



AIKGROUP (CY) LIMITED

**Report and separate
Financial statements**

Year ended 31 December 2025

CONTENTS

Board of Directors and other officers	1
Management Report	2 - 4
Independent auditor's report	5 - 7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the separate financial statements	11 - 37

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Romeo Collina (Italian)
Jelena Galic (Serbian)
Lambros Papadopoulos (Cypriot)
Georgios Syrighas (Cypriot)
Aleksandar Aleks Kostic (Cypriot)
Aleksandra Babic (Serbian)
Razvan Munteanu (Belgian)
Tina Pogacic (Croatian) (appointed as of August 07, 2025)
Irene Rouvitha Panou (Cypriot) (appointed as of December 01, 2025)
Martinus Johannes Elling (Dutch) (resigned December 31, 2025)

Company Secretary:

Trident Trust Company (Cyprus) Limited

Independent Auditors:

BDO Limited
Certified Public Accountants (CY) and Registered Auditors
236 Strovolou Avenue
P.C. 2048 Strovolos
Nicosia, Cyprus

Registered office:

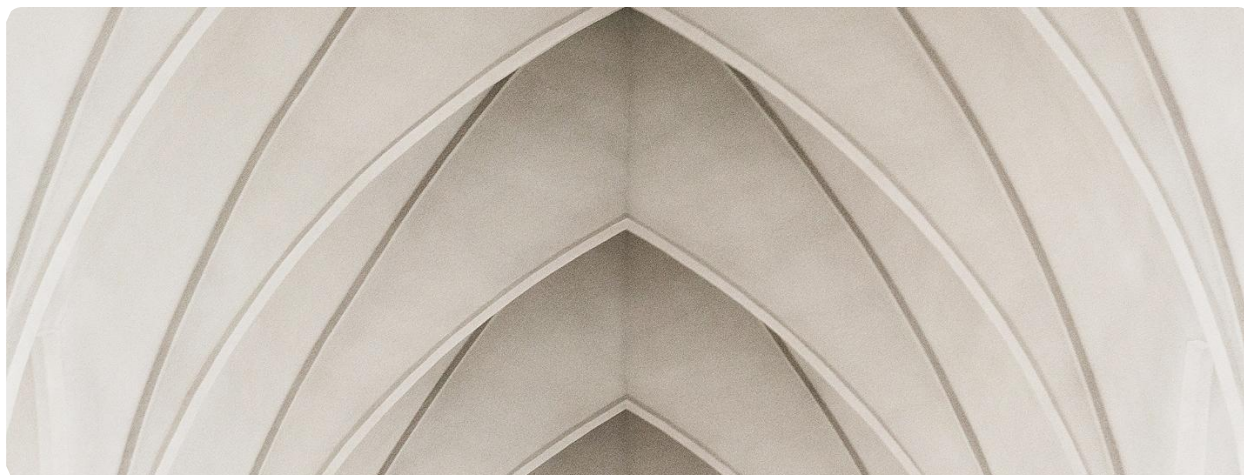
Krinou Street, 3
THE OVAL, Flat/Office 502,
Agios Athanasios,
CY-4103, Limassol, Cyprus

Bankers:

UBS AG, Switzerland
Eurobank Cyprus Ltd, Cyprus
J.P. Morgan Bank, Luxembourg
AikBank, Serbia
Hipotekarna Bank, Montenegro

MANAGEMENT REPORT

The Board of Directors presents its report and audited separate financial statements of the Company for the year ended 31 December 2025.



Principal activity

The principal activities of the Company are that of an investment holding company.

Review of current position, future developments and performance of the Company's business

The Company's development to date, financial results and position as presented in the separate financial statements are considered satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 24 of the separate financial statements.

Use of financial instruments by the Company

The Company is exposed to interest rate risk, credit risk and liquidity risk from the financial instruments it holds.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortized cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favorable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments. Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of 'C'.

If debtor/borrower are independently rated, these ratings are used. Otherwise, if there is no independent

rating, Management assesses the credit quality of the debtor/borrower, taking into account its financial position, past experience and other factors.

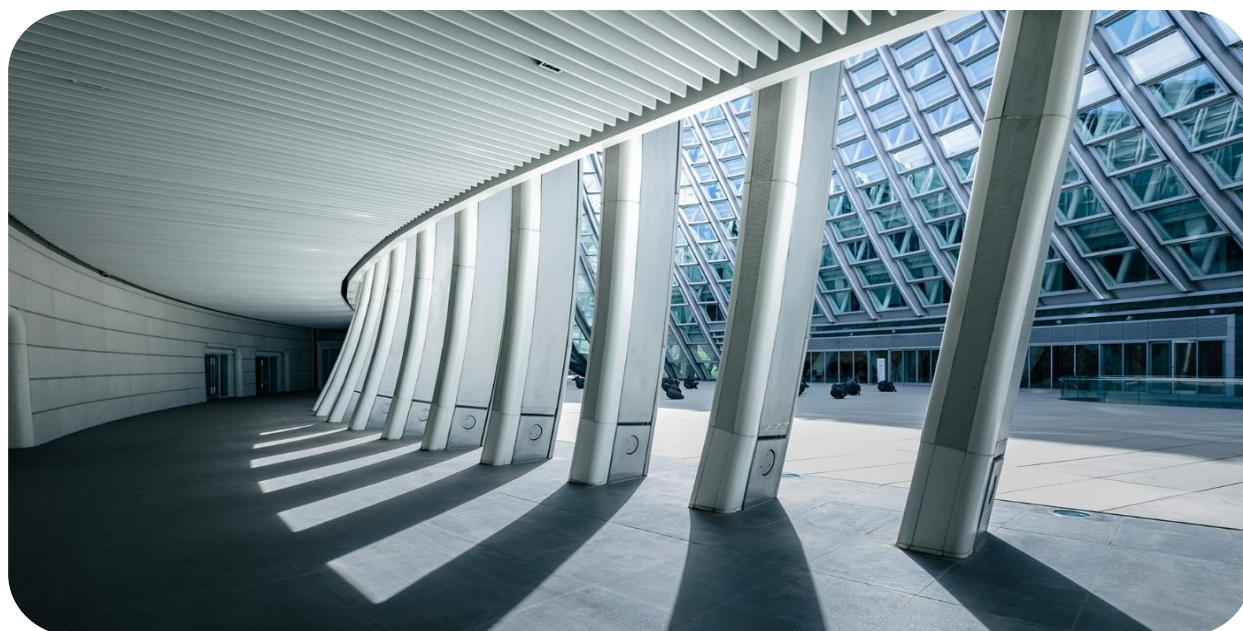
The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

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 Company has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

Results and Dividends

The Company's results for the year are set out on page 8..



Share capital

Authorised capital

On 28 September 2023, the Company increased its authorised share capital from €5,000 to €40,005,000, by the issue of 40,000,000 additional ordinary shares of €1.00 each.

Issued capital

On 12 November 2025, the Company increased its issued and fully paid share capital from €40,001,216 to €40,001,220 by the issue of 4 additional ordinary shares of €1.00 each.

Shareholders

AikGroup (CY) Limited shareholders are - Agri Holding AG, Switzerland with 50% of shares, Rysaffe Trustee Company (C.I.) Limited as a trustee of Sloane Trust and South Dakota Trust Company L.L.C as trustee of the Circle Trust, with 24,99% each.

Board of Directors

During 2025, the composition of the Board of Directors changed. One non-executive Board member ceased to serve during the year, following which two new non-executive Board members were appointed. A further change became effective on 1 January 2026, when another non-executive Board member ceased to hold office, although he remained in office as at 31 December 2025. As a result, the Board comprised eight non-executive and two executive Board members as at 31 December 2025, and seven non-executive and two executive Board members from 1 January 2026 onward.

Consistent with prior years, the Board's activities were supported by four standing committees: the Risk Committee, Audit Committee, Remuneration Committee and Nomination Committee.

During 2025, the governance model was further developed and the Board delegated decision-making powers to the Group CEO within the limits approved by the Board, except for matters reserved to the Board itself or delegated by the Board to its committees. Within those Board-approved limits, the Group CEO may further sub-delegate authority to other executive directors, key function holders and other employees of the Group. To support the effective management, oversight and decision-making of the Group, the Group CEO established the Group Management Committee, the Group ALCO and the Group Credit Committee.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 28 of the separate financial statements.

Independent Auditors

The independent auditors, BDO Ltd, is in their last year of consecutive audit. According to previously Board of Directors and General Assembly approvals from the year ended 31. December 2026 new auditor on the Group level will be EY.

By order of the Board of Directors,



Razvan Munteanu

Director



Lambros Papadopoulos

Director

Limassol, Cyprus
April 24, 2026

Independent Auditor's Report

To the Members of AikGroup (Cy) Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of parent company AikGroup (CY) Limited (the "Company"), which are presented in pages 8 to 37 and comprise the statement of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes of the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its 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.

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 Separate Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Board of Directors for the Separate Financial Statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

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

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 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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

Report on Other Legal Requirements

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

- In our opinion, based on the work undertaken in the course of our audit, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the separate financial statements.
- In light of the knowledge and understanding of 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 Management Report. We have nothing to report in this respect.

Other Matters

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

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2025.



Terence Kiely
Certified Public Accountant and Registered Auditor
for and on behalf of
BDO Limited
Certified Public Accountants (CY) and Registered Auditors

Nicosia, Cyprus
24 April 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	2025 €	2024 €
Revenue	8	96,580,000	68,507,498
Other operating income	9	2,902,650	2,402,109
Administration expenses		(13,216,052)	(11,440,210)
Operating profit	10	86,266,598	59,469,397
Finance income	12	1,051,568	1,660,888
Finance costs	12	(148,842)	(155,195)
Profit before tax		87,169,324	60,975,090
Tax credit/ (charge)	13	68,326	(195,231)
Net profit for the year		87,237,650	60,779,859
Other comprehensive income			
<i>Items that will not be classified subsequently to profit or loss:</i>			
Changes in the fair value of equity investments designated at fair value through other comprehensive income		-	9,463,464
		-	9,463,464
<i>Items that may be classified subsequently to profit or loss:</i>			
Other comprehensive income for the year		-	9,463,464
Total comprehensive income for the year		87,237,650	70,243,323

The notes on pages 11 to 37 form an integral part of these separate financial statements.

STATEMENT OF FINANCIAL POSITION

31 December 2025

	Note	2025 €	2024 €
ASSETS			
Non-current assets			
Property, plant and equipment	15	1,640,497	1,706,860
Intangible assets	16	4,118,940	3,733,359
Investments in subsidiaries	17	279,690,309	199,645,500
Non-current loans receivable	18	-	6,239,659
		285,449,746	211,325,378
Current assets			
Receivables	19	1,753,013	1,081,420
Cash and cash equivalents	20	51,996,893	39,544,189
		53,749,906	40,625,609
Total assets		339,199,652	251,950,987
EQUITY AND LIABILITIES			
Equity			
Share capital	21	40,001,220	40,001,216
Retained earnings		296,730,000	209,492,350
Total equity		336,731,220	249,493,596
Current liabilities			
Trade and other payables	22	2,273,201	2,262,190
Current tax liabilities	23	195,231	195,231
		2,468,432	2,457,421
Total equity and liabilities		339,199,652	251,950,987

On April 24, 2026 the Board of Directors of AikGroup (Cy) Limited authorised these separate financial statements for issue.



Razvan Munteanu

Director



Lambros Papadopoulos

Director

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Note	Share capital €	Fair value reserve €	Retained earnings €	Total €
Balance at 1 January 2023		40,001,213	-	206,549,027	246,550,240
Comprehensive income					
Net profit for the year		-	-	60,779,859	60,779,859
Other comprehensive income					
Fair value reserve - Financial assets at fair value through other comprehensive income					
Fair value adjustment		-	9,463,464	-	-
Transfer of gain on disposal of FVOCI equity investment to retained earnings		-	(9,463,464)	9,463,464	9,463,464
Transactions with owners					
Issue of share capital	21	3	-	-	-3
Dividends	14	-	-	(67,300,000)	(67,300,000)
Balance at 31 December 2024/ 1 January 2025		40,001,216	-	209,492,350	249,493,566
Comprehensive income					
Net profit for the year		-	-	87,237,650	87,237,650
Transactions with owners					
Issue of share capital	21	4	-	-	4
Dividends	14	-	-	-	-
Balance at 31 December 2025		40,001,220	-	296,730,000	336,731,220

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of 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 the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2.65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Note	2025 €	2024 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		87,169,320	60,975,090
Adjustments for:			
Depreciation of property, plant and equipment	15	73,084	72,329
Unrealised exchange loss		(5,695)	6,148
Amortisation of intangible assets	16	607,910	693,319
Dividend income		(96,580,000)	(68,507,498)
Interest income	12	(998,386)	(1,262,438)
		(9,733,767)	(8,023,050)
Changes in working capital:			
(Increase)/ decrease in receivables		(671,593)	637,857
Increase in bank deposits		(15,499,641)	(35,079,761)
Increase in trade and other payables		11,011	1,215,470
Cash used in operations		(25,893,990)	(41,249,485)
Dividends received		96,580,000	68,507,498
Taxation paid		(99,750)	-
Net cash generated from operating activities		70,586,260	27,258,013
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of intangible assets	16	(993,491)	(1,215,445)
Payment for purchase of property, plant and equipment	15	(6,722)	(1,530)
Payment for purchase of investments in subsidiaries	17	(80,044,809)	-
Payment for the purchase of financial assets at fair value through other comprehensive income		-	(29,719,433)
Loans granted		-	(6,850,000)
Loans repayments received		6,287,146	36,302,678
Proceeds from sale of financial assets at fair value through other comprehensive income		-	38,571,515
Interest received		998,386	1,262,438
Net cash (used in)/ generated from investing activities		(73,759,490)	38,350,224
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	3
Unrealised exchange gain (loss)		5,695	(6,148)
Dividends paid		-	(67,306,145)
Net cash generated/ (used in) from financing activities		5,695	(67,312,293)
Net decrease in cash and cash equivalents		(3,167,535)	(1,697,908)
Cash and cash equivalents at beginning of the year		4,464,428	6,162,336
Cash and cash equivalents at end of the year	20	1,296,893	4,464,428

The notes on pages 11 to 37 form an integral part of these separate financial statements.

1. Incorporation and principal activities

Country of incorporation

AIKGROUP (CY) Limited (the "Company") was incorporated in Cyprus on 16 March 2011 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Krinou Street, 3, THE OVAL, Flat/Office 502,, Agios Athanasios,, CY-4103, Limassol, Cyprus.

Change of Company name

On 2 April 2025, the Company changed its name from Agri Europe Cyprus Limited to AIKGROUP (CY) Limited.

Principal activity

The principal activities of the Company is that of an investment holding company.

2. Basis of preparation

The Company has prepared these parent's separate financial statements for compliance with the requirements of the Cyprus Income Tax Law.

The separate financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The separate financial statements have been prepared under the historical cost convention.

The Company has also prepared consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union for the Company and its subsidiaries (the "Group"). The consolidated financial statements can be obtained from 3, Krinou Street, THE OVAL, Flat/Office 502, Agios Athanasios, CY-4103, Limassol, Cyprus.

Users of these parent's separate financial statements should read them together with the Group's consolidated financial statements as at and for the year ended 31 December 2025 in order to obtain a proper understanding of the financial position, the financial performance and the cash flows of the Company and the Group.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and are effective for accounting periods beginning on 1 January 2025. This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policy information

The material accounting policies adopted in the preparation of these separate financial statements are set out below. These policies have been consistently applied to all years presented in these separate

4. Material accounting policy information (continued)

financial statements unless otherwise stated.

Management seeks not to reduce the understandability of these separate financial statements by

obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company 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.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company 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 transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

The Company 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 Company 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 Company's future cash flows is expected to change as a result of the contract), it is probable that the Company 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 Company's contracts with customers.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

4. Material accounting policy information (continued)

Identification of performance obligations

The Company 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 price. 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 Company'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).

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

> Rendering of services

Rendering of services - at a point in time:

The Company concluded that it transfers control over its services at a point in time, upon receipt by the customer of the service, because this is when the customer benefits from the relevant service.

> Rental income

Rental income is recognized on an accruals basis in accordance with the substance of the relevant agreements.

> Dividend income

Dividend income is recognized when the Company's entitlement to dividend receipt is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Dividend income is presented within the item of other operating income.

Employee benefits

The Company and its employees contribute to the Government Social Insurance Fund based on employees' salaries. The Company's contributions are expensed as incurred and are included in staff costs. The Company has no legal or constructive obligations to pay further contributions if the scheme does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

Finance income

Interest income is recognised on a time-proportion basis using the effective method.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

4. Material accounting policy information (continued)

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Buildings	3
Furniture, fixtures and office equipment	20
Computer hardware	20

The assets, residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. Material accounting policy information (continued)

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

The annual amortisation rates used are up to:

Computer software	33%
Licenses	33%

Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not less than three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4. Material accounting policy information (continued)

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial assets - Classification

In accordance with IFRS 9 classification and measurement of financial assets depend on the following two main criteria:

- > business model based on which the Company manages a financial asset; and
- > characteristics of the contractual cash flows of a financial assets (the so-called SPPI criterion).

The business model reflects the manner in which the Company manages its financial assets in order to collect the cash flows therefrom, i.e., the business model determines whether the cash flows will result from collection of cash flows, sales of assets or both. The Company performed detailed analysis and defined the following business models:

- a) hold to collect cash flows;
- b) hold to collect cash flows and to sell; and
- c) other business models (e.g. hold for sales).

In instances of business models “hold to collect” or “hold to collect and sell” it is assessed whether in accordance with the basic loan arrangement, interest includes the time value of money, the accepted level of counterparty credit risk and other basic lending risks and adequate profit margin. If the contractual terms include risk exposures that are not in line with the basic loan arrangement, such a financial asset is classified and measured at fair value through profit or loss irrespective of the business model to which it belongs.

Based on the performed analysis of the business models and characteristics of the contractual cash flows, in line with IFRS 9 the Group classifies its financial assets in one of the following three categories:

4. Material accounting policy information (continued)

- 1) financial assets at amortized cost (AC);
- 2) financial assets at fair value through other comprehensive income (FVtOCI); and
- 3) financial assets through profit or loss (FVtPL).

The Group measures its financial liabilities at amortized cost or classifies them as liabilities held for trading.

Financial assets - Recognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

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

FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises.

4. Material accounting policy information (continued)

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's Management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

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

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

4. Material accounting policy information (continued)

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write off represents a derecognition event. The Company may write off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Classification as cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and at banks, deposits held at call with banks net of outstanding bank overdrafts and investments in money market instruments. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

4. Material accounting policy information (continued)

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Classification as trade receivables

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

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

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Payables

Payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

4. Material accounting policy information (continued)

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- > the rights to receive cash flows from the asset have expired;
- > the Company 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 Company has transferred its rights to receive 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.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle 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 statement of financial position.

Share capital

Ordinary shares are classified as equity.

Comparatives

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

5. New accounting pronouncements

At the date of approval of these separate financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the separate financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk in relation to its cash at bank. Financial assets at variable rates expose the Company to cash flow interest rate risk. Financial assets at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

At the reporting date the interest rate profile of interest- bearing financial instruments was:

	2025 €	2024 €
Fixed rate instruments		
Financial assets	-	6,239,659
Variable rate instruments		
Financial assets	1,601,888	2,524,476
	1,601,888	8,764,135

6.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of 'C'.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

These policies enable the Company to reduce its credit risk significantly.

6. Financial risk management (continued)*b) Impairment of financial assets*

The Company has the following types of financial assets that are subject to the expected credit loss model:

- > receivables
- > loans receivable
- > cash and cash equivalents

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

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

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Low credit risk

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

6. Financial risk management (continued)

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below

Loans to related parties

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2025 and 31 December 2024:

Company internal credit rating	2025	2024
	€	€
Performing	-	6,239,659
Total	-	6,239,659

The Company does not hold any collateral as security for any loans from related parties.

There were no significant loans from related parties written off during the year that are subject to enforcement activity.

Loan Receivables and receivables from related parties

For loans receivables and receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The Company does not hold any collateral as security for any receivables from related parties.

There were no significant receivables from related parties written off during the year that are subject to enforcement activity.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available. Bank deposits held with banks with investment grade rating are considered as low risk.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2025 and 31 December 2024:

Company internal credit rating	External credit rating	2025	2024
		€	€
Performing	AAA - A	51,513,870	37,603,918
Performing	BBB - B	611,070	1,939,566
Performing	Unrated	22,238	-
Total		52,147,179	39,543,504

6. Financial risk management (continued)

The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no significant cash at bank balances written off during the year that are subject to enforcement activity.

6.3 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 Company 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 tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 December 2025	Carrying amounts €	Contractual cash flows €	Up to 12 months €	1-2 years €	2-5 years €	More than 5 years €
Other creditors	1,090,686	1,090,686	1,090,686	-	-	-
Payables to related parties	1,006,096	1,006,096	1,006,096	-	-	-
Total	<u>2,096,782</u>	<u>2,096,782</u>	<u>2,096,782</u>	<u>-</u>	<u>-</u>	<u>-</u>

31 December 2024	Carrying amounts €	Contractual cash flows €	Up to 12 months €	1-2 years €	2-5 years €	More than 5 years €
Other creditors	246,774	246,774	246,774	-	-	-
Payables to related parties	918,058	918,058	918,058	-	-	-
Total	<u>1,164,832</u>	<u>1,164,832</u>	<u>1,164,832</u>	<u>-</u>	<u>-</u>	<u>-</u>

6.4 Currency risk

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

6. Financial risk management (continued)

	Liabilities		Assets	
	2025	2024	2025	2024
	€	€	€	€
Serbian Dinars	66,592	-	194,510	194,510
Total	66,592	-	194,510	194,510

6.5 Capital risk management

Capital includes equity shares.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

7. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

> Income taxes

Significant judgment 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 Company 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.

7. Critical accounting estimates, judgments and assumptions (continued)

Critical judgements in applying the Company's accounting policies

> Impairment of loans receivable

The Company periodically evaluates the recoverability of loans receivable 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 in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable. If facts and circumstances indicate that loans receivable may be impaired, the estimated future discounted cash flows associated with these loans would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

> Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

> Impairment of non-financial assets

The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

> Impairment of intangible assets

Intangible assets are initially recorded at acquisition cost and are amortized on a straight line basis over their useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful life are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

> Useful live of depreciable assets

The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Company. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

8. Revenue

	2025	2024
	€	€
Dividend income	96,580,000	68,507,498
Total	96,580,000	68,507,498

Dividend income in 2025 is related to received income from operating activities of the subsidiary entities Gorenjska Banka d.d. and Nord Agri N.V..

9. Other income

	2025	2024
	€	€
Leasing of office space (Note 25.1)	82,863	79,666
Sundry Income - Re invoicing (Note 25.1)	1,715,364	944,952
Sundry Income - Services (Note 25.1)	1,035,916	1,328,085
Sundry Income - Markup (Note 25.1)	68,507	49,406
	2,902,650	2,402,109

10. Operating profit

	2025	2024
	€	€
Operating profit is stated after charging the following items:		
Amortisation of intangible assets (Note 16)	607,910	693,319
Depreciation of property, plant and equipment (Note 15)	73,084	72,330
Staff costs including Directors in their executive capacity (Note 11)	1,084,160	935,345
Auditors' remuneration current year	64,855	55,573

11. Staff costs

	2025	2024
	€	€
Salaries	1,029,197	886,490
Social security costs	54,963	48,855
	1,084,160	935,345
Average number of employees (including Directors in their executive capacity)	15	14

12. Finance income/(costs)

	2025	2024
	€	€
Bank interest income	998,386	1,262,438
Foreign exchange gain	5,695	-
Loan interest	47,487	398,450
Finance income	1,051,568	1,660,888
Interest expense	(4)	(6,148)
Bank charges	(148,838)	(149,047)
Finance costs	(148,842)	(155,195)
Net finance income	902,723	1,505,693

13. Tax

	2025	2024
	€	€
Corporation tax	99,750	195,231
Tax credit from previous years	(168,076)	-
Tax (credit)/ charge for the year	(68,326)	195,231

The tax on the Company's profit before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2025	2024
	€	€
Profit before tax	87,169,320	60,975,090
Tax calculated at the applicable tax rates	10,896,165	7,621,886
Tax effect of expenses not deductible for tax purposes	1,364,912	1,243,245
Tax effect of allowances and income not subject to tax	(12,161,327)	(8,669,901)
Reversal of income tax provision for 2023 due to overprovision	(168,076)	-
Tax (credit)/ charge	(68,326)	195,231

The corporation tax rate is 12.5%. In addition, 75% of the gross rents receivable are subject to defence contribution at the rate of 3%.

Under certain conditions interest income may be subject to defence contribution at the rate of 17%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

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

14. Dividends

	2025	2024
	€	€
Interim dividend paid	-	67,300,000
	-	67,300,000

No dividends were declared during 2025. In 2026, the Company decided that it will propose the payment of a final dividend to shareholders of EUR 50m for the financial year 2025 and an interim dividend of EUR 80m for the financial year 2026, subject to the approval of the General Assembly.

In 2024 the Company declared the payment of an interim dividend of €67,300,000 to its sole shareholder.

Dividends are subject to a deduction of special contribution for defense at 17% for individual shareholders that are both Cyprus tax resident and Cyprus domiciled. Dividends are also subject to a 2,65% contribution to the General Healthcare System.

15. Property, plant and equipment

	Land and buildings	rniture, fixtures and office equipment	Computer hardware	Total
	€	€	€	€
Cost				
Balance at 1 January 2024	2,227,364	12,603	33,827	2,273,794
Additions	-	-	1,530	1,530
Balance at 31 December 2024/ 1 January 2025	2,227,364	12,603	35,357	2,275,324
Additions	-	-	6,722	6,722
Balance at 31 December 2025	2,227,364	12,603	42,079	2,282,046
Depreciation				
Balance at 1 January 2024	467,746	6,837	21,552	496,136
Charge for the year (Note 10)	66,821	1,357	4,152	72,329
Balance at 31 December 2024/ 1 January 2025	534,567	8,194	25,704	568,465
Charge for the year (Note 10)	66,822	1,357	4,905	73,084
Balance at 31 December 2025	601,389	9,551	30,609	641,549
Net book amount				
Balance at 31 December 2025	1,625,975	3,052	11,470	1,640,497
Balance at 31 December 2024	1,692,798	4,409	9,653	1,706,860

16. Intangible assets

	Computer software	Licenses	Intangible assets in progress	Total
	€	€	€	€
Cost				
Balance at 1 January 2024	12,965	2,187,093	1,991,154	4,191,212
Additions	-	178,368	1,037,077	1,215,445
Balance at 31 December 2024/ 1 January 2025	12,965	2,365,461	3,028,231	5,406,657
Additions	657,648	335,843	-	993,491
Activation	2,897,660	-	(2,897,660)	-
Balance at 31 December 2025	3,568,273	2,701,304	130,571	6,400,148
Amortisation				
Balance at 1 January 2024	12,965	967,014	-	979,979
Amortisation for the year (Note 10)	-	693,319	-	693,319
Balance at 31 December 2024/ 1 January 2025	12,965	1,660,333	-	1,673,298
Amortisation for the year (Note 10)	97,378	510,532	-	607,910
Balance at 31 December 2025	110,343	2,170,865	-	2,281,208
Net book amount				
Balance at 31 December 2025	3,457,930	530,439	130,571	4,118,940
Balance at 31 December 2024	-	705,128	3,028,231	3,733,359

17. Investments in subsidiaries

	2025 €	2024 €
Balance at 1 January	199,645,500	199,645,500
Additions	<u>80,044,809</u>	-
Balance at 31 December	<u>279,690,309</u>	<u>199,645,500</u>

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2025 Holding %	2024 Holding %	2025 €	2024 €
NordAgri N.V. (direct subsidiary)	The Netherlands	Holding Company	100	100	40,045,500	40,045,500
Gorenjska Banka d.d. (direct subsidiary)	Slovenia	Banking sector	100	100	159,600,000	159,600,000
Hipotekarna Banka M&V Investments a.d. (indirectly owned subsidiary-through Nord Agri N.V.)	Montenegro Serbia	Banking Sector Brokerage Company	80 100	- 100	80,044,809 -	- -
AlikBank a.d. (indirectly owned subsidiary-through M&V Investments a.d.)	Serbia	Banking sector	100	100	-	-
GB leasing d.o.o. (indirectly owned subsidiary-through Gorenjska Banka d.d.)	Slovenia	Leasing Company	100	100	-	-
Imobilia - GBK d.o.o. (indirectly owned subsidiary-through Gorenjska Banka d.d.)	Slovenia	Real Estate	100	100	-	-
Fillira, Business Services d.o.o. (indirectly owned sub-subsidiary-through Gorenjska Banka d.d.)	Slovenia	Business Services	100	100	-	-
Eurobank Direktna (indirectly owned subsidiary-through Aik Bank a.d.)	Serbia	Banking sector	-	100	-	-
AIK Leasing (indirectly owned subsidiary-through Aik Bank a.d.)	Serbia	Leasing Company	100	100	-	-
					<u>279,690,309</u>	<u>199,645,500</u>

18. Loans receivable

	2025	2024
	€	€
Balance at 1 January	6,239,659	35,293,883
New loans granted	-	6,200,000
Repayments	(6,287,146)	(35,293,883)
Interest charged	47,487	39,659
Balance at 31 December	-	6,239,659

	2025	2024
	€	€
Loans to related parties (Note 25.5)	-	6,239,659
	-	6,239,659

Loans are denominated in Euro.

On 20 October 2023, the Company signed a loan agreement with BDD M&V Investments A.D. Beograd, for the principal amount of €35,000,000. The loan is unsecured, bears interest at the fixed rate of 4.58% p.a. on the basis of 360 days and is repayable on 26 October 2026. On 20 March 2024, the loan was fully repaid.

On 11 October 2024, the Company signed a loan agreement with BDD M&V Investments A.D. Beograd, for the principal amount of €6,200,000. The loan is unsecured, bears interest at the fixed rate of 3.03% p.a. on the basis of 360 days and is repayable on 16 October 2025. The loan will be used for the purchase of existing preference shares of Aik Bank a.d. Beograd by the borrower. On 1 April 2025, the loan was fully repaid.

The exposure of the Company to credit risk in relation to loans receivable is reported in note 6 of the separate financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

19. Receivables

	2025	2024
	€	€
Receivables from related parties (Note 25.4)	460,821	898,442
Deferred income	512,609	-
Deferred expenses	1,141,063	182,978
Total	1,753,013	1,081,420

The exposure of the Company to credit risk and impairment losses in relation to receivables is reported in note 6 of the separate financial statements.

20. Cash and cash equivalents

Cash balances are analyzed as follows:

	2025	2024
	€	€
Cash in hand	839	685
Cash at bank	1,296,054	4,463,743
Bank deposits	50,700,000	35,079,761
	51,996,893	39,544,189

20. Cash and cash equivalents (continued)

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the separate financial statements.

21. Share capital

	2025 Number of shares	2025 €	2024 Number of shares	2024 €
Authorised				
Ordinary shares of €1 each	40,005,000	40,005,000	40,005,000	40,005,000
Issued and fully paid				
Balance at 1 January	40,001,216	40,001,216	40,001,213	40,001,213
Issue of shares	4	4	3	3
Balance at 31 December	40,001,220	40,001,220	40,001,216	40,001,216

Authorised capital

On 28 September 2023, the Company increased its authorised share capital from €5,000 to €40,005,000, by the issue of 40,000,000 additional ordinary shares of €1.00 each.

Issued capital

On 11 October 2024, the Company increased its issued and fully paid share capital from €40,001,213 to €40,001,216 by the issue of 3 additional ordinary shares of €1.00 each

On 12 November 2025, the Company increased its issued and fully paid share capital from €40,001,216 to €40,001,220 by the issue of 4 additional ordinary shares of €1.00 each.

22. Trade and other payables

	2025 €	2024 €
VAT	-	86,216
Accruals	176,419	1,011,139
Other creditors	1,090,686	246,774
Accruals to own subsidiary (Note 25.7)	171,514	206,173
Payables to own subsidiary (Note 25.7)	834,582	711,885
Total	2,273,201	2,262,187

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

23. Current tax liabilities

	2025 €	2024 €
Corporation tax	195,231	195,231
	195,231	195,231

24. Operating Environment of the Company

The Group has immaterial direct exposure to Russia, Ukraine, and countries in the Middle East. There were no significant impacts during 2024 and 2025. Furthermore, no significant impact is expected in the future due to low level of direct exposure to these countries.

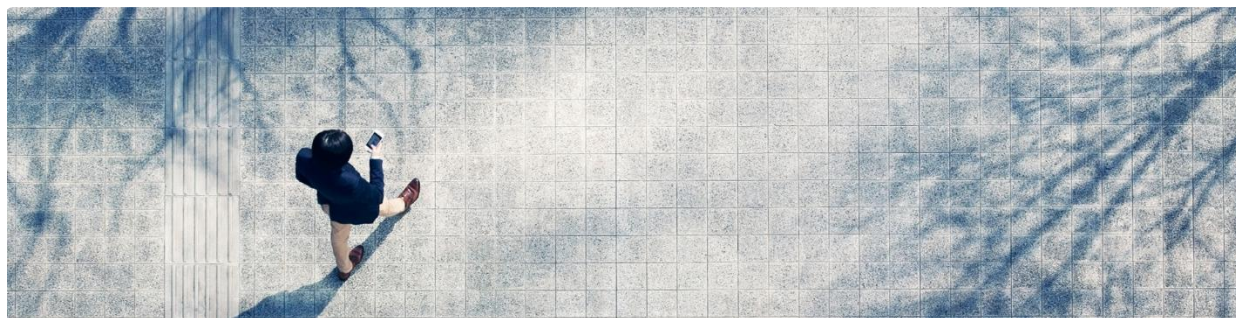
At the beginning of March 2022, increased volatility emerged in global financial and commodity markets due to the escalation of the conflict in Ukraine, which is still ongoing and has been accompanied by the introduction of sanctions against certain Russian companies and individuals. In March 2026, additional conflicts involving the United States and Israel with Iran further complicated the geopolitical situation, particularly with respect to the availability and prices of energy resources.

These and other events during 2025 have led to multiple challenges affecting the stability of the global economy, increased geopolitical uncertainty, rising inflation rates, energy market instability, a significant increase in energy prices, and heightened uncertainty in the global banking sector. These factors may have significant financial effects on many entities, including those with physical operations in the affected regions and sectors, as well as indirect stakeholders (e.g. suppliers and customers, investors, and lenders).

The Company does not have any exposure to Russia and Ukraine, as well as to countries in the Middle East, and on this basis no adverse effects were recorded in 2025 and 2024, or expected in the forthcoming period as a result of exposure to these countries.

Despite the fact that there is no exposure, ongoing geopolitical uncertainty and continued macroeconomic instability, further exacerbated by tariffs imposed by the United States on numerous countries, may result in an increased adverse impact on the global economy. This is particularly relevant with regard to energy prices, foreign exchange rate fluctuations, interest rates, capital market activity, disruptions in supply chains, and intensified inflationary pressures, which may indirectly affect the Company's operations.

The Company's management carefully monitors and assesses the potential impact of global macroeconomic instability and takes all necessary measures to ensure the stability of the Bank's operations. However, future effects cannot be predicted with reasonable certainty. The Group's and Bank's management carefully monitors and assesses the potential impact of global macroeconomic instability and takes all necessary measures to ensure the stability of the Bank's operations. However, future effects cannot be predicted with reasonable certainty Ukraine conflict.



25. Related party transactions

At the beginning of 2025, there has been change in the ownership structure of AikGroup (CY). According to the new registered structure AikGroup (CY) shareholders are - Agri Holding AG, Switzerland with 50% of shares, Rysaffe Trustee Company (C.I.) Limited as a trustee of Sloane Trust and South Dakota Trust Company L.L.C as trustee of the Circle Trust, with 25% each.

The following transactions were carried out with related parties:

25.1 Other income (Note 9)

	2025	2024
	€	€
MK Holding Limited (formerly MKG Group Global Limited), Cyprus	82,863	79,666
Gorenjska Banka d.d. (direct subsidiary), Slovenia	966,339	897,935
Aik Bank a.d. (ind. owned sub - through M&V Investments a.d.), Serbia	1,778,891	1,384,596
Hipotekarna Banka (direct subsidiary), Montenegro	74,657	-
Eurobank Direktna (ind. owned sub. - through M&V Investments a.d.), Serbia	-	39,912
Total	2,902,650	2,402,109

25.2 Directors' remuneration

The remuneration of Directors and other members of key management was as follows:

	2025	2024
	€	€
Directors' remuneration	884,647	772,763

25.3 Finance Income

	2025	2024
	€	€
BDD M&V Investments A.D. Beograd	47,486	39,659
Total	47,486	39,659

25.4 Receivables from related parties (Note 19)

Name	Nature of transactions	2025	2024
		€	€
MK Holding Limited (formerly MKG Group Global Limited), Cyprus	Finance	59,424	14,991
Hipotekarna Banka, Montenegro	Provision of services	74,607	-
Gorenjska Banka d.d., Slovenia	Provision of services	99,099	318,920
Aik Bank a.d., Serbia	Provision of services	227,691	524,618
Eurobank Direktna, Serbia	Provision of services	-	39,912
Total		460,821	898,442

The receivables from related parties were provided interest free and there is no specified repayment date.

25.5 Loans to related parties (Note 8)

		2025 €	2024 €
BDD M&V Investments A.D. Beograd	<u>Terms</u> 3.03% interest, matures on 16/10/2025	-	6,239,659
BDD M&V Investments A.D. Beograd	4.58% interest, matures on 26/10/2026	-	-
		<u>-</u>	<u>6,239,659</u>

25.6 Dividend Income (Note 8)

	2025 €	2024 €
Gorenjska Banka D.D., Kranj	28,280,000	35,003,143
NordAgri N.V.	68,300,000	31,050,000
	<u>96,580,000</u>	<u>66,053,143</u>

25.7 Payables/accruals to related parties (Note 22)

<u>Name</u>	<u>Nature of transactions</u>	2025 €	2024 €
Aik Bank a.d., Serbia	Provision of services	557,750	71,885
Gorenjska Banka d.d. Slovenia	Provision of services	448,347	206,173
		<u>1,006,097</u>	<u>918,058</u>

The payables to related parties were provided interest free and there was no specified repayment date.

26. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2025.

27. Commitments

The Company had no capital or other commitments as at 31 December 2025.

28. Events after the reporting period

As of 23rd March 2026, Saffery Trustee Company Limited has become the new trustee of the Circle, succeeding South Dakota Trust Company.

A change in Board of Directors became effective on 1 January 2026, when one non-executive Board member ceased to hold office. There have been no other significant events after the reporting period, that would require adjustments to or disclosures in the notes to the separate financial statements as of December 31, 2025.

Independent auditor's report on pages 5 to 7.