ANNUAL REPORT & FINANCIAL STATEMENTS '24

VASSILIKO CEMENT WORKS
PUBLIC COMPANY LTD
Since 1963

VASSILIKO CEMENT WORKS
PUBLIC COMPANY LTD
Since 1963

CONTENTS

ADDRESS BY THE EXECUTIVE CHAIRMAN
for the year 2024

DEAR SHAREHOLDERS,

I would like to welcome you all to the 59th Annual General Meeting of our Company.

YEAR IN REVIEW

Although during the course of 2024 both global as well as regional tensions continued to make headlines, I'm pleased to say that these had no direct negative impact on our operations or performance. Adhering to our preplanned strategy and with prudent planning and a clear operational focus, we managed to navigate the year's uncertainties effectively and stayed on track with our key priorities.

In line with our commitment to long-term sustainability, optimisation and efficiency, we followed through our strategic decision to reduce production volumes so as to balance the negative effect of the incremental CO_2 cost, at the expense of a lower export activity. At the same time, we prioritised the domestic market, responding to the increased demand (6,6% Y-o-Y) whilst maintaining our commitment to quality products and reliable service.

Operationally, our people once again rose to the challenge. Through cost-saving initiatives, strategic investments, and a culture of innovation, we continued to focus on product quality, meeting customer expectations, and building resilience across our value chain.

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 2024.

The Group recorded revenues of €139.996.000, a decrease from €160.532.000 in 2023, primarily reflecting the aforementioned strategic production adjustment. Despite the revenue drop, gross profit increased by 7,8%, rising from €41.487.000 to €44.710.000. This improvement was driven by targeted cost controls and production efficiencies, in conjunction with the improvement in the demand of the domestic market.

Key to this success was the increase in alternative fuel usage, which reached a yearly average of 67,8%, made possible by the investment in and replacement of the main burner. Combined with lower electricity costs, this shift significantly reduced production expenses and advanced our environmental goals.

During the year, the Company also paid €5.070.950 in response to a fine imposed by the Commission for the Protection of Competition, relating to the period 2013–2018. This payment was made under full reservation of legal rights, as we have filed an application for annulment of the decision with the Administrative Court.

The Group's net profit for the year amounted to €25.881.000, and the Company's net profit to €25.704.000, compared to €27.840.000 and €27.699.000 respectively in 2023. These figures confirm our ability to deliver healthy profitability even under evolving and complex operating conditions.

INVESTMENTS TOWARD A SUSTAINABLE FUTURE

Sustainability remains one of our top priorities. Although discussions in the EU suggest a possible slowdown in the rollout of climate policies, we are not slowing down our own efforts.

A major milestone this year was the completion of the new 8MW Photovoltaic Park in early 2025, which will supplement our existing 8MW facility. Once infrastructure works by the Electricity Authority of Cyprus are completed - expected in the third quarter of 2025 - our combined 16MW renewable capacity will enhance our energy autonomy. We are also evaluating battery storage solutions to further optimise our energy usage and mitigate the significant energy curtailments imposed by the Transmission System Operator.

Looking ahead, we are preparing further investments in alternative fuel technology and production innovation, reinforcing both our sustainability and operational resilience strategies.

DIVIDEND

On 26 September 2024, the Board of Directors approved the payment of an interim dividend of €0,12 per share of €8.632.313,64. Considering our 2024 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 €12.948.470,46 or €0,18 per share, €0,06 out of the profits of the year 2023 and €0,12 out of the profits of 2024 included in Retained Earnings. Combined with the interim dividend declared in September 2024, the total dividend amounts to €21.580.784,10 or €0,30 per share.

SHAREHOLDERS, CLIENTS, PERSONNEL

In closing, I extend my sincere appreciation to our General Manager and the entire Vassiliko Cement Works team. Their dedication, expertise, and continuous efforts are the driving force behind the Company's achievements.

To our shareholders and customers, thank you for the trust you continue to place in us. As we move forward, we do so with a clear vision, a strong foundation, and a firm commitment to continuous improvement in operational excellence and sustainability.

Antonios Antoniou
Executive Chairman

14 May 2025

NOTICE OF ANNUAL GENERAL MEETING

The 59th 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 5 June 2025 at 5:00 p.m. to transact the following business:

1. Consider the management report of the Board of Directors for the year 2024.
2. Receive, consider and approve the annual financial statements and the report of the auditors for the year 2024.
3. Approve a total dividend payment of €0,18 per share, €0,06 out of the profits of the year 2023 and €0,12 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 2025.
7. Appoint PricewaterhouseCoopers Limited as the auditors of the Company and fix their remuneration for the year 2025.
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

16 April 2025

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 3 June 2025. Transactions which will be taking place on 2 June 2025 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) 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.

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:
   a. 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
   b. 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 16 April 2025, 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 Financial Statements of the Company for 2024 (incorporating the Notice to and the Agenda of the Annual General Meeting, Explanatory Notes on the Agenda Items, the Management Report, the Corporate Governance Report, the Remuneration Report, the Auditors' Report and the 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.

EXPLANATORY NOTES

The formal Notice of the 2025 Annual General Meeting is set out on page 1. 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 for the year 2024.

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 KPMG Limited will present their Audit Report for the year ended 31 December 2024.

RESOLUTION 3: APPROVE A DIVIDEND PAYMENT

The Directors proposed the payment of a dividend of €0,18 per share, €0,06 out of the profits of the year 2023 and €0,12 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 18 June 2025 (record date). The shares of the Company will be traded ex-dividend as of 17 June 2025. Payment of the dividend will be made (effected) till the 15 July 2025.

RESOLUTION 4: RE-ELECTION OF DIRECTORS

In accordance with the articles of association, Messrs George St. Galatariotis, Mihail Polendakov and Ioannis Savvides are the Directors who will retire by rotation this year and offer themselves for re-election.

Brief details of all Directors appear on pages 19 to 22 of the Annual Report.

RESOLUTION 5: APPROVE THE REMUNERATION REPORT

The Shareholders are asked to approve the remuneration report that appears on pages 17 to 18.

RESOLUTION 6: TO FIX THE REMUNERATION OF THE DIRECTORS

The Shareholders are asked to approve that the remuneration of the Directors for the year 2025 be increased by €5.000 compared to 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: APPOINTMENT OF AUDITORS

This resolution relates to the 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:	KPMG LIMITED 14, ESPERIDON STREET 1087 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 EFG CYPRUS LTD HELLENIC BANK PUBLIC COMPANY 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 2024, confirm that, to the best of our knowledge:

a. The Annual Financial Statements that are presented on pages 30 to 72:

   i. were prepared in accordance with the International Financial Reporting 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 profits or losses of Vassiliko Cement Works Public Company Limited and the businesses that are included in the consolidated and separate financial statements as a total.

b. The 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 separate 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. Savva	General Manager
Melina Kyriakou	Financial Manager

16 April 2025

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 separate financial statements of the Company for the year ended 31 December 2024.

FINANCIAL STATEMENTS

The consolidated financial statements for the year 2024 include the results of the holding company, its subsidiaries and associate companies.

PRINCIPAL ACTIVITIES

The Group's principal activities are the production of clinker and cement, which are distributed in the local and international markets.

REVIEW OF DEVELOPMENTS, POSITION AND PERFORMANCE OF THE OPERATIONS

In 2024, the Group and the Company recorded revenues of €139.996 thousand, compared to €160.532 thousand in 2023, primarily due to lower total sales volumes. While market conditions remained challenging, particularly due to inflationary pressures, the Company continued to demonstrate resilience. Although regional political instability affected the broader economic environment, its direct impact on the Company’s operations was limited.

Gross profit increased by 7,8% to €44.710 thousand, up from €41.487 thousand in the previous year, reflecting the success of targeted cost containment initiatives. A major contributor to this improvement was the reduction in production costs, driven by lower electricity prices and a higher substitution rate of fossil fuels with alternative fuels. This was made possible in part by the replacement of the main burner during the year, which enabled the increase of alternative fuels to a yearly average of 67,8%. These measures also supported the Company’s environmental objectives, contributing to reduced emissions and advancing circular economy practices.

Included in the year’s expenses is an amount of €5.070.950, paid to the Commission for the Protection of Competition ("CPC") as an administrative fine. The fine, imposed on February 24, 2023, relates to alleged excessive pricing of grey cement in the domestic market during the period 2013–2018. This payment was made under full reservation of all legal rights, pending the Company's recourse to the Administrative Court for the annulment of the CPC’s decision.

Looking ahead, the Company continues to take a proactive approach in navigating the evolving energy landscape and broader macroeconomic uncertainty. The strategic shift towards cleaner, renewable energy sources remains a core priority, reflecting the Company’s commitment to long-term cost optimisation and environmental responsibility.

FINANCIAL RESULTS

The financial results of the Group and the Company for the year ended 31 December 2024 are presented in the consolidated and separate statements of profit or loss and other comprehensive income. Profit for the year ended 31 December 2024 for the Group amounted to €25.881 thousand compared to €27.840 thousand in 2023, whereas the profit for the year for the Company amounted to €25.704 thousand compared to €27.699 in 2023.

DIVIDENDS

On 26 September 2024, the Board of Directors approved the payment of an interim dividend of €0,12 per share of €8.632 thousand.

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

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 materially from those expressed in the forward-looking statements include, but are not limited to: the cyclical nature of the Company's business; national and regional economic conditions; currency fluctuations; energy prices; emission rights price fluctuation; seasonal nature of the Company’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 Company is subject to the risks and uncertainties of the construction industry. The forward-looking statements are made as of this date and the Company 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 Company continues to address the challenges posed by the ongoing energy crisis and the shifting regulatory landscape, particularly in light of anticipated changes to EU policies on CO_2 emissions rights. While discussions suggest a possible slowdown in the pace of the Green Deal, the Company remains fully committed to its long-term environmental goals and sustainability strategy.

Reducing the environmental impact of operations and managing compliance costs remain top priorities. Efforts to replace fossil fuels with alternative, more sustainable sources, are ongoing, supporting both cost efficiency and environmental performance.

As previously reported, the expansion of the Company’s Photovoltaic Park had been delayed due to extended licensing procedures. The installation of the new 8MW park was completed in early 2025 and will supplement the existing 8MW facility that has been operational since 2020. The connection to the national grid is now pending the completion of infrastructure works by the Electricity Authority of Cyprus (EAC), expected by the third quarter of 2025. Once operational, the combined 16MW capacity will strengthen the Company’s renewable energy generation. The Company is further considering investing in battery storage to better utilize the potential of the photovoltaic parks.

Further investments in technology are also planned to enable increased use of alternative fuels, reinforcing the Company’s strategic focus on sustainability and operational resilience.

The Company continues to monitor geopolitical and regulatory developments closely to remain agile in a fast-evolving business environment.

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 2024. The Company’s shares are listed on the Cyprus Stock Exchange (CSE).

SHARE CAPITAL (continued)

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.

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 2024 and 11 April 2025, 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 5. In accordance with the Company's Articles of Association (Article 92), at the next Annual General Meeting, Messrs George St. Galatariotis (non-Executive Director), Mihail Polendakov (non-Executive Director) and Ioannis Savvides (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 30 May 2024, 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 5th Revised Edition of the Corporate Governance Code, issued by the Cyprus Stock Exchange in January 2019, which is applicable for the Corporate Governance Report for the year ending 31 December 2019 onwards. 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.

The Corporate Governance Report of the Company for 2024 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 2024 and 11 April 2025, 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 Board of Directors, pursuant to the Company's obligation to rotate its existing External Auditors, conducted a competitive tendering process and resolved to propose to the Annual General Meeting the appointment of PricewaterhouseCoopers Ltd as the Company's External Auditors for the financial year 2025 onwards. A resolution to fix their remuneration for the financial year 2025 will also be proposed at the Annual General Meeting.

On behalf of the Board of Directors

ANTONIOS A. ANTONIOU

Executive Chairman

16 April 2025

CORPORATE GOVERNANCE REPORT

SECTION A

The Company has adopted the 5th Revised Edition of the Corporate Governance Code, issued by the Cyprus Stock Exchange in January 2019, which is applicable for the Corporate Governance Report for the year ended 31 December 2019 and onwards. 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 2024, 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.

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.

THE BOARD (continued)

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 2024. 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.
- 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.

EXECUTIVE CHAIRMAN AND GENERAL MANAGER (continued)

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.

FINANCIAL REPORTING

The preparation and presentation of the consolidated 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 reviewing 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 review 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 2024.

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 five times during 2024. 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 monitors the controls which are in force to ensure the integrity of the financial information reported to shareholders, and 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, and is responsible for keeping under continuous review the scope and results of the audit and its cost-effectiveness and the independence and objectivity of the auditors.

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.

Until 31 December 2024, the Group's internal audit function was outsourced to PricewaterhouseCoopers Ltd, a professional audit firm, which was responsible for monitoring the Group's internal financial controls, internal control systems and risk management systems, reporting its findings to the Management and the Audit Committee. As of 1 January 2025, the internal audit function has been outsourced to Deloitte Limited.

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 reviews 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. G. 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. G. 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 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 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 17).

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 George St. Galatariotis (non-Executive Director), Mihail Polendakov (non-Executive Director) and Ioannis Savvides (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.

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 2024 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 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 2024 concern rewards for the financial performance of the Company for year 2024. 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 2024 compared to the previous year.

The total remuneration of the sole Executive Director under his capacity as Executive for the year 2024 was €358.643 (2023: €315.475).

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 2024, which is a defined contribution scheme. No other additional pension schemes exist for the Executive Member of the Board.

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 2024 were €20.000, and €25.000 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 2024 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	27.100	216.000	130.000	12.643	-	-	385.743
Non-Executive Directors							
George St. Galatariotis	22.400	-	-	-	-	-	22.400
Costas St. Galatariotis	23.600	-	-	-	-	-	23.600
Stavros G. Galatariotis	22.100	-	-	-	-	-	22.100
Maurizio Mansi Montenegro	21.200	-	-	-	-	-	21.200
Stelios S. Anastasiades	23.600	-	-	-	-	-	23.600
Hakan Gürdal	21.800	-	-	-	-	-	21.800
Mihail Polendakov	21.200	-	-	-	-	-	21.200
Anastasia Papadopoulou	22.100	-	-	-	-	-	22.100
Ioannis Savvides	23.600	-	-	-	-	-	23.600
George N. Chari	22.400	-	-	-	-	-	22.400
	251.100	**216.000**	**130.000**	**12.643**	**-**	**-**	**609.743**

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.

As from January 2021 he is the Chairman of the Cyprus Employers & Industrialists Federation (OEB). He is a Member of the Board of Directors of OEB since July 2011 and Member of its Executive Committee since December 2013. From January 2019 until December 2020 he was the Vice-Chairman of OEB.

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 Galatariotis Group of Companies, 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

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 the Galatariotis Group of Companies, 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 has also served as Vice President of the Cyprus Investment Promotion Agency (CIPA Invest Cyprus) from July 2018 until November 2020.

Since February 2023, he is a member of the Bicommunal Technical Committee for financial affairs and commerce. Since February 2024, he is the President of the Council of the Cyprus Technological University.

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.

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 & Akcansa.

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.

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 University of Cyprus since 2021 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 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 as an 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 currently as a Regional Manager of Paphos.

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).

ANNUAL
REPORT &
FINANCIAL
STATEMENTS
'24

KPMG Limited
Chartered Accountants
14 Esperidon Street, 1087 Nicosia, Cyprus
P.O. Box 21121, 1502 Nicosia, Cyprus
T: +357 22 209000, F: +357 22 678200

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Vassiliko Cement Works Public Company Ltd (the "Company") and its subsidiaries (the "Group"), and the separate financial statements of the Company which are presented on pages 30 to 75 and comprise of the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company, respectively, as at 31 December 2024, and of their financial performance and 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 (the “Companies Law, Cap.113”).

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 separate financial statements*” section of our report. We remained independent of the Group and the Company throughout the period of our appointment in accordance with the International Code of Ethics (including *International Independence Standards) for Professional Accountants of the International Ethics Standards Board for Accountants’* (“IESBA Code”) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on the audit of the consolidated and separate financial statements (continued)

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

Revenue recognition	
Refer to note 5 of the consolidated and separate financial statements	
Key audit matter	**How the matter was addressed in our audit**
The vast majority of the Group's and the Company's revenue is generated from the sales of Clinker and Cement. As per the consolidated and Company's statement of profit or loss for the year ended 31 December 2024, revenue amounts to €139.996 thousand. The Group and the Company recognise revenue for the domestic sales when products are delivered to the customers and for export sales in accordance with their sales terms and conditions. Given the significance of revenue as a major component in the consolidated and the Company's statements of profit or loss and other comprehensive income, and since revenue is one of the key performance indicators of the Group and the Company and is, therefore, subject to manipulation, we consider the revenue recognition as a key area of focus during our audit.	Our audit procedures included among others: • Evaluation and assessment of the operating effectiveness of the internal controls relevant to the recognition and measurement of revenue. • Evaluation of the appropriateness of recognition of revenue by reference to the relevant invoices, shipping and other documents, in order to assess whether revenues are recognised in the correct accounting period. Where appropriate, a monetary sampling tool was used within this process.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on the audit of the consolidated and separate financial statements (continued)

Reporting on other information

The Board of Directors is responsible for the other information. The other information comprises the management report, the corporate governance report, the remuneration report and the directors’ curricula vitae but does not include the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as required by the Companies’ Law, Cap.113.

In connection with our audit of the consolidated and separate 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 separate 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.

With regards to the remuneration report and the directors’ curricula vitae we have nothing to report.

With regards to the management report and the corporate governance report, our report is presented in the "Report on other legal and regulatory requirements" section.

Responsibilities of the Board of Directors and those charged with governance for the consolidated and separate financial statements

The Board of Directors is responsible for the preparation of consolidated and separate 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 Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 there is an intention to liquidate the Company or to cease the Group’s operations, or there is no realistic alternative but to do so.

The Board of Directors and those charged with governance are responsible for overseeing the Group’s and the Company’s financial reporting process.

Auditors’ responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 separate financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on the audit of the consolidated and separate financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and separate financial statements *(continued)*

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 the 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 the 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 separate 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 the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separated 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 separated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on other regulatory and legal requirements

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

1. Date of appointment and period of engagement

We were first appointed auditors of the Company by the General Meeting of the Company's members to audit the consolidated and separate financial statements of the Company for the year ended in 1988. Our appointment has been renewed annually by shareholders' resolution. Our total uninterrupted period of engagement is 38 years covering the periods ended 31 December 1987 to 31 December 2024.

2. Consistency of auditors' report to the additional report to the Audit Committee

We confirm that our audit opinion on the consolidated and separate financial statements expressed in this report is consistent with the additional report presented to the Audit Committee of the Company, which is dated 11 April 2025, in accordance with Article 11 of the EU Regulation 537/2014.

3. Provision of Non-audit Services ('NAS')

We have not provided any prohibited NAS referred to in Article 5 of EU Regulation 537/2014 as applied by Section 72 of the Auditors Law of 2017, as amended from time to time ("Law L53(I)/2017").

European Single Electronic Format

We have examined the digital files of the European Single Electronic Format (ESEF) of the Company for the year ended 31 December 2024 comprising an XHTML file which includes the consolidated and separate financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated and separate statement of financial position as at 31 December 2024, and the consolidated and separate 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 and separate financial statements or made by cross-reference therein to other parts of the annual financial report for the year ended 31 December 2024 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 the Company is responsible for preparing and submitting the consolidated and separate financial statements for the year ended 31 December 2024 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 the Company. 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 separate financial statements included in the digital files correspond to the consolidated and separate 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 separate financial statements, and 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.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
Vassiliko Cement Works Public Company Ltd

Report on other regulatory and legal requirements (continued)

Other legal requirements

Pursuant to the additional requirements of law L.53(I)/2017, and based on the work undertaken in the course of our audit, we report the following:

- In our opinion, the management report, the preparation of which is the responsibility of the Board of Directors, has been prepared in accordance with the requirements of the Companies' Law, Cap 113, and the information given is consistent with the consolidated and separate financial statements.
- In light of the knowledge and understanding of the business and the Group's and the Company's environment obtained in the course of the audit, we have not identified material misstatements in the management report.
- In our opinion, based on the work undertaken in the course of our audit, the information included in the corporate governance report in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Companies Law, Cap. 113, and is consistent with the consolidated and separate financial statements.
- In light of the knowledge and understanding of the Group and the Company and its 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 the subparagraph 2(a) of Article 151 of the Companies Law, Cap. 113. We have not identified any material misstatements in this respect.
- 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 Companies Law, Cap.113.

Other matter

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 Law L.53(I)/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.

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

Haris A. Kakoullis, CPA
Certified Public Accountant and Registered Auditor

for and on behalf of
KPMG Limited
Certified Public Accountants and Registered Auditors

14 Esperidon Street
1087 Nicosia
Cyprus

16 April 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	2024 €000	2023 €000
Revenue	5	**139.996**	160.532
Cost of sales		**(95.286)**	(119.045)
Gross profit		**44.710**	41.487
Other operating income	6	**2.482**	2.386
Distribution expenses		**(6.121)**	(6.296)
Administrative expenses		**(4.959)**	(4.782)
Administrative fine	36	**(5.071)**	-
Other operating expenses		**(1.599)**	(1.526)
Operating profit before net financing cost	7	**29.442**	31.269
Finance income		**401**	330
Finance expenses		**(509)**	(435)
Net finance cost	9	**(108)**	(105)
Net profit/(loss) from investing activities	10	**96**	(29)
Share of profit from equity-accounted investee	18	**985**	854
Profit before tax		**30.415**	31.989
Taxation	11	**(4.534)**	(4.149)
Profit for the year		**25.881**	27.840
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Equity investments at fair value through other comprehensive income - net change in fair value	19	**114**	83
Change in fair value of property, plant and equipment	13	**-**	(1)
Other comprehensive income for the year		**114**	82
Total comprehensive income for the year		**25.995**	27.922
Profit attributable to:			
Equity holders of the parent		**25.881**	27.840
Non-controlling interest		**-**	-
		25.881	27.840
Total comprehensive income attributable to:			
Equity holders of the parent		**25.995**	27.922
Non-controlling interest		**-**	-
		25.995	27.922
Basic and diluted earnings per share (cents)	12	**36,0**	38,7

The notes on pages 38 to 72 form an integral part of these financial statements.

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	2024 €000	2023 €000
Revenue	5	**139.996**	160.532
Cost of sales		**(95.286)**	(119.045)
Gross profit		**44.710**	41.487
Other operating income	6	**2.482**	2.386
Distribution expenses		**(6.121)**	(6.296)
Administrative expenses		**(4.956)**	(4.778)
Administrative fine	36	**(5.071)**	-
Other operating expenses		**(1.599)**	(1.526)
Operating profit before net financing cost	7	**29.445**	31.273
Finance income		**401**	330
Finance expenses		**(509)**	(435)
Net finance cost	9	**(108)**	(105)
Net profit from investing activities	10	**796**	571
Profit before tax		**30.133**	31.739
Taxation	11	**(4.429)**	(4.040)
Profit for the year		**25.704**	27.699
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Equity investments at fair value through other comprehensive income - net change in fair value	19	**114**	83
Change in fair value of property, plant and equipment	13	**-**	(1)
Other comprehensive income for the year		**114**	82
Total comprehensive income for the year		**25.818**	27.781
Basic and diluted earnings per share (cents)	12	**35,7**	38,5

The notes on pages 38 to 72 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	2024 €000	2023 €000
Assets			
Property, plant and equipment	13	**193.640**	200.381
Intangible assets	15	**12.344**	12.336
Investment property	14	**10.309**	10.187
Right-of-use assets	32	**2.236**	2.377
Investment in equity-accounted investee	18	**2.022**	1.842
Financial assets at fair value through other comprehensive income	19	**304**	363
Total non-current assets		**220.855**	227.486
Inventories	20	**47.130**	47.332
Tax receivable		**165**	165
Trade and other receivables	21	**10.212**	11.063
Cash and cash equivalents	22	**25.380**	18.181
Total current assets		**82.887**	76.741
Total assets		**303.742**	304.227
Equity			
Share capital	23	**30.932**	30.932
Reserves		**231.446**	226.312
Total equity attributable to equity holders of the parent		**262.378**	257.244
Liabilities			
Interest-bearing loans and borrowings	24	**5.703**	9.023
Lease liabilities	32	**1.320**	1.412
Deferred taxation	25	**20.349**	21.472
Total non-current liabilities		**27.372**	31.907
Interest-bearing loans and borrowings	24	**2.599**	3.501
Lease liabilities	32	**132**	116
Tax payable		**3.037**	597
Trade and other payables	26	**8.224**	10.862
Total current liabilities		**13.992**	15.076
Total liabilities		**41.364**	46.983
Total equity and liabilities		**303.742**	304.227

These financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf on 16 April 2025 by:

ANTONIOS ANTONIOU
Director

GEORGE GALATARIOTIS
Director

The notes on pages 38 to 72 form an integral part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	2024 €000	2023 €000
Assets			
Property, plant and equipment	13	**193.640**	200.381
Intangible assets	15	**12.344**	12.336
Investment property	14	**10.106**	9.984
Right-of-use assets	32	**2.236**	2.377
Investments in subsidiaries	17	**10**	10
Investment in associate	18	**500**	500
Financial assets at fair value through other comprehensive income	19	**304**	363
Total non-current assets		**219.140**	225.951
Inventories	20	**47.130**	47.332
Tax receivable		**165**	165
Trade and other receivables	21	**10.762**	11.608
Cash and cash equivalents	22	**25.380**	18.171
Total current assets		**83.437**	77.276
Total assets		**302.577**	303.227
Equity			
Share capital	23	**30.932**	30.932
Reserves		**230.274**	225.317
Total equity		**261.206**	256.249
Liabilities			
Interest-bearing loans and borrowings	24	**5.703**	9.023
Lease liabilities	32	**1.320**	1.412
Deferred taxation	25	**20.349**	21.472
Total non-current liabilities		**27.372**	31.907
Interest-bearing loans and borrowings	24	**2.599**	3.501
Lease liabilities	32	**132**	116
Income tax payable		**3.037**	597
Trade and other payables	26	**8.231**	10.857
Total current liabilities		**13.999**	15.071
Total liabilities		**41.371**	46.978
Total equity and liabilities		**302.577**	303.227

These financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf on 16 April 2025 by:

ANTONIOS ANTONIOU — **Director**

GEORGE GALATARIOTIS — **Director**

The notes on pages 38 to 72 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share capital	Share premium	Revaluation reserve	Fair value reserve	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
	€000	€000	€000	€000	€000	€000	€000	€000
Balance at 1 January 2023	30.932	45.388	32.786	(351)	135.674	244.429	-	244.429
Comprehensive income								
Profit for the year	-	-	-	-	27.840	27.840	-	27.840
Other comprehensive income								
Other comprehensive income for the year	-	-	(1)	83	-	82	-	82
Total comprehensive income for the year	-	-	(1)	83	27.840	27.922	-	27.922
Transactions with owners of the Company								
Contributions and distributions								
Dividends (note 28)	-	-	-	-	(15.107)	(15.107)	-	(15.107)
Transfer	-	-	(324)	-	324	-	-	-
Balance at 31 December 2023 / 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	**30.932**	**45.388**	**32.008**	**236**	**153.814**	**262.378**	**-**	**262.378**

The notes on pages 38 to 72 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

	Share capital	Share premium	Revaluation reserve	Fair value reserve	Retained earnings	Total equity
	€000	€000	€000	€000	€000	€000
Balance at 1 January 2023	30.932	45.388	32.898	(351)	134.708	243.575
Comprehensive income						
Profit for the year	-	-	-	-	27.699	27.699
Other comprehensive income						
Other comprehensive income for the year	-	-	(1)	83	-	82
Total comprehensive income for the year	-	-	(1)	83	27.699	27.781
Transactions with owners of the Company						
Contributions and distributions						
Dividends (note 28)	-	-	-	-	(15.107)	(15.107)
Transfer	-	-	(324)	-	324	-
Balance at 31 December 2023 / 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	**30.932**	**45.388**	**32.120**	**236**	**152.530**	**261.206**

Companies, which do not distribute at least 70% of their profits after tax, as defined by the Special Defence Contribution Law of the Republic of Cyprus during 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 on 31 December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year to which the profits refer. Based on the amount of the deemed dividend distribution, the Company pays a special defence contribution on behalf of the shareholders at a rate of 17% when the entitled shareholders are natural tax residents of Cyprus and have their residence (domicile) in Cyprus. In addition, effective 1 March 2019 (deemed distribution of dividends for the year 2017), the Company pays a General Health System (GHS) contribution on behalf of the shareholders at a rate of 2,65% (1,70% for the period between 1 March 2019 to 28 February 2020), when the entitled shareholders are natural tax residents of Cyprus, regardless of their domicile.

The notes on pages 38 to 72 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

	Note	2024	2023
		€000	**€000**
Cash flows from operating activities			
Profit for the year		**25.881**	27.840
Adjustments for:			
Depreciation and amortisation charges	13, 15, 32	**14.251**	14.255
Unrealised exchange loss	9	**(16)**	(96)
Loss on disposal of investment property		**4**	-
Change in fair value of land	13	**304**	-
Change in fair value of investment property	14	**(97)**	38
Interest income	9	**(385)**	(234)
Dividend income	10	**(11)**	(9)
Interest expense	9	**509**	435
Share of profit of equity-accounted investee	18	**(985)**	(854)
Gain on disposal of property, plant and equipment	6	**(67)**	(3)
Loss on disposal of other investments	19	**8**	-
Bad debts recovered		**(27)**	(100)
Income tax expense	11	**4.534**	4.149
Operating profit before changes in working capital and provisions		**43.903**	45.421
Changes in:			
Trade and other receivables		**890**	1.766
Inventories		**(587)**	(1.100)
Trade and other payables		**(2.317)**	(1.303)
Cash generated from operating activities		**41.889**	44.784
Interest paid		**(469)**	(392)
Tax paid		**(3.451)**	(5.056)
Net cash inflow from operating activities		**37.969**	39.336
Cash flows to investing activities			
Proceeds from disposal of property, plant and equipment		**67**	17
Proceeds from disposal of investment property		**60**	-
Proceeds from disposal of other investments	19	**165**	-
Interest received		**385**	234
Dividends received		**711**	657
Acquisition of property, plant and equipment	13	**(6.876)**	(5.934)
Acquisition of intangibles	15	**(16)**	(9)
Acquisition of investment property	14	**(85)**	-
Net cash used in investing activities		**(5.589)**	(5.035)
Cash flows to financing activities			
Repayment of loans	24	**(4.222)**	(3.179)
Lease payments	32	**(116)**	(116)
Dividends paid	28	**(20.861)**	(15.107)
Net cash used in financing activities		**(25.199)**	(18.402)
Effect of exchange rate fluctuations on cash held		**18**	73
Net increase in cash and cash equivalents		**7.199**	15.972
Cash and cash equivalents at 1 January		**18.181**	2.209
Cash and cash equivalents at 31 December	22	**25.380**	18.181

The notes on pages 38 to 72 form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

	Note	2024	2023
		€000	€000
Cash flows from operating activities			
Profit for the year		**25.704**	27.699
Adjustments for:			
Depreciation and amortisation charges	13, 15, 32	**14.251**	14.255
Unrealised exchange loss	9	**(16)**	(96)
Loss from disposal of investment property		**4**	-
Change in fair value of land	13	**304**	-
Change in fair value of investment property	14	**(97)**	38
Interest income	9	**(385)**	(234)
Dividend income	10	**(711)**	(609)
Interest expense	9	**509**	435
Gain on disposal of property, plant and equipment	6	**(67)**	(3)
Loss on disposal of other investments	19	**8**	-
Bad debts recovered		**(27)**	(100)
Income tax expense	11	**4.429**	4.040
Operating profit before changes in working capital and provisions		**43.906**	45.425
Changes in:			
Trade and other receivables		**885**	1.657
Inventories		**(587)**	(1.100)
Trade and other payables		**(2.305)**	(1.307)
Cash generated from operations		**41.899**	44.675
Interest paid		**(469)**	(392)
Tax paid		**(3.451)**	(4.947)
Net cash inflow from operating activities		**37.979**	39.336
Cash flows to investing activities			
Proceeds from disposal of property, plant and equipment		**67**	17
Proceeds from disposal of investment property		**60**	-
Proceeds from disposal of other investments	19	**165**	-
Interest received		**385**	234
Dividends received		**711**	657
Acquisition of property, plant and equipment	13	**(6.876)**	(5.934)
Acquisition of intangibles	15	**(16)**	(9)
Acquisition of investment property	14	**(85)**	-
Net cash used in investing activities		**(5.589)**	(5.035)
Cash flows to financing activities			
Repayment of loans	24	**(4.222)**	(3.179)
Lease payments	32	**(116)**	(116)
Dividends paid	28	**(20.861)**	(15.107)
Net cash used in financing activities		**(25.199)**	(18.402)
Effect of exchange rate fluctuations on cash held		**18**	73
Net increase in cash and cash equivalents		**7.209**	15.972
Cash and cash equivalents at 1 January		**18.171**	2.199
Cash and cash equivalents at 31 December	22	**25.380**	18.171

The notes on pages 38 to 72 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. Reporting entity and principal activities

"Τσιμεντοποιία 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 2024 , consist of the financial statements of the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates.

The Group and the Company's financial statements (the "financial statements") were approved and authorised for issue by the Board of Directors on 16 April 2025.

Principal activities
The Group's principal activity is the production of clinker and cement, which are sold in the local and international markets.

2. Basis of preparation

Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") 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, and the Cyprus Stock Exchange Law and Regulations.

Basis of measurement
The financial statements have been prepared on the historical cost basis, modified to include the revaluation to fair value of land, Vassiliko port, financial assets at fair value through other comprehensive income and investment property.

Functional and presentation currency
The financial statements as at and for the year ended 31 December 2024, are presented in Euro (€), which is the Company's 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 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 continuous 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 areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

a. Income taxes
Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b. Measurement of fair values
A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

All significant fair value measurements, including Level 3 fair values, are evaluated regularly. If third party information, such as broker quotes or pricing services, is used to measure fair values, then it is assessed to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group's Audit Committee.

2. Basis of preparation (continued)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

c. Impairment of investments in subsidiaries/associates
The Company periodically evaluates the recoverability of investments in subsidiaries/associates whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries/associates may be impaired, the estimated future undiscounted cash flows associated with these subsidiaries/associates would be compared to their carrying amounts to determine if a write down to fair value is necessary.

d. Impairment of goodwill
Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units of the Company on which the goodwill has been allocated. The value-in-use calculation requires the Company to estimate the future cash flows expected to arise from the cash-generating units using a suitable discount rate in order to calculate the present value.

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 2024, 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 2024. 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

- **IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments): Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)**
  The amendments, as issued in August 2023, aim to clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability. According to the amendments, a currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable at the measurement date, the company will be required to estimate a spot rate as the rate that would have been applied to an orderly exchange transaction between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate, but they set out a framework under which an entity can determine the spot rate at the measurement date using an observable exchange rate without adjustment or another estimation technique.

  Companies will be required to provide also new disclosures to help users assess the impact of a currency not being exchangeable to the entity's financial performance, financial position, and cash flows. To achieve this objective, entities will disclose information about the nature and financial impacts of a lack of exchangeability, the spot exchange rate(s) used, the estimation process and risks to the company because the currency is not exchangeable.

3. Significant accounting policies (continued)

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

- **IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)**
  On 9 April 2024, the IASB issued a new accounting standard that will replace IAS 1 Presentation of Financial Statements, with retrospective application. A significant change introduced by this new standard is the requirement for companies to present a more structured statement of profit or loss. This involves classifying income and expenses into five distinct categories: operating, investing, financing, income taxes, and discontinued operations.

  With the adoption of IFRS 18, companies will also have to present two defined subtotals: the operating profit or loss and the profit or loss before finance expenses and income taxes.

  Additionally, companies will need to disclose management-defined performance measures (MPMs) in a single and separate note in the financial statements if they meet the following criteria: the MPMs consist of subtotals of income and expenses included in the financial statements, are used by management in their public communications outside the financial statements and reflect management's view in relation to the company's overall financial performance. For each MPM disclosed, management will have to inform users of the financial statements how it was calculated, why it is important for their understandability and provide a reconciliation to the most comparable subtotal either listed in IFRS 18 or required by other IFRS Accounting Standards.

  Moreover, the new standard is expected to provide enhanced guidance on grouping of financial information in the primary financial statements or notes based on shared characteristics.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)**
  On 9 May 2024, the IASB issued IFRS 19, allowing eligible subsidiaries to present reduced disclosures under IFRS 19 instead of the more extensive disclosure requirements in other IFRS Accounting Standards. In line with IFRS 18, a specific disclosure required by IFRS 19 can be omitted, if information resulting from that disclosure, is not material.

  This election is available for subsidiaries preparing consolidated, separate, or individual financial statements, if and only if, at the end of the reporting period they do not have public accountability and have a parent company (ultimate or intermediary) that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

  If election is made, the subsidiary must state that it has applied IFRS 19 in its statement of compliance. A subsidiary applying IFRS 19 can later choose to revoke this election.

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)**
  The IASB, following the post-implementation review of IFRS 9, issued on 30 May 2024 amendments to IFRS 9 and IFRS 7 to address identified issues.

  These amendments address the recognition and derecognition of financial assets and financial liabilities and include an accounting policy option for the derecognition of financial liabilities settled through an electronic payment system, if certain conditions are met.

  In addition, the amendments introduce an additional SPPI test for financial assets with environmental, social and governance ("ESG")-linked features and other similar contingent features, which must be met to qualify for measurement at amortised cost. Additional disclosures will be required under IFRS 7 for those financial assets and liabilities with contingent features.

  The amendments clarify the key characteristics of contractually linked instruments ("CLIs") and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the "look through" test).

  Finally, there are new disclosure requirements for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income.

  Companies can choose to early-adopt amendments that relate to the classification of financial assets (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- **Annual Improvements to IFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)**
  On 18 July 2024, the IASB issued the Annual improvements to IFRS Accounting Standards - Volume 11. These improvements aim to improve clarity and enhance the internal consistency of IFRS Accounting Standards.

  The amendments apply to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. One of the key amendments resolves the existing conflict between IFRS 9 and IFRS 15 regarding the transaction price, by requiring companies to initially measure a trade receivable without significant financing component at the amount determined by applying IFRS 15. Additionally, amendments to IFRS 9 address the lack of clarity related to how a lessee accounts for the derecognition of a lease liability.

3. Significant accounting policies (continued)

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026)**
  On 18 December 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7, to help companies better report the financial effects of nature-dependent electricity contracts, sometimes referred to as power purchase agreements (PPAs).

  The amendments apply only to contracts referencing nature-dependent electricity in which a company is exposed to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (e.g. the weather).

  The amendments allow a company to apply the own-use exemption to PPAs if the company has been, and expects to be, a 'net purchaser' of electricity over the contract period. The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application without requiring prior periods to be restated.

  In addition, subject to certain conditions, the amendments permit companies to designate a variable nominal volume of forecasted sales or purchases of renewable electricity as the hedged transaction. The variable hedged volume is based on the variable volume expected to be delivered by the generation facility referenced in the hedging instrument. This would facilitate an economic offset between the hedging instrument and the hedged transaction, enabling companies to apply hedge accounting. The amendments apply prospectively to new hedging relationships designated on or after the date of initial application.

  The last amendment relates to additions of new disclosure requirements to enable investors to understand the effect of such contracts on a company's financial performance and cash flows.

- **IFRS 10 Consolidated Financial Statements (Amendments) and IAS 28 Investments in Associates and Joint Ventures (Amendments): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date postponed indefinitely; early adoption continues to be permitted)**
  The amendments address an acknowledged 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 (as defined in IFRS 3). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

  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. Business combinations
Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

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

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

ii. Acquisitions of non-controlling interests
Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

iii. 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.

3. Significant accounting policies (continued)

iv. 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.

v. 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.

vi. 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.

3. Significant accounting policies (continued)

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 annualy 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

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 less cost to sell, 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.

3. Significant accounting policies (continued)

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 and are subsequently valued at the lower of cost and net realizable value.

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.

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.

3. Significant accounting policies (continued)

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 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.

3. Significant accounting policies (continued)

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.

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.

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 Group measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs.

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.

3. Significant accounting policies (continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 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. For trade receivables, the Group has a policy of writing off the gross carrying amount only when there are legal assurances that the Group has exercised all its legal rights and the financial assets cannot be recovered, or the Group has entered into an agreement for a partial settlement of the financial asset and the remaining amount can be written off.

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.

3. Significant accounting policies (continued)

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 Company 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 within 10 days 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.

iii. Port income
Port income comprise revenue from port generated from services provided to vessels and cargo owners less direct expenses and is recognised in other operating income.

iv. Rental income
Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

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

vi. Dividend income
Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established, which in the case of quoted securities is usually 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.

3. Significant accounting policies (continued)

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 into respective functional currencies of the Group companies 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.

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

Dividends
Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company'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, the corresponding figures have been adjusted to conform to changes in presentation in the current year.

4. Operating segments

Following an assessment to identify operating segments, the Company has identified as main segment that of cement operation. Other activities that give rise to income and expenses are only incidental to the main operation of the Company or the value of either their assets or income are below the quantitative thresholds of IFRS 8 to form separate reportable operating segments individually or in their aggregate value.

Geographic information

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

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

4. Operating segments (continued)

	Group		Company	
Revenue analysis:	**2024**	2023	**2024**	2023
	€000	**€000**	**€000**	**€000**
Domestic market	**123.058**	116.819	**123.058**	116.819
Exports	**16.938**	43.713	**16.938**	43.713
	139.996	160.532	**139.996**	160.532

Important customers
Group's revenue from one customer, represent €19,9 million of the Group's total revenue for the year 2024 and €23,4 million of 2023.

5. Revenue

	Group		Company	
Revenue analysis:	**2024**	2023	**2024**	2023
	€000	**€000**	**€000**	**€000**
Cement products	**138.251**	158.196	**138.251**	158.196
Sale of electricity	**1.613**	2.220	**1.613**	2.220
Other	**132**	116	**132**	116
	139.996	160.532	**139.996**	160.532

6. Other operating income

	Group		Company	
	2024	2023	**2024**	2023
	€000	**€000**	**€000**	**€000**
Income from Vassiliko Port	**1.803**	1.873	**1.803**	1.873
Gain on disposal of property, plant and equipment	**67**	3	**67**	3
Other	**612**	510	**612**	510
	2.482	2.386	**2.482**	2.386

7. Operating profit before financing costs

	Group		Company	
	2024	2023	**2024**	2023
This is stated after charging:	**€000**	**€000**	**€000**	**€000**
Staff costs (note 8)	**14.296**	13.783	**14.296**	13.783
Directors' remuneration as directors	**251**	254	**251**	254
Directors' remuneration as executives	**364**	323	**364**	323
Depreciation of property, plant and equipment and amortisation of right-of-use assets	**14.243**	14.244	**14.243**	14.244
Amortisation of intangible assets	**8**	11	**8**	11
Independent auditors' remuneration for the statutory audit	**75**	67	**75**	67
Independent auditors' remuneration for tax advice	**6**	6	**6**	6
Independent auditors' remuneration for other non-audit services	**4**	1	**4**	1

8. Staff costs

	Group		Company	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Wages and salaries	**11.778**	11.488	**11.778**	11.488
Social insurance contributions	**926**	834	**926**	834
Provident and medical fund contributions (note 31)	**1.153**	1.038	**1.153**	1.038
Other contributions	**439**	423	**439**	423
	14.296	13.783	**14.296**	13.783
Average number of employees	**235**	235	**235**	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 2024 amounts to €813 thousand (2023 : €712 thousand).

9. Net finance cost

	Group		Company	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Interest income	**385**	234	**385**	234
Net foreign exchange differences	**16**	96	**16**	96
Finance income	**401**	330	**401**	330
Interest expense	**(509)**	(435)	**(509)**	(435)
Finance expense	**(509)**	(435)	**(509)**	(435)
Net finance cost	**(108)**	(105)	**(108)**	(105)

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/(loss) from investing activities

	Group		Company	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Dividend income	**11**	9	**711**	609
Change in fair value of investment property	**97**	(38)	**97**	(38)
Loss on disposal of other investments	**(8)**	-	**(8)**	-
Loss on disposal of investment property	**(4)**	-	**(4)**	-
	96	(29)	**796**	571

11. Taxation

	Group		Company	
Recognised in profit or loss	**2024**	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Analysis of charge in the year				
Income tax on profits of the year	**5.537**	5.177	**5.537**	5.177
Special contribution to the defence fund	**13**	-	**13**	-
Share of tax from associate	**105**	109	**-**	-
Deferred tax (note 25)	**(1.123)**	(1.139)	**(1.123)**	(1.139)
	4.532	4.147	**4.427**	4.038
Adjustment for prior periods	**2**	2	**2**	2
	4.534	4.149	**4.429**	4.040

The Group is subject to income tax at 12,5%.

	Group		Company	
	2024	**2023**	**2024**	**2023**
Reconciliation of tax based on taxable income and tax based on accounting profits	**€000**	**€000**	**€000**	**€000**
Accounting profit before tax	**30.415**	31.989	**30.133**	31.739
Tax calculated at the applicable tax rates	**3.802**	3.999	**3.767**	3.967
Tax effect of expenses not deductible for tax purposes	**2.500**	1.967	**2.535**	1.967
Tax effect of allowances and income not subject to tax	**(765)**	(789)	**(765)**	(757)
Special contribution to the defence fund	**13**	-	**13**	-
Prior year tax	**2**	2	**2**	2
Deferred tax	**(1.123)**	(1.139)	**(1.123)**	(1.139)
Share of tax from associates	**105**	109	**-**	-
Tax charge for the year	**4.534**	4.149	**4.429**	4.040

12. Earnings per share

The calculation of basic and fully diluted earnings per share was based on the profit attributable to ordinary shareholders of €25.881 thousand (2023: €27.840 thousand) and the weighted average number of ordinary shares outstanding during the year of 71.935.947 (2023: 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 €25.704 thousand (2023: €27.699 thousand).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

13. Property, plant and equipment

Group	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 2023	27.264	275	337.762	24.545	10.430	6.571	5.029	411.876
Additions	-	75	2.720	38	678	24	5.859	9.394
Change in fair value	(1)	-	-	-	-	-	-	(1)
Transfer to investment property	(4.617)	-	-	-	-	-		(4.617)
Disposals	-	-	-	-	(275)	-	-	(275)
Capitalised assets	-	-	-	-	-	-	(3.460)	(3.460)
Balance at 31 December 2023	22.646	350	340.482	24.583	10.833	6.595	7.428	412.917
Balance at 1 January 2024	**22.646**	**350**	**340.482**	**24.583**	**10.833**	**6.595**	**7.428**	**412.917**
Additions	**2.204**	**-**	**3.381**	**136**	**659**	**-**	**4.672**	**11.052**
Change in fair value	**(304)**	**-**	**-**	**-**	**-**	**-**	**-**	**(304)**
Transfer of assets	**-**	**-**	**138**	**-**	**506**	**-**	**-**	**644**
Disposals	**-**	**-**	**-**	**-**	**(235)**	**-**	**-**	**(235)**
Capitalised assets	**-**	**-**	**-**	**-**	**-**	**-**	**(4.176)**	**(4.176)**
Balance at 31 December 2024	**24.546**	**350**	**344.001**	**24.719**	**11.763**	**6.595**	**7.924**	**419.898**
Depreciation								
Balance at 1 January 2023	-	-	176.607	13.841	7.218	961	-	198.627
Charge for the year on historical cost	-	-	12.053	973	743	330	-	14.099
Disposals	-	-	-	-	(190)	-	-	(190)
Balance at 31 December 2023	-	-	188.660	14.814	7.771	1.291	-	212.536
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**
Carrying amounts								
At 1 January 2023	27.264	275	161.155	10.704	3.212	5.610	5.029	213.249
At 31 December 2023	22.646	350	151.822	9.769	3.062	5.304	7.428	200.381
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**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

13. Property, plant and equipment (continued)

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 2023	27.264	275	337.762	24.545	10.430	6.571	5.029	411.876
Additions	-	75	2.720	38	678	24	5.859	9.394
Change in fair value	(1)	-	-	-	-	-	-	(1)
Transfer to investment property	(4.617)	-	-	-	-	-		(4.617)
Disposals	-	-	-	-	(275)	-	-	(275)
Capitalised assets	-	-	-	-	-	-	(3.460)	(3.460)
Balance at 31 December 2023	22.646	350	340.482	24.583	10.833	6.595	7.428	412.917
Balance at 1 January 2024	**22.646**	**350**	**340.482**	**24.583**	**10.833**	**6.595**	**7.428**	**412.917**
Additions	**2.204**	**-**	**3.381**	**136**	**659**	**-**	**4.672**	**11.052**
Change in fair value	**(304)**	**-**	**-**	**-**	**-**	**-**	**-**	**(304)**
Transfer of assets	**-**	**-**	**138**	**-**	**506**	**-**	**-**	**644**
Disposals	**-**	**-**	**-**	**-**	**(235)**	**-**	**-**	**(235)**
Capitalised assets	**-**	**-**	**-**	**-**	**-**	**-**	**(4.176)**	**(4.176)**
Balance at 31 December 2024	**24.546**	**350**	**344.001**	**24.719**	**11.763**	**6.595**	**7.924**	**419.898**
Depreciation								
Balance at 1 January 2023	-	-	176.607	13.841	7.218	961	-	198.627
Charge for the year on historical cost	-	-	12.053	973	743	330	-	14.099
Disposals	-	-	-	-	(190)	-	-	(190)
Balance at 31 December 2023	-	-	188.660	14.814	7.771	1.291	-	212.536
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**
Carrying amounts								
At 1 January 2023	27.264	275	161.155	10.704	3.212	5.610	5.029	213.249
At 31 December 2023	22.646	350	151.822	9.769	3.062	5.304	7.428	200.381
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**

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 €6.250 thousand (2023 : €4.046 thousand).

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

13. Property, plant and equipment (continued)

Valuation technique
For land, the comparable sales approach was used that reflects observed prices for recent market transactions for similar properties per m^2 and incorporates adjustments for specific factors.

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 m²	Inter-relationship between key unobservable inputs and fair value measurement
Property in Choirokoitia	€4 to €5	The estimated fair value would increase/(decrease) if selling price per m² was higher/(lower).
Property in Kalavasos	€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	

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 2024 and 31 December 2023, the carrying amount of the port approximates its fair value. An impairment exercise was performed by management as at 31 December 2024, 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 are assessed annually by Management. 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 13,65% (2023: 13,47%). A 1% increase in the post-tax discount rate would decrease the value of the port by €281 thousand (2023: €336 thousand), while a 1% decrease in the post-tax discount rate would increase the value by €297 thousand (2023: €357 thousand). This analysis assumes that all other variables remain constant.

Security
Bank loans of €8.302 thousand (2023: €12.524 thousand) and limits in overdraft accounts of €21.409 thousand, are secured by fixed charges of €12.750 thousand (2023:€14.250 thousand).

14. Investment property

	Group		Company	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Balance at 1 January	**10.187**	5.608	**9.984**	5.405
Additions	**85**	-	**85**	-
Transfer from property, plant and equipment	**-**	4.617	**-**	4.617
Change in fair value	**97**	(38)	**97**	(38)
Disposals	**(60)**	-	**(60)**	-
Balance at 31 December	**10.309**	10.187	**10.106**	9.984

14. Investment property (continued)

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 2024.

Investment property comprises a number of commercial properties that are leased to third parties or land 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 was 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 m²:**	**Inter-relationship between key unobservable inputs and fair value measurement**
Property in Choirokoitia	€5 to €13 (2023: €4 to €12)	The estimated fair value would increase/(decrease) if selling price per m² was higher/(lower).
Property in Kalavasos	€1 to €123 (2023: €18 to €51)	
Property in Mari	€1 to €11 (2023: €3 to €10)	
Property in Strovolos	€143 to €677(2023: €310 to €717)	
Property in Drousia	€3 to €49 (2023: €12 to €49)	
Property in Pissouri	€4 to €11 (2023: €9 to €12)	
Property in Kourio	€36 to €101 (2023: €40 to €98)	
Property in Polis Chrisochous	€5 to €12 (2023: €5 to €16)	
Property in Tochni	€4 to €157 (2023: €32 to €90)	
Property in Gourri	€1 to €4 (2023: €1 to €4)	
Property in Asgata	€4 to €6 (2023: €3 to €6)	
Property in Amathounta	€1 to €10 (2023: €5 to €10)	
Property in Chrisopolitissa	€671 to €1.261 (2023: €671 to €1.261)	

15. Intangible assets

Group	Goodwill	Software	Total
	€000	€000	€000
Cost			
Balance at 1 January 2023	12.328	259	12.587
Acquisitions	-	9	9
Balance at 31 December 2023	12.328	268	12.596
Balance at 1 January 2024	**12.328**	**268**	**12.596**
Acquisitions	**-**	**16**	**16**
Balance at 31 December 2024	**12.328**	**284**	**12.612**
Amortisation and impairment charge			
Balance at 1 January 2023	-	249	249
Amortisation for the year	-	11	11
Balance at 31 December 2023	-	260	260
Balance at 1 January 2024	**-**	**260**	**260**
Amortisation for the year	**-**	**8**	**8**
Balance at 31 December 2024	**-**	**268**	**268**
Carrying amounts			
At 1 January 2023	12.328	10	12.338
At 31 December 2023	12.328	8	12.336
At 1 January 2024	**12.328**	**8**	**12.336**
At 31 December 2024	**12.328**	**16**	**12.344**

Company	Goodwill	Software	Total
	€000	€000	€000
Cost			
Balance at 1 January 2023	12.328	259	12.587
Acquisitions	-	9	9
Balance at 31 December 2023	12.328	268	12.596
Balance at 1 January 2024	**12.328**	**268**	**12.596**
Acquisitions	**-**	**16**	**16**
Balance at 31 December 2024	**12.328**	**284**	**12.612**
Amortisation and impairment charge			
Balance at 1 January 2023	-	249	249
Amortisation for the year	-	11	11
Balance at 31 December 2023	-	260	260
Balance at 1 January 2024	**-**	**260**	**260**
Amortisation for the year	**-**	**8**	**8**
Balance at 31 December 2024	**-**	**268**	**268**
Carrying amounts			
At 1 January 2023	12.328	10	12.338
At 31 December 2023	12.328	8	12.336
At 1 January 2024	**12.328**	**8**	**12.336**
At 31 December 2024	**12.328**	**16**	**12.344**

15. Intangible assets (continued)

Impairment testing for cash-generating units containing goodwill

The recoverable amount of goodwill (currently attaching to one cash-generating unit) 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 2025 extrapolated forward for the 10-year period 2025-2034. A post-tax discount rate of 13,65% (2023: 13,47%) has been used in discounting the projected cash flows.

16. Group entities

Name and country of incorporation	Principal Activity	Ownership 2024	Ownership 2023
Venus Beton Limited - Cyprus	Dormant company	**100,0%**	100,0%
Vassiliko Cement Clean Energy Supply Ltd - Cyprus	Dormant company	**100,0%**	100,0%

17. Investments in subsidiaries

	2024 €000	2023 €000
Balance at 1 January	**10**	10
Balance at 31 December	**10**	10
Venus Beton Limited - Cyprus	**-**	-
Vassiliko Cement Clean Energy Supply Ltd	**10**	10
	10	10

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 2024	Ownership 2023
Enerco - Energy Recovery Limited - Cyprus	Waste Management	**50%**	50%

	2024 €000	2023 €000
Balance at 1 January	**1.842**	1.697
Share of profit from equity-accounted investee	**985**	854
Share of tax from equity-accounted investee	**(105)**	(109)
Dividends from equity-accounted investee	**(700)**	(600)
Balance at 31 December	**2.022**	1.842

	€000	€000
Enerco - Energy Recovery Limited - Cyprus	**2.022**	1.842
	2.022	1.842

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

	2024 €000	2023 €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 2024 and 2023.

18. Investment in associate (equity-accounted investee) (continued)

	Enerco - Energy Recovery Limited	
	2024	2023
	€000	€000
Non-current assets	**4.040**	4.398
Current assets	**2.000**	1.415
Non-current liabilities	**520**	845
Current liabilities	**1.123**	933
Net assets (100%)	**4.397**	4.035
Group's share of net assets	**2.199**	2.018
Revenue	**7.350**	6.796
Profit from continued operations	**1.761**	1.489
Other comprehensive income	**-**	-
Total comprehensive income	**1.761**	1.489

19. Financial assets at fair value through other comprehensive income

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
At 1 January	**363**	280	**363**	280
Disposals	**(173)**	-	**(173)**	-
Change in fair value	**114**	83	**114**	83
At 31 December	**304**	363	**304**	363

	Valuation		Valuation	
	2024	2023	2024	2023
	€000	€000	€000	€000
Non-current investments				
Equity securities at fair value through other comprehensive income	**304**	363	**304**	363
	304	363	**304**	363

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 transfered 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 2024	31 December 2024	31 December 2023
	€000	€000	€000
KEO Plc	11	304	219
Hellenic Bank Public Company Ltd	-	-	143

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	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Raw materials and work in progress	**4.163**	4.215	**4.163**	4.215
Finished goods	**8.831**	8.159	**8.831**	8.159
Fuel stocks	**2.254**	3.630	**2.254**	3.630
Spare parts and consumables	**22.376**	19.342	**22.376**	19.342
CO_2 Emission Rights	**9.506**	11.986	**9.506**	11.986
	47.130	47.332	**47.130**	47.332

In 2024, inventories of €95.286 thousand (2023: €119.045 thousand) were recognised as an expense during the year and were included in cost of sales.

21. Trade and other receivables

	Group		Company	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Trade and other receivables	**9.666**	10.790	**9.666**	10.790
Amount owed by subsidiary companies (note 27)	**-**	-	**566**	561
Amount owed by equity-accounted investee (note 27)	**320**	281	**320**	281
Other receivables and prepayments	**879**	673	**879**	673
	10.865	11.744	**11.431**	12.305
Less provision for impairment	**(653)**	(681)	**(669)**	(697)
	10.212	11.063	**10.762**	11.608
Impairment movement				
At 1 January	**681**	797	**697**	813
Movement during the year	**(28)**	(116)	**(28)**	(116)
At 31 December	**653**	681	**669**	697

The Group reviews its trade and other receivables for evidence of their recoverability. 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.

22. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
Cash in hand	**50**	77	**50**	77
Cash at bank	**25.330**	18.104	**25.330**	18.094
Cash and cash equivalents in the statement of financial position	**25.380**	18.181	**25.380**	18.171
Cash and cash equivalents in the statement of cash flows	**25.380**	18.181	**25.380**	18.171

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	**2024**	**2023**
	No. of shares	No. of shares
Authorised:		
Ordinary shares of €0,43 each	**72.000.000**	72.000.000

	2024	**2023**	**2024**	**2023**
	No. of shares	No. of shares	**€000**	**€000**
Allotted, called up and fully paid:				
Ordinary shares of €0,43 each	**71.935.947**	71.935.947	**30.932**	30.932

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	
	2024	2023	2024	2023
	€000	€000	€000	€000
Non-current portion of secured bank loans	**5.703**	9.023	**5.703**	9.023
Current portion of secured bank loans	**2.599**	3.501	**2.599**	3.501
Analysis of maturity of debt:				
Within one year or on demand	**2.599**	3.501	**2.599**	3.501
Between one and two years	**2.324**	3.505	**2.324**	3.505
Between two and five years	**3.379**	4.299	**3.379**	4.299
After five years	**-**	1.219	**-**	1.219
	8.302	12.524	**8.302**	12.524

24. Interest-bearing loans and borrowings (continued)

The bank loans are secured as follows:
- By mortgage against immovable property of the Company for €1.000 thousand (2023: €1.000 thousand).
- Fixed charge on the Company's financed plant and machinery for €12.750 thousand (2023: €14.250 thousand).

Weighted average effective interest rate
The weighted average rate of interest payable on the loans as at 31 December 2024 was 2,55% (2023: 2,59%).

Reconciliation of liabilities that derive from financing activities:

	Interest-bearing loans and borrowings	Lease liabilities	Total liabilities that derive from financing activities
	€000	**€000**	**€000**
At 1 January 2023	15.703	1.586	17.289
Cash flow transactions:			
Capital repayment	(3.179)	(116)	(3.295)
Interest charge	390	-	390
Repayment of interest	(390)	-	(390)
Non cash flow transactions:			
Interest charge	-	44	44
Other non cash flow transactions	-	14	14
At 31 December 2023	**12.524**	**1.528**	**14.052**

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

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	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Accelerated capital allowances	**13.891**	14.809	**13.891**	14.809
Revaluation of properties	**6.458**	6.663	**6.458**	6.663
	20.349	21.472	**20.349**	21.472

	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
At 1 January	**21.472**	22.611	**21.472**	22.611
Deferred tax charge in statement of profit or loss and other comprehensive income (note 11)	**(1.123)**	(1.139)	**(1.123)**	(1.139)
At 31 December	**20.349**	21.472	**20.349**	21.472

26. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
Current				
Trade payables	**5.247**	7.612	**5.250**	7.607
Amounts owed to subsidiary companies (note 27)	**-**	-	**4**	-
Amounts owed to related companies (note 27)	**43**	46	**43**	46
Other payables	**577**	1.024	**577**	1.024
Social insurance and other taxes	**2.010**	1.829	**2.010**	1.829
Accrued interest	**10**	11	**10**	11
Payable dividends	**337**	340	**337**	340
	8.224	10.862	**8.231**	10.857

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 Company 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 2023 and ending on 30 June 2025.
- 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 renewed for another twelve months until 31 August 2025.

The transactions between the Group and the related parties, including the above agreements were as follows:

	Sales		Purchases	
	2024	2023	2024	2023
	€000	€000	€000	€000
Hellenic Mining Group	**1**	-	**174**	177
KEO Plc	**-**	-	**30**	23
C.C.C. Secretarial Limited	**-**	-	**120**	120
Enerco - Energy Recovery Limited	**2.821**	2.469	**1.673**	1.866
Heidelberg Materials	**-**	-	**37**	47
HM Trading Global GMBH	**-**	3.019	**-**	-
	2.822	5.488	**2.034**	2.233

ii. Transactions with key management personnel

Key management personnel remuneration, including total employer contributions for 2024, was €1.219 thousand (2023: €1.028 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 personel in 2024, were €62 thousand (2023 €50 thousand) and to National Health System €19 thousand in 2024 (2023 €22 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.

27. Related parties (continued)

iii. Balances with related parties

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

	Group	
	2024	**2023**
	€000	**€000**
Amounts due to related parties		
Hellenic Mining Group	**17**	16
C.C.C. Secretarial Limited	**12**	12
KEO Plc	**12**	14
Heidelberg Materials	**2**	4
	43	46

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	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Enerco - Energy Recovery Limited (note 21)	**320**	281	**320**	281

The above balance relates to trading activities 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	
	2024	**2023**
	€000	**€000**
Balances due from Group entities		
Venus Beton Limited	**566**	559
Vassiliko Cement Clean Energy Supply Ltd	**-**	2
	566	561
Less impairment	**(378)**	(378)
	188	183

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	
	2024	**2023**
	€000	**€000**
Balances due to Group entities		
Vassiliko Cement Clean Energy Supply Ltd	**4**	-
	4	-

28. Dividends

	Company	
	2024	**2023**
	€000	**€000**
Interim dividend of 2024 at €0,12 (2023: Year 2023 at €0,08) per share	**8.632**	5.755
Final dividend of 2023 and 2022 at €0,17 (2023: Year 2022 and 2021 at €0.13) per share	**12.229**	9.352
	20.861	15.107

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 2024, 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 2024		11 April 2025	
	Directly	**Directly & Indirectly**	**Directly**	**Directly & Indirectly**
Antonios Antoniou	0,111%	0,174%	0,111%	0,174%
Stavros G. Galatariotis	0,013%	0,013%	0,013%	0,013%
Stelios S. Anastasiades	0,021%	0,021%	0,021%	0,021%
	0,145%	0,208%	0,145%	0,208%

At 31 December 2024, 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 2024, 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 2024		11 April 2025	
	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%
	50,16%	82,63%	50,16%	82,63%

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 €1.153 thousand (2023: €1.038 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.

32. Leases (continued)

i. Right-of-use of assets

	Group		Company	
	2024	2023	**2024**	2023
	€000	€000	**€000**	€000
Balance at 1 January	**2.377**	2.508	**2.377**	2.508
Additions	**-**	14	**-**	14
Depreciation charge for the year	**(141)**	(145)	**(141)**	(145)
Balance at 31 December	**2.236**	2.377	**2.236**	2.377

At 31 December 2024, the net book value of the land lease was €2.179 thousand (2023: €2.313 thousand), and the net book value of the port facilities was €57 thousand (2023: €64 thousand).

ii. Lease Liabilities

	Group		Company	
	2024	2023	**2024**	2023
	€000	€000	**€000**	€000
Non-current portion of lease liabilities	**1.320**	1.412	**1.320**	1.412
Current portion of lease liabilities	**132**	116	**132**	116

iii. Amounts recognised in statement of profit or loss

	Group		Company	
	2024	2023	**2024**	2023
	€000	€000	**€000**	€000
Interest on lease liabilities	**40**	44	**40**	44

iv. Amounts recognised in statement of cash flows

	Group		Company	
	2024	2023	**2024**	2023
	€000	€000	**€000**	€000
Total cash outflow for leases	**116**	116	**116**	116

33. Financial instruments and risk management

The Group is exposed to the following risks from its use of financial instruments:
- Market risk
- Interest rate risk
- Currency risk
- 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.

33. Financial instruments and risk management (continued)

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.

Market risk
Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk
Interest rate risk results from changes in market interest rates. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly. The interest rate and repayment terms of the loans are disclosed in note 24.

Sensitivity analysis
A reasonably possible increase of 100 basis points in interest rates at the reporting date would have decreased equity and profit or loss by €83 thousand (2023: €125 thousand). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and other equity.

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency rate risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar (US$). The Group's management monitors the exchange rate fluctuations and exposure on foreign currency transactions on a continuous basis and acts accordingly.

Exposure to currency risk was as follows:

Group	**US$000**	**US$000**
	31 December 2024	**31 December 2023**
Trade receivables	**23**	8
Trade payables	**(12)**	(4)
Net exposure	**11**	4

Company	**US$000**	**US$000**
	31 December 2024	**31 December 2023**
Trade receivables	**23**	8
Trade payables	**(12)**	(4)
Net exposure	**11**	4

The following significant exchange rates were applied during the year:

	Average rate		**Reporting date spot rate**	
	2024	**2023**	**2024**	**2023**
US$ 1	**0,929**	0,922	**0,929**	0,922

Sensitivity analysis
A 10% strengthening of the Euro against the United States Dollar at 31 December 2024 would have increased equity and profit or loss by €1,1 thousand (2023: €0,3 thousand). This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the Euro against the United States Dollar, there would be an equal and opposite impact on the profit and other equity.

33. Financial instruments and risk management (continued)

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 Company 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	
	2024	2023	2024	2023
	€000	€000	€000	€000
Trade and other receivables	**9.666**	10.790	**9.666**	10.790
Amount receivable from related parties	**320**	281	**320**	281
Financial assets at fair value through other comprehensive income	**304**	363	**304**	363
Cash at bank	**25.330**	18.104	**25.330**	18.094
Total credit risk exposure	**35.620**	29.538	**35.620**	29.528

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

		Group			Company	
Bank group based on credit ratings by Moody's	No of banks 2024	2024 €000	2023 €000	No of banks 2024	2024 €000	2023 €000
Ba2	-	**-**	97	-	**-**	97
Aa2	1	**13.585**	15.797	1	**13.585**	15.797
Ba1	-	**-**	26	-	**-**	26
Baa1	1	**4.710**	-	1	**4.710**	-
Baa2	3	**6.965**	-	3	**6.965**	-
Baa3	1	**70**	2.184	1	**70**	2.174
		25.330	18.104		**25.330**	18.094

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 2024:

	Net carrying amount	Specific provisions	Weighted average loss rate	Loss allowances
Current (not past due)	7.012	-	0,0%	-
1-30 days past due	2.115	-	0,0%	-
31-60 days past due	439	-	0,0%	-
61-90 days past due	3	-	0,0%	-
More than 90 days past due	97	77	0,0%	-
	9.666	77		-

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 2023:

33. Financial instruments and risk management (continued)

	Net carrying amount	Specific provisions	Weighted average loss rate	Loss allowances
Current (not past due)	9.496	-	0,00%	-
1-30 days past due	1.142	-	0,00%	-
31-60 days past due	11	-	0,00%	-
61-90 days past due	-	-	0,00%	-
More than 90 days past due	141	104	0,00%	-
	10.790	104		-

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	Contractual cash flow	Payable on demand and up to 6 months	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€000	€000	€000	€000	€000	€000	€000
31 December 2024							
Secured bank loans	8.302	(8.704)	(1.386)	(1.388)	(4.077)	(1.853)	-
Trade and other payables	5.867	(5.867)	(5.867)	-	-	-	-
	14.169	(14.571)	(7.253)	(1.388)	(4.077)	(1.853)	-
31 December 2023							
Secured bank loans	12.524	(13.167)	(1.887)	(1.880)	(3.710)	(5.690)	-
Trade and other payables	8.682	(8.682)	(8.682)	-	-	-	-
	21.206	(21.849)	(10.569)	(1.880)	(3.710)	(5.690)	-

Company

Non-derivative financial liabilities	Carrying amount	Contractual cash flow	Payable on demand and up to 6 months	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€000	€000	€000	€000	€000	€000	€000
31 December 2024							
Secured bank loans	8.302	(8.704)	(1.386)	(1.388)	(4.077)	(1.853)	-
Trade and other payables	5.870	(5.870)	(5.870)	-	-	-	-
	14.172	(14.574)	(7.256)	(1.388)	(4.077)	(1.853)	-
31 December 2023							
Secured bank loans	12.524	(13.167)	(1.887)	(1.880)	(3.710)	(5.690)	-
Trade and other payables	8.677	(8.677)	(8.677)	-	-	-	-
	21.201	(21.844)	(10.564)	(1.880)	(3.710)	(5.690)	-

The Group has access to financing facilities of €29.711 thousand, of which €21.409 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.

33. Financial instruments and risk management (continued)

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 Eastern Mediterranean region is experiencing heightened geopolitical tensions that could lead to political instability, affecting business confidence, investment climate, and regulatory frameworks. Geopolitical uncertainties can contribute to increased market volatility, affecting currency exchange rates, commodity prices, and investor sentiment. Fluctuations in financial markets may impact our revenues, costs, and access to capital.

Increased costs of production (e.g. because of increased energy costs or inflation) have implications on the Company's working capital. The Company has adequate working capital facilities to continue its operations and has further taken measure to increase the availability of such facilities to cover against any additional future needs.

The event is reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2024. The Company's management has assessed:

1. whether any impairment allowances are deemed necessary for the Company'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 the net realisable value for the Company's inventory exceeds cost.
3. the ability of the Company to continue as a going concern.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty though, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management's current expectations and estimates could differ from actual results.

Management has considered the unique circumstances that had a material impact on the business operations and the risk exposures of the Company and has concluded that the main impacts on the Company's profitability/liquidity position have arisen from:

- interruption of production,
- supply chain disruptions, -
- unavailability of personnel,
- reduction in sales due to closure of facilities and stores and search for alternatives,
- delays in planned business expansion.

Management has assessed and is in the process of reassessing the trading and relevant cash flows using revised assumptions and incorporating downside scenarios in assessing actual and potential financing needs, taking into consideration the main impacts identified above.

From the analysis performed no additional liquidity needs/impact on financial covenants have been identified.

Management will continue to monitor the situation closely and assess additional measures as a fall back plan in case the period of disruption becomes prolonged.

The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current business and 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.

33. Financial instruments and risk management (continued)

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 ratio of net debt to total equity is calculated as follows:

	Group		**Company**	
	Carrying amount		**Carrying amount**	
	2024	**2023**	**2024**	**2023**
	€000	**€000**	**€000**	**€000**
Total secured bank loans (note 24)	**8.302**	12.524	**8.302**	12.524
Less cash in hand and at bank (note 22)	**(25.380)**	(18.181)	**(25.380)**	(18.171)
Net position	**(17.078)**	(5.657)	**(17.078)**	(5.647)
Net Debt	**-**	-	**-**	-
Total equity	**262.378**	257.244	**261.206**	256.249
Net debt to equity ratio	**-**	-	**-**	-

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. The fair values of the other monetary assets and liabilities are approximately the same as their book values.

35. Contingent Liabilities

As at 31 December 2024, 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 €783 thousand (2023 : €572 thousand).

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	
	Carrying amount		Carrying amount	
	2024	2023	2024	2023
	€000	€000	€000	€000
Property, plant and equipment	**6.176**	3.370	**6.176**	3.370

38. Events after the reporting period

The Directors proposed the payment of a dividend of €0,18 per Ordinary Share, €0,06 of which will be paid out of the profits of 2023 included in retained earnings, and €0,12 out of the profits of 2024. If approved at the Annual General Meeting, the dividend will be paid to the entitled shareholders registered as at 18 June 2025 (record date).

VASSILIKO CEMENT WORKS
PUBLIC COMPANY LTD
Since 1963

Offices, Factory and Port
Vassiliko, Larnaca - Cyprus
T: +357 24 845 555, F: +357 24 332 651

Registered Office
1A Kyriakos Matsis Avenue, 1082 Nicosia - Cyprus
T: +357 22 458 100, F: +357 22 762 741

Postal Address
P.O. Box 22281
1519 Nicosia - Cyprus

investors@vassiliko.com
www.vassiliko.com