2024	24.546	350	344.001	24.719	11.763	6.595	7.924	419.898
Balance at 1 January 2025	24.546	350	344.001	24.719	11.763	6.595	7.924	419.898
Additions	51	10	3.812	879	1.529	-	3.685	9.966
Disposals	-	-	-	-	(102)	-	-	(102)
Capitalised assets	-	-	2.262	-	-	-	(2.262)	-
Write offs	-	-	-	-	-	-	(249)	(249)
Balance at 31 December 2025	24.597	360	350.075	25.598	13.190	6.595	9.098	429.513
Depreciation								
Balance at 1 January 2024	-	-	188.660	14.814	7.771	1.291	-	212.536
Charge for the year on historical cost	-	-	12.140	977	653	332	-	14.102
Transfer of assets	-	-	51	-	(196)	-	-	(145)
Disposals	-	-	-	-	(235)	-	-	(235)
Balance at 31 December 2024	-	-	200.851	15.791	7.993	1.623	-	226.258
Balance at 1 January 2025	-	-	200.851	15.791	7.993	1.623	-	226.258
Charge for the year on historical cost	-	-	11.851	1.041	813	331	-	14.036
Disposals	-	-	-	-	(101)	-	-	(101)
Balance at 31 December 2025	-	-	212.702	16.832	8.705	1.954	-	240.193
Carrying amounts								
At 1 January 2024	22.646	350	151.822	9.769	3.062	5.304	7.428	200.381
At 31 December 2024	24.546	350	143.150	8.928	3.770	4.972	7.924	193.640
At 1 January 2025	24.546	350	143.150	8.928	3.770	4.972	7.924	193.640
At 31 December 2025	24.597	360	137.373	8.766	4.485	4.641	9.098	189.320

Company	Land	Quarries	Production facilities	Vassiliko port	Equipment	Photovoltaic Park	Assets under construction	Total
	€000	€000	€000	€000	€000	€000	€000	€000
Cost or valuation								
Balance at 1 January 2024	22.646	350	340.482	24.583	10.833	6.595	7.428	412.917
Additions	2.204	-	1.516	136	659	-	2.361	6.876
Additions to assets under construction	-	-	-	-	-	-	-	-
Change in fair value	(304)	-	-	-	-	-	-	(304)
Transfer of assets	-	-	138	-	506	-	-	644
Disposals	-	-	-	-	(235)	-	-	(235)
Capitalised assets	-	-	1.865	-	-	-	(1.865)	-
Balance at 31 December 2024	<u>24.546</u>	<u>350</u>	<u>344.001</u>	<u>24.719</u>	<u>11.763</u>	<u>6.595</u>	<u>7.924</u>	<u>419.898</u>
Balance at 1 January 2025	24.546	350	344.001	24.719	11.763	6.595	7.924	419.898
Additions	51	10	3.812	879	1.529	-	3.685	9.966
Disposals	-	-	-	-	(102)	-	-	(102)
Capitalised assets	-	-	2.262	-	-	-	(2.262)	-
Write offs	-	-	-	-	-	-	(249)	(249)
Balance at 31 December 2025	<u>24.597</u>	<u>360</u>	<u>350.075</u>	<u>25.598</u>	<u>13.190</u>	<u>6.595</u>	<u>9.098</u>	<u>429.513</u>
Depreciation								
Balance at 1 January 2024	-	-	188.660	14.814	7.771	1.291	-	212.536
Charge for the year on historical cost	-	-	12.140	977	653	332	-	14.102
Transfer of assets	-	-	51	-	(196)	-	-	(145)
Disposals	-	-	-	-	(235)	-	-	(235)
Balance at 31 December 2024	<u>-</u>	<u>-</u>	<u>200.851</u>	<u>15.791</u>	<u>7.993</u>	<u>1.623</u>	<u>-</u>	<u>226.258</u>
Balance at 1 January 2025	-	-	200.851	15.791	7.993	1.623	-	226.258
Charge for the year on historical cost	-	-	11.851	1.041	813	331	-	14.036
Disposals	-	-	-	-	(101)	-	-	(101)
Balance at 31 December 2025	<u>-</u>	<u>-</u>	<u>212.702</u>	<u>16.832</u>	<u>8.705</u>	<u>1.954</u>	<u>-</u>	<u>240.193</u>
Carrying amounts								
At 1 January 2024	<u>22.646</u>	<u>350</u>	<u>151.822</u>	<u>9.769</u>	<u>3.062</u>	<u>5.304</u>	<u>7.428</u>	<u>200.381</u>
At 31 December 2024	<u>24.546</u>	<u>350</u>	<u>143.150</u>	<u>8.928</u>	<u>3.770</u>	<u>4.972</u>	<u>7.924</u>	<u>193.640</u>
At 1 January 2025	<u>24.546</u>	<u>350</u>	<u>143.150</u>	<u>8.928</u>	<u>3.770</u>	<u>4.972</u>	<u>7.924</u>	<u>193.640</u>
At 31 December 2025	<u>24.597</u>	<u>360</u>	<u>137.373</u>	<u>8.766</u>	<u>4.485</u>	<u>4.641</u>	<u>9.098</u>	<u>189.320</u>

Fair value hierarchy

The fair value measurement for the land has been categorised as a Level 3.

Land

The land's net book value, if the cost method was used, would have been €6.301 thousand (2024 : €6.250 thousand).

A revaluation exercise for land was performed in November 2022 by independent professional valuers.

Valuation technique

For land, the comparable sales approach was used that reflects prices for recent market transactions for similar properties per m² and incorporates adjustments for specific factors. This is considered as unobservable input.

Significant Unobservable Inputs

Sales comparison approach of land takes into consideration the particular characteristics of the subject property such as size, location and planning/legal status as well as available information from relevant market transactions and the overall market condition as at the valuation date.

The following table shows the significant unobservable inputs used in measuring the fair value of land in 2022.

Property location	Significant unobservable Inputs Selling price per m ²	Inter-relationship between key unobservable inputs and fair value measurement
Property in Choirokoitia	€4 to €5	The estimated fair value would increase/(decrease) by €1.230 thousand if selling price per m ² was 5% higher/(lower).
Property in Kalavassos	€4 to €110	
Property in Mari	€4 to €200	
Property in Tochni	€4 to €100	
Property in Asgata	€4 to €5	
Property in Psematismenos	€4 to €5	
Property in Armenochori	€5 to €6	

The range of significant unobservable inputs for properties within the same location varies due to differences in their characteristics.

Quarries

Quarry land is recognised at cost less any accumulated depreciation. The depreciation rate is determined by dividing the cost of the land less its residual value by its estimated useful life. The residual value of the quarry land at the condition is expected at the end of its useful life, is higher than the cost value, so depreciation charge is nil.

Port

The fair value measurement for the port has been categorised as a Level 3. As at 31 December 2025 and 31 December 2024, the carrying amount of the port approximates its fair value. A revaluation exercise was performed by management as at 31 December 2025, with no changes in the value of the port.

The Cyprus Ports Authority, which according to the Cyprus Ports Authority Law is the owner of the port, leased it to the Company for a period of 50 years as from 1 January 1984.

The fair value of the port is based on the income approach through the discounted cash flow methodology. Cash flow calculations have been assessed by management as at 31 December 2025. Those calculations use post-tax cash flow projections based on past experience, actual operating results and budgeted forecasts for the port activity until the end of the lease term in 2033.

The key unobservable input used in estimating the fair value is the post-tax discount rate of 13,76% (2024: 13,65%). A 1% increase in the post-tax discount rate would decrease the value of the port by €302 thousand (2024: €281 thousand), while a 1% decrease in the post-tax discount rate would increase the value by €319 thousand (2024: €297 thousand). This analysis assumes that all other variables remain constant.

Security

Bank loans of €5.849 thousand (2024: €8.302 thousand) and limits in overdraft accounts of €21.431 thousand, are secured by fixed charges of €12.750 thousand (2024:€12.750 thousand).

14 Investment property

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Balance at 1 January	10.309	10.187	10.106	9.984
Additions	-	85	-	85
Change in fair value	9	97	9	97
Disposals	-	(60)	-	(60)
Balance at 31 December	<u>10.318</u>	<u>10.309</u>	<u>10.115</u>	<u>10.106</u>

Fair value hierarchy

The carrying amount of investment property is the fair value of the property as determined by an independent valuer having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Group's investment property. The last revaluation of investment property was performed during October and November 2025. Management has assessed that the fair value has not changed as at 31 December 2025.

Investment property comprises a commercial property and land, that are held for capital appreciation.

The fair value measurement for all the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Valuation technique

For investment property the comparable sales approach and residual methods were used.

Significant Unobservable Inputs

Sales comparison approach of investment properties takes into consideration the location and size of the plot, the building coefficient and legal framework as well as the market data at the valuation date.

The following table shows the significant unobservable inputs used in measuring the fair value of investment property.

Property location	Significant unobservable inputs Selling price per m ² :	Inter-relationship between key unobservable inputs and fair value measurement
Property in Choirokoitia	€5 to €13 (2024: €5 to €13)	The estimated fair value would increase/(decrease) by €516 thousand if selling price per m ² was 5% higher/(lower).
Property in Kalavassos	€1 to €188 (2024: €1 to €123)	
Property in Mari	€1 to €11 (2024: €1 to €11)	
Property in Strovolos	€143 to €729 (2024: €143 to €677)	
Property in Polis Chrisochous	€3 to €49 (2024: €3 to €49)	
Property in Pissouri	€4 to €9 (2024: €4 to €11)	
Property in Kourio	€51 to €101 (2024: €36 to €101)	
Property in Tochni	€1 to €157 (2024: €4 to €157)	
Property in Gouri	€1 to €4 (2024: €1 to €4)	
Property in Asgata	€1 to €6 (2024: €4 to €6)	
Property in Amathounta	€1 to €9 (2024: €1 to €10)	
Property in Chrisopolitissa	€778 to €1.364 (2024: €671 to €1.261)	
Property in Akamas	€4 to €18 (2024: €4 to €12)	

The range of significant unobservable inputs for properties within the same location varies due to differences in their characteristics.

15 Intangible assets

Group	Goodwill €000	Computer Software €000	Total €000
Cost			
Balance at 1 January 2024	12.328	268	12.596
Acquisitions	-	16	16
Balance at 31 December 2024	12.328	284	12.612
Balance at 1 January 2025	12.328	284	12.612
Acquisitions	-	17	17
Balance at 31 December 2025	12.328	301	12.629
Amortisation and impairment charge			
Balance at 1 January 2024	-	260	260
Amortisation for the year	-	8	8
Balance at 31 December 2024	-	268	268
Balance at 1 January 2025	-	268	268
Amortisation for the year	-	19	19
Balance at 31 December 2025	-	287	287
Carrying amounts			
At 1 January 2024	12.328	8	12.336
At 31 December 2024	12.328	16	12.344
At 1 January 2025	12.328	16	12.344
At 31 December 2025	12.328	14	12.342

Company	Goodwill €000	Computer Software €000	Total €000
Cost			
Balance at 1 January 2024	12.328	268	12.596
Acquisitions	-	16	16
Balance at 31 December 2024	<u>12.328</u>	<u>284</u>	<u>12.612</u>
Balance at 1 January 2025	12.328	284	12.612
Acquisitions	-	17	17
Balance at 31 December 2025	<u>12.328</u>	<u>301</u>	<u>12.629</u>
Amortisation and impairment charge			
Balance at 1 January 2024	-	260	260
Amortisation for the year	-	8	8
Balance at 31 December 2024	<u>-</u>	<u>268</u>	<u>268</u>
Balance at 1 January 2025	-	268	268
Amortisation for the year	-	19	19
Balance at 31 December 2025	<u>-</u>	<u>287</u>	<u>287</u>
Carrying amounts			
At 1 January 2024	12.328	8	12.336
At 31 December 2024	<u>12.328</u>	<u>16</u>	<u>12.344</u>
At 1 January 2025	12.328	16	12.344
At 31 December 2025	<u>12.328</u>	<u>14</u>	<u>12.342</u>

Impairment testing for cash-generating units containing goodwill

The recoverable amount of goodwill (currently attaching to one cash-generating unit related to cement products operations) is based on value-in-use calculations. Those calculations use post-tax cash flow projections based on past experience, actual operating results and budgeted forecasts for 2026 extrapolated forward for the 10-year period 2026-2035. A post-tax discount rate of 13,76% (2024: 13,65%) has been used in discounting the projected cash flows.

16 Group entities

Name and country of incorporation	Principal Activity	Ownership	
		2025	2024
Venus Beton Limited - Cyprus	Dormant company	100,0%	100,0%
Vassiliko Cement Clean Energy Supply Ltd - Cyprus	Purchase, sale and/or supply of electrical energy derived from renewable energy sources, as well as from other forms of energy, and carry any or all activities of whatsoever nature related to the electricity market. In 2024, the Company was Dormant.	100,0%	100,0%

17 Investments in subsidiaries

	2025 €000	2024 €000
Balance at 1 January	10	10
Balance at 31 December	<u>10</u>	<u>10</u>
Venus Beton Limited - Cyprus	-	-
Vassiliko Cement Clean Energy Supply Ltd	<u>10</u>	<u>10</u>
	<u>10</u>	<u>10</u>

There are no significant restrictions regarding the Company's ability to access or use the Group's assets and liabilities.

18 Investment in associate (equity-accounted investee)

Name and country of incorporation	Principal Activity	Ownership	
		2025	2024
Enerco - Energy Recovery Limited - Cyprus	Waste Management	50%	50%
		2025	2024
		€000	€000
Balance at 1 January		2.022	1.842
Share of profit from equity-accounted investee		1.349	985
Share of tax from equity-accounted investee		(169)	(105)
Dividends from equity-accounted investee		(1.055)	(700)
Balance at 31 December		2.147	2.022
		€000	€000
Enerco - Energy Recovery Limited - Cyprus		2.147	2.022
		2.147	2.022

In the Company's statement of financial position, the investment in associate is stated at cost:

	2025	2024
	€000	€000
Balance at 1 January	500	500
Balance at 31 December	500	500

The following table summarises the financial information of the associate as included in its own financial statements adjusted for fair value adjustments at acquisitions and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in the equity-accounted investee for 2025 and 2024.

	Enerco - Energy Recovery Limited	
	2025	2024
	€000	€000
Non-current assets	4.503	4.040
Current assets	2.356	2.000
Non-current liabilities	652	520
Current liabilities	1.561	1.123
Net assets (100%)	4.646	4.397
Group's share of net assets	2.323	2.199
Cash and cash equivalents	907	562
Depreciation and amortization	369	368
Income tax expense	338	210
Revenue	9.217	7.350
Profit from continued operations	2.360	1.761
Other comprehensive income	-	-
Total comprehensive income	2.360	1.761

19 Financial assets at fair value through other comprehensive income

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
At 1 January	304	363	304	363
Disposals	-	(173)	-	(173)
Change in fair value	46	114	46	114
At 31 December	350	304	350	304
	Valuation		Valuation	
	2025 €000	2024 €000	2025 €000	2024 €000
Non-current investments				
Equity securities at fair value through other comprehensive income	350	304	350	304
	350	304	350	304

During 2024, the Company disposed the shares held in its Hellenic Bank Public Company Ltd, for the consideration price of €164.731, realising a loss on disposal in the amount of €8.366. The total cumulative changes in fair value transferred to retained earnings was €389.952.

Equity securities designated as at fair value through other comprehensive income

The Company designated the investments shown below as equity securities at fair value through other comprehensive income (FVOCI), because these equity securities represent investments that the Company intends to hold for the long term for strategic purposes.

The details of financial assets at fair value through other comprehensive income are as follows:

Name	Dividend income recognised during 2025 €000	31	31
		December 2025 €000	December 2024 €000
KEO Plc	12	350	304

Fair value for the financial assets at fair value through other comprehensive income was determined by reference to published price quotations in an active market (classified as Level 1 in the fair value hierarchy).

Information about the Group's exposure to credit and market risks for financial assets at fair value through other comprehensive income is included in note 33.

20 Inventories

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Raw materials and work in progress	4.960	4.163	4.960	4.163
Finished goods	5.602	8.831	5.602	8.831
Fuel stocks	2.751	2.254	2.751	2.254
Spare parts and consumables	21.739	22.376	21.739	22.376
CO ₂ Emission Rights	6.566	9.506	6.566	9.506
	41.618	47.130	41.618	47.130

In 2025, inventories of €102.451 thousand (2024: €95.286 thousand) were recognised as an expense during the year and were included in cost of sales.

21 Trade and other receivables

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Trade receivables	10.870	9.666	10.870	9.666
Amount owed by subsidiary companies (note 27)	-	-	567	566
Amount owed by equity-accounted investee (note 27)	637	320	637	320
Other receivables and prepayments	3.121	3.056	3.121	3.056
	14.628	13.042	15.195	13.608
Less provision for impairment	(275)	(653)	(669)	(669)
	14.353	12.389	14.526	12.939
Impairment movement				
At 1 January	653	681	669	697
Movement during the year	(378)	(28)	-	(28)
At 31 December	275	653	669	669

The Group reviews its trade and other receivables for evidence of their recoverability by conducting both individual and collective assessments. Such evidence includes the customer's payment record and the customer's overall financial position. If indications of irrecoverability exist, the recoverable amount is estimated and a respective provision for bad and doubtful debts is made. The amount of the provision is charged through the profit or loss. The review of credit risk is continuous and the methodology and assumptions used for estimating the provision are reviewed regularly and adjusted accordingly.

The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts provided for collections losses is inherent in the Company's trade receivables.

Impairment losses are included in other operating expenses.

Information about the Group's exposure to credit and market risks for trade and other receivables is included in note 33.

As per IFRS 9, trade, intercompany and other receivables are considered as financial assets at amortised cost. Any other receivables, such as prepayments and VAT recoverable, are other non-financial assets and are outside the scope of IFRS 9.

The Group's and the Company's trade and other receivables includes financial assets at amortised cost amounting to €11.507 (2024: €9.986) and €12.074 (2024: 10.552).

22 Cash and cash equivalents

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Cash in hand	105	50	105	50
Cash at bank	42.079	25.330	41.773	25.330
Cash and cash equivalents in the statement of financial position	42.184	25.380	41.878	25.380
Cash and cash equivalents in the statement of cash flows	42.184	25.380	41.878	25.380

The carrying amounts of the Group's and the Company's cash and cash equivalent in the amount of €176 thousand are denominated in USD.

Information about the Group's exposure to credit and market risks for cash and cash equivalents is included in note 33.

23 Capital and reserves

Share capital	2025 No. of shares	2024 No. of shares		
Authorised:				
Ordinary shares of €0,43 each	<u>72.000.000</u>	<u>72.000.000</u>		
	2025 No. of shares	2024 No. of shares	2025 €000	2024 €000
Allotted, called up and fully paid:				
Ordinary shares of €0,43 each	<u>71.935.947</u>	<u>71.935.947</u>	<u>30.932</u>	<u>30.932</u>

Authorized and issued share capital

All shares issued are ordinary shares, have the same rights and there is no restriction on the distribution of dividends.

Shares of the Company

No shares of the Company are held by the Company, its subsidiaries or affiliates.

Right to issue shares

No share warrants have been issued and no rights have been granted for the issuance of Company shares nor is there any agreement/commitment for the issuance and sale of Company shares.

Reserves

Revaluation reserve

Revaluation reserve comprises the cumulative net change in the fair value of land and Vassiliko port. The revaluation reserve is not distributable. When revalued item is sold, the portion of the revaluation reserve that relates to that asset, and that is effectively realised, is transferred directly to retained earnings.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity securities designated at fair value through other comprehensive income.

24 Interest-bearing loans and borrowings

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Non-current portion of secured bank loans	<u>3.651</u>	<u>5.703</u>	<u>3.651</u>	<u>5.703</u>
Current portion of secured bank loans	<u>2.198</u>	<u>2.599</u>	<u>2.198</u>	<u>2.599</u>
Analysis of maturity of debt:				
Within one year or on demand	2.198	2.599	2.198	2.599
Between one and two years	1.486	2.324	1.486	2.324
Between two and five years	2.165	3.379	2.165	3.379
After five years	-	-	-	-
	<u>5.849</u>	<u>8.302</u>	<u>5.849</u>	<u>8.302</u>

The bank loans are repayable by monthly installments.

The bank loans are secured as follows:

- By mortgage against immovable property of the Company for €1.000 thousand (2024: €1.000 thousand).
- Fixed charge on the Company's financed plant and machinery for €12.750 thousand (2024: €12.750 thousand).

Weighted average effective interest rate

The weighted average rate of interest payable on the loans as at 31 December 2025 was 2,53% (2024: 2,55%).

Reconciliation of liabilities that derive from financing activities:

	Interest-bearing loans and borrowings €000	Lease liabilities €000	Total liabilities that derive from financing activities €000
At 1 January 2024	12.524	1.528	14.052
<u>Cash flow transactions:</u>			
Capital repayment	(4.222)	(116)	(4.338)
Interest charge	256	-	256
Repayment of interest	(256)	-	(256)
<u>Non cash flow transactions:</u>			
Interest charge	-	40	40
At 31 December 2024	8.302	1.452	9.754

	Interest-bearing loans and borrowings €000	Lease liabilities €000	Total liabilities that derive from financing activities €000
At 1 January 2025	8.302	1.452	9.754
<u>Cash flow transactions:</u>			
Capital repayment	(2.453)	(133)	(2.586)
Interest charge	180	-	180
Repayment of interest	(180)	-	(180)
<u>Non cash flow transactions:</u>			
Interest charge	-	38	38
At 31 December 2025	5.849	1.357	7.206

Information about the Group's exposure to credit and market risks for interest-bearing loans and borrowings is included in note 33.

25 Deferred taxation

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Accelerated capital allowances	15.666	13.891	15.666	13.891
Revaluation of properties	6.506	6.458	6.506	6.458
	22.172	20.349	22.172	20.349
	2025 €000	2024 €000	2025 €000	2024 €000
At 1 January	20.349	21.472	20.349	21.472
Deferred tax charge in statement of profit or loss and other comprehensive income (note 11)	1.823	(1.123)	1.823	(1.123)
At 31 December	22.172	20.349	22.172	20.349

The movement in deferred income tax liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Group	Difference between depreciation and wear and tear allowance	Revaluation of Investment Property	Revaluation of property, plant and equipment	Total
	€000	€000	€000	€000
At 1 January 2024	14.808	1.539	5.124	21.471
<u>Charged/(credited) to:</u> Profit or loss	(917)	(32)	(173)	(1.122)
At 31 December 2024	13.891	1.507	4.951	20.349
<u>Charged/(credited) to:</u> Profit or loss	1.775	10	38	1.823
At 31 December 2025	15.666	1.517	4.989	22.172
	Difference between depreciation and wear and tear allowance	Revaluation of Investment Property	Revaluation of property, plant and equipment	Total
	€000	€000	€000	€000
At 1 January 2024	14.808	1.539	5.124	21.471
<u>Charged/(credited) to:</u> Profit or loss	(917)	(32)	(173)	(1.122)
At 31 December 2024	13.891	1.507	4.951	20.349
<u>Charged/(credited) to:</u> Profit or loss	1.775	10	38	1.823
At 31 December 2025	15.666	1.517	4.989	22.172

26 Trade and other payables

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Current				
Trade payables	5.790	7.349	5.783	7.352
Amounts owed to subsidiary companies (note 27)	-	-	12	4
Amounts owed to related companies (note 27)	45	43	45	43
Other payables	975	652	975	652
Social insurance and other taxes	3.702	2.010	3.684	2.010
Accrued interest	8	10	8	10
Payable dividends	330	337	330	337
	10.850	10.401	10.837	10.408

Information about the Group's exposure to credit and market risks for trade and other payables is included in note 33.

27 Related parties

i. Transactions with related parties

The Group has entered into agreements with the following related parties:

- With Hellenic Mining Public Company Limited (common shareholder with the Group) for the provision of office facilities and other related services and the provision of technical services on local raw materials and quarrying activities at an annual fee of €54.000. The duration of the agreement is for a two-year period, commencing on 1 July 2025 and ending on 30 June 2027.

- With C.C.C. Secretarial Limited (common shareholder with the Group) for the provision of civil engineering consultation services at an annual fee of €120.000 until 31 December 2025. The agreement was not renewed.

The transactions between the Group and the common control related parties, were as follows:

	Sales		Purchases	
	2025	2024	2025	2024
	€000	€000	€000	€000
Hellenic Mining Group	-	1	176	174
KEO Plc	-	-	35	30
C.C.C. Secretarial Limited	-	-	120	120
Enerco - Energy Recovery Limited (associated company)	3.689	2.821	1.827	1.673
Heidelberg Materials	-	-	54	37
HM Trading Global GMBH	168	-	1.426	-
	3.857	2.822	3.638	2.034

ii. Transactions with key management personnel

Key management personnel remuneration, including total employer contributions for 2025, was €1.522 thousand (2024: €1.219 thousand). In addition to salaries, the Group also contributes to the Provident Fund which is a defined contributions plan and to National Health System (note 31). Contributions to Provident Fund for key management personnel in 2025, were €70 thousand (2024 €62 thousand) and to National Health System €20 thousand in 2025 (2024 €19 thousand).

There were no other transactions or contracts between the Group and members of the Board of Directors, as well as with key management personnel or related persons, during both the current and previous year.

iii. Balances with related parties

The balances between the Group and the Company with the related parties were as follows:

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Amounts due to related parties				
Hellenic Mining Group	13	17	13	17
C.C.C. Secretarial Limited	-	12	-	12
KEO Plc	16	12	16	12
Heidelberg Materials	16	2	16	2
	45	43	45	43

The above balances relate to trading activities.

There are no collaterals or corporate guarantees issued for the related parties.

iv. Balances with equity-accounted investee

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Enerco - Energy Recovery Limited (note 21)	637	320	637	320

The above balance relates to trading activities and unpaid dividends and does not bear any interest.

There are no collaterals or corporate guarantees from or to the equity-accounted investee.

v. Balances with Group entities

The balances between the Company and the Group entities were as follows:

	Company	
	2025	2024
	€000	€000
Balances due from Group entities		
Venus Beton Limited	567	566
Less impairment	(378)	(378)
	<u>189</u>	<u>188</u>

The impairment amount of €378 thousand relates to the amount due from Venus Beton Limited.

There are no guarantees or corporate guarantees from or to the Group entities.

	Company	
	2025	2024
	€000	€000
Balances due to Group entities		
Vassiliko Cement Clean Energy Supply Ltd	12	4
	<u>12</u>	<u>4</u>

vi. Interest-bearing amount owned by subsidiary companies

	Company	
	2025	2024
	€000	€000
Vassiliko Cement Clean Energy Supply Ltd	255	-
	<u>255</u>	<u>-</u>

On 23 May 2025, the Company provided to its subsidiary, loan in the amount of €250.000 with expire date the 23 May 2035 and interest rate 6 month Euribor plus 1%. The loan will be fully repaid on the expire date. In 2026 a total interest of €4.730 was charged.

28 Dividends

	Company	
	2025	2024
	€000	€000
Interim dividend of 2025 at €0,15 (2024: Year 2024 at €0,12) per share	10.790	8.632
Dividend from profits of 2024 and 2023 at €0,18 (2024: Year 2023 and 2022 at €0,17) per share	12.948	12.229
	<u>23.738</u>	<u>20.861</u>

Dividends are subject to defence fund contribution at the rate of 17% and NHS contribution at the rate of 2,65%, when the beneficiary is a physical person resident of Cyprus.

29 Directors' interest in the share capital of the Company

At 31 December 2025, and five days prior to the date of the approval of the financial statements, the percentage of shareholdings in the share capital of the Company held, directly and indirectly, by the Members of the Board of Directors, their spouses, or/and relatives by blood up to first degree and companies in which they control directly and indirectly at least 20% of the voting rights were as follows:

	31 December 2025		18 April 2026	
	Directly	Directly & Indirectly	Directly	Directly & Indirectly
Antonios Antoniou	0,111%	0,174%	0,111%	0,174%
George St. Galatariotis ¹	-	25,313%	-	25,313%
Stavros Galatariotis ²	0,013%	-	0,013%	-
Stelios S. Anastasiades	0,021%	0,021%	0,021%	0,021%
	<u>0,145%</u>	<u>25,508%</u>	<u>0,145%</u>	<u>25,508%</u>

Note 1: The indirect shareholding of Mr. George St. Galatariotis derives from the direct shareholding of 25,30% of The Cyprus Cement Public Company Ltd and 0,013% of Stavros Galatariotis (Director of the Company) in the issued share capital of the Company.

Note 2: The direct shareholding of Mr. Stavros Galatariotis of 0,013% in the issued share capital of the Company is included in the indirect shareholding of Mr. George St. Galatariotis.

At 31 December 2025, the Company had no material agreements in which Directors of the Company, or their related parties, had a direct or indirect interest.

30 Shareholders holding more than 5% of the issued share capital of the Company

At 31 December 2025, and five days prior to the date of approval of the financial statements, the following shareholders were holding, directly and indirectly, more than 5% of the nominal value of the issued share capital of the Company:

	31 December 2025		18 April 2026	
	Directly	Directly & Indirectly	Directly	Directly & Indirectly
Holy Archbishopric of Cyprus ¹	19,52%	26,01%	19,52%	26,01%
Heidelbergcement AG ²	-	25,98%	-	25,98%
The Cyprus Cement Public Company Ltd	25,30%	25,30%	25,30%	25,30%
Anastasios G. Leventis Foundation	5,34%	5,34%	5,34%	5,34%
	<u>50,16%</u>	<u>82,63%</u>	<u>50,16%</u>	<u>82,63%</u>

Note 1: The indirect shareholding of The Holy Archbishopric of Cyprus derives from the direct shareholding of 6,49% of KEO Plc in the issued share capital of the Company.

Note 2: The indirect shareholding of Heidelbergcement AG derives from the direct shareholding of 9,71% of Compagnie Financiere et de Participations S.a.s and 16,27% of Italmed Cement Company Ltd in the issued share capital of the Company.

31 Employee contribution schemes

The Group contributes to the Provident Funds in which the employees participate, which are defined contribution schemes and to the National Healthcare System. According to the Provident Funds, the employees are entitled to payment of certain benefits upon retirement, prior termination of service or sickness. The contributions of the Group and the Company to the above for the year were €1.165 thousand (2024: €1.153 thousand).

32 Leases

Leases as lessee

The Group leases the port facilities for a period of 50 years ending in 2033. The lease provides for rental increases to reflect market rentals with no contingent rentals.

The Group also leased a piece of land close to the factory to be used for storage of materials used in the production process.

The Company has secured the usage of the specific plots through the expropriation process made by the Cyprus Government, for the purposes of encouraging the cement industry under the Licence 1966 granted to the Company. The compensation amounts for the expropriation of each plot were paid in full by the Company to the Department of Land and Surveys of the Cyprus Government in advance.

Information about leases for which the Group is a lessee is presented below.

i. Right-of-use of assets

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Balance at 1 January	2.236	2.377	2.236	2.377
Additions	4	-	4	-
Depreciation charge for the year	(141)	(141)	(141)	(141)
Balance at 31 December	<u>2.099</u>	<u>2.236</u>	<u>2.099</u>	<u>2.236</u>

At 31 December 2025, the net book value of the land lease was €2.048 thousand (2024: €2.179 thousand), and the net book value of the port facilities was €51 thousand (2024: €57 thousand).

ii. Lease Liabilities

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Non-current portion of lease liabilities	1.205	1.320	1.205	1.320
Current portion of lease liabilities	152	132	152	132

iii. Amounts recognised in statement of profit or loss

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Depreciation on right-of-use assets	141	141	141	141
Interest on lease liabilities	38	40	38	40
	179	181	179	181

iv. Amounts recognised in statement of cash flows

	Group		Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Total cash outflow for leases	133	116	133	116

33 Financial instruments and risk management

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

The Group also has exposure to the following other risks:

- Industry risk
- Operational risk
- Environmental risk
- Compliance risk
- Litigation risk
- Reputation risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The main monetary financial assets of the Group and the Company are cash and cash equivalents, and the investments in securities and trade receivables. The main monetary financial liabilities are bank overdrafts, loans and trade payables.

Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the statement of financial position date. The Group has no significant concentration of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. The Group has policies to limit the amount of credit exposure to any financial institution.

The carrying amount of financial assets representing the maximum credit exposure to credit risk at the reporting date was:

	Group		Company	
	Carrying amount		Carrying amount	
	2025	2024	2025	2024
	€000	€000	€000	€000
Trade receivables	10.870	9.666	10.870	9.666
Amount owed by subsidiary companies	-	-	567	566
Amount receivable from related parties	637	320	637	320
Financial assets at fair value through other comprehensive income	350	304	350	304
Cash at bank	42.079	25.330	41.773	25.330
Total credit risk exposure	53.936	35.620	54.197	36.186

Trade receivables of €8.772 thousand are secured by bank guarantees.

Financial assets at fair value through other comprehensive income and amounts receivable from related parties for the Group were performing as at 31 December 2025 .

Amounts owed by subsidiaries companies include non-performing balance amounting to €378 thousand. The remaining balance was performing as at 31 December 2025.

The Group has policies to limit the amount of credit exposure to any financial institution. The table below shows an analysis of the Group's bank deposits by the credit rating of the bank in which they are held:

	No. of banks	Group		No. of banks	Company	
		2025	2024		2025	2024
		€000	€000		€000	€000
Bank group based on credit ratings by Moody's						
A3	1	5.929	-	1	5.929	-
Aa2	1	18.029	13.585	1	18.029	13.585
Baa1	3	18.029	4.710	3	17.723	4.710
Baa2	-	-	6.965	-	-	6.965
Baa3	-	-	70	-	-	70
Other external non-rated banks	1	92	-	1	92	-
		42.079	25.330		41.773	25.330

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The following table provides information about estimated exposure to credit risk and ECL's for trade receivables and contract assets from individual customers and for corporate customers as at 31 December 2025 :

	Group		Weighted average loss rate
	Net carrying amount	Provisions	
Current (not past due)	8.467	-	0%
1-30 days past due	1.556	-	0%
31-60 days past due	661	105	16%
61-90 days past due	18	18	100%
More than 90 days past due	168	168	100%
	10.870	291	

Loss rates are based on actual credit loss experience over the past 5 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following table provides information about estimated exposure to credit risk and ECL's for trade receivables and contract assets from individual customers and for corporate customers as at 31 December 2024:

	Group		
	Net carrying amount	Provisions	Weighted average loss rate
Current (not past due)	6.948	-	0%
1-30 days past due	2.115	-	0%
31-60 days past due	439	127	29%
61-90 days past due	3	3	100%
More than 90 days past due	161	161	100%
	<u>9.666</u>	<u>291</u>	

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Group

Non-derivative financial liabilities	Carrying amount €000	Contractual cash flow €000	Payable on demand and up to 6 months €000	6 - 12 months €000	1 - 2 years €000	2 - 5 years €000	More than 5 years €000
31 December 2025							
Secured bank loans	5.849	(6.082)	(1.311)	(1.013)	(1.560)	(2.198)	-
Trade and other payables	6.810	(6.810)	(6.810)	-	-	-	-
Lease Liabilities	1.357	(1.546)	(80)	(72)	(152)	(466)	(776)
	<u>14.016</u>	<u>(14.438)</u>	<u>(8.201)</u>	<u>(1.085)</u>	<u>(1.712)</u>	<u>(2.664)</u>	<u>(776)</u>
31 December 2024							
Secured bank loans	8.302	(8.683)	(1.297)	(1.304)	(2.454)	(3.628)	-
Trade and other payables	8.044	(8.044)	(8.044)	-	-	-	-
Lease Liabilities	1.452	(1.677)	(61)	(71)	(152)	(456)	(937)
	<u>17.798</u>	<u>(18.404)</u>	<u>(9.402)</u>	<u>(1.375)</u>	<u>(2.606)</u>	<u>(4.084)</u>	<u>(937)</u>

Company

Non-derivative financial liabilities	Carrying amount €000	Contractual cash flow €000	Payable on demand and up to 6 months €000	6 - 12 months €000	1 - 2 years €000	2 - 5 years €000	More than 5 years €000
31 December 2025							
Secured bank loans	5.849	(6.082)	(1.311)	(1.013)	(1.560)	(2.198)	-
Trade and other payables	6.815	(6.815)	(6.815)	-	-	-	-
Lease Liabilities	1.357	(1.546)	(80)	(72)	(152)	(466)	(776)
	<u>14.021</u>	<u>(14.443)</u>	<u>(8.206)</u>	<u>(1.085)</u>	<u>(1.712)</u>	<u>(2.664)</u>	<u>(776)</u>
31 December 2024							
Secured bank loans	8.302	(8.683)	(1.297)	(1.304)	(2.454)	(3.628)	-
Trade and other payables	8.051	(8.051)	(8.051)	-	-	-	-
Lease Liabilities	1.452	(1.677)	(61)	(71)	(152)	(456)	(937)
	<u>17.805</u>	<u>(18.411)</u>	<u>(9.409)</u>	<u>(1.375)</u>	<u>(2.606)</u>	<u>(4.084)</u>	<u>(937)</u>

The Group has access to financing facilities, of which €21.431 thousand were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows.

The Group has secured bank loans that contain loan covenants. A future breach of covenants may require the Group to repay the loan earlier than indicated in the above table. Under the agreement, the covenants are monitored on a regular basis by the accounting department and regularly reported to management to ensure compliance with the agreement.

The Group has complied with these covenants throughout the reporting period.

Industry risk

The activities of the Group are subject to various risks and uncertainties related to the construction industry and the economy in general. These activities are influenced by a number of factors which include, but are not restricted, to the following:

- National and international economic and geopolitical factors and markets;
- The growth of the construction and real estate sectors;
- The impact of war, terrorist acts, diseases and epidemics which are likely to influence tourists' arrivals on the island of Cyprus;
- Increases in labour and energy costs;
- Increased domestic competition as well as competition from neighbouring countries.



Operational risk

Operational risk is the risk that derives from any deficiencies relating to the Group's information technology, production processes and control systems as well as the risk of a human error and natural disasters. The Group's systems are evaluated, maintained, and upgraded continuously.

Operational environment

The operating environment of the Group continues to be influenced by ongoing geopolitical developments in the Middle east, which contribute to a heightened level of uncertainty in the broader economic and regulatory landscape. While the Group has no direct operations in areas affected by conflict, such developments may indirectly impact business confidence, input costs and market conditions, including energy prices and inflationary pressures.

Increased production costs, primarily driven by energy prices, may have implications for the Group's working capital requirements. The Group maintains adequate working capital facilities to support its operations and has taken steps to ensure sufficient liquidity is available to address potential future needs.

Management has assessed the potential impacts of the prevailing geopolitical environment on the recognition and measurement of assets and liabilities in the financial statements as at 31 December 2025. In particular, management has considered:

1. whether any impairment allowances are deemed necessary for the Group's financial assets, non-financial assets (e.g., property, plant & equipment) by considering the economic situation and outlook at the end of the reporting period.
2. whether inventory continues to be recorded at the lower of cost and net realisable value;
3. the ability of the Group to continue as a going concern.
4. the valuation of assets carried at fair value.

Due to the inherent uncertainty associated with geopolitical developments, the extent of their future financial impact cannot be measured with reasonable certainty. Actual results may differ from management's current estimates and assumptions.

Based on the assessments performed, management has concluded that no material adverse impact on the Group's liquidity position, financial covenants or ability to continue as a going concern has been identified as at the reporting date.

Management will continue to monitor developments closely and reassess assumptions and risk exposures as necessary. The Group remains well positioned to maintain the viability of its operations and support the long-term development of its business within the prevailing economic environment.

Environmental risk

Environmental risk is the risk to comply with environmental regulations of the Republic of Cyprus and the EU. The risk is limited through the monitoring controls applied by the Group. Further the Group is exposed to price fluctuations on emission rights depending on its emission rights surplus or deficit. The Group's position is therefore constantly monitored to ensure correct risk management.

Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with the laws and regulations of the Republic of Cyprus and the EU. The risk is limited through the monitoring controls applied by the Group.

Litigation risk

Litigation risk is the risk of financial loss which arises from the interruption of the Group's operations or any other undesirable situation that arises from the possibility of non-execution or violation of legal contracts and consequently from lawsuits. The risk is restricted through the contracts used by the Group to execute its operations.

Reputation

The risk of loss of reputation arising from the negative publicity relating to the Group's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Group. The management is monitoring such developments through its sustainable development and corporate governance policies and procedures to mitigate such risks.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as the amount of net income returned as a percentage of total shareholder equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group monitors capital based on the ratio of borrowings to total equity. This ratio is calculated as net debt divided by total equity. For the Group and the Company, net debt is calculated as the total of loans and bank overdrafts less cash on hand and at banks. Total capital corresponds to 'equity' as presented in the statement of financial position.

The Group and the Company considers equity as shown on the face of the balance sheet as capital.

34 Fair values

The fair value of the investments in securities quoted on the Cyprus Stock Exchange is disclosed in note 19. The fair value of investment property is disclosed in note 14 and the fair value of land and port included in property, plant and equipment is disclosed in note 13. The fair values of the other monetary assets and liabilities are approximately the same as their book values.

35 Contingent liabilities and assets

As at 31 December 2025, the Group had contingent liabilities in respect of bank guarantees arising in the ordinary course of business from which the Board of Directors is not anticipating that material liability will arise. These guarantees amounted to €941 thousand (2024 : €944 thousand).

On 14 June 2024, during the berthing of a vessel at the port facility, and specifically during the vessel's approach to the quay, the vessel allided with the western quay wall of the facility. As a result of the impact, material damage was caused both to the said quay wall and to the adjacent onshore installations. Subsequent to the reporting date, the Group received insurance proceeds amounting to €890 thousand in respect of this incident.

36 Administrative fine

On 24 February 2023, the Commission for the Protection of Competition (CPC) issued a decision finding that the Company had infringed section 6(1)(a) of The Protection of Competition Laws of 2008 and 2014, and imposed an administrative fine of €5 million. Following new considerations that came to light in 2024, the fine was paid during the year and the amount has been recognised in the profit and loss statement. This payment was made with full reservation of all legal rights, pending the outcome of the Company's Recourse, which was filed on 24 March 2023 before the Administrative Court, seeking the annulment of the CPC's decision.

37 Commitments

Capital expenditure contracted for at the reporting date but not yet incurred is as follows:

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Property, plant and equipment	1.953	6.176	1.953	6.176

38 Events after the reporting period

The Directors proposed the payment of a dividend of €0,23 per Ordinary Share, €0,01 of which will be paid out of the profits of 2024 included in retained earnings, and €0,22 out of the profits of 2025. If approved at the Annual General Meeting, the dividend will be paid to the entitled shareholders registered as at 7 July 2026 (record date).

The geopolitical situation in the Middle East escalated on 28 February 2026 as a result of the armed conflict. As at the date of authorisation of the financial statements, the conflict continues to evolve, with military activity ongoing.

The conflict has led to heightened volatility in global energy markets and disruptions in oil and gas supply chains, resulting in increased uncertainty in commodity prices and inflationary pressures. Broader impacts have also been observed in international financial markets and global supply chains, particularly affecting energy and transportation sectors, as geopolitical tensions around key shipping routes continue to add to market uncertainty.

These developments may give rise to challenges for companies, including disruptions to supply chains, increases in energy and raw material costs, and increased uncertainty in operational and financial planning.

The financial effects of the conflict on the global economy and overall business activity cannot be estimated with reasonable certainty at this stage, due to the rapidly evolving nature of the situation and the high level of uncertainty surrounding its duration and outcome.

The above events are indicative of conditions that arose after the reporting period. Accordingly, they are considered non-adjusting subsequent events and have not been reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2025.

The Group has no direct exposure to the Middle East as its exports for 2026 are diversified in many regions and therefore does not expect any direct impact from the conflict. However, given the Group's operations in Cyprus, the conflict may give rise to indirect effects on the Cypriot economy, primarily through potential increases in fuel and electricity costs, inflationary pressures, volatility in financial markets and possible disruptions to supply chains.

The extent and duration of any indirect impact remain uncertain and will depend on future developments. Management has considered the Group's specific circumstances and risk exposures and has concluded that, as at the reporting date, it is not possible to estimate the financial impact with reasonable certainty.

Management will continue to monitor developments closely and will assess the need for additional disclosures, revisions to assumptions or cost-mitigation measures should the effects of the conflict become more prolonged or severe. Based on the information available as at the date of authorisation of the financial statements, management has concluded that the conflict is not expected to have a material impact on the Group's ability to continue as a going concern.