Quadratix Limited

Registrar of Companies copy

Report
and Financial
Statements

True copy of the original Financial Statements, and financial Independent Auditor's Report laid before the Company's Annual General Meeting held on 20 July 2026

....

31 December 2025

Director: ....

Secretary: ....
CALMCO SECRETARIAL LTD

QUADRATIX LIMITED

FINANCIAL STATEMENTS
31 December 2025

QUADRATIX LIMITED

FINANCIAL STATEMENTS
Year ended 31 December 2025

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QUADRATIX LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Thiresia Messari Eleni Ierodiakonou Themis Themistocleous Aristotelis Karytinos Konstantinos Katechos
Company Secretary:	Calmco Secretarial Ltd
Independent Auditors:	Ernst & Young Cyprus Limited Certified Public Accountants and Registered Auditors 27 Spyrou Kyprianou Ave. 4003 Mesa Yitonia, Limassol, Cyprus
Registered office:	21 Demostheni Severi ANNA COURT, Floor 5 1080, Nicosia Cyprus
Bankers	Bank of Cyprus
Registration number:	HE350057

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Independent Auditor's Report

To the Members of Quadratix Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Quadratix Limited (the "Company"), which are presented in pages 4 to 27 and comprise the statement of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying 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 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 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.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

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

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Auditor's Responsibilities for the Audit of the 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 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 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 financial statements, including the disclosures, and whether the 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.

Other Matter

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.

Andreas Avraam
Certified Public Accountant and Registered Auditor
for and on behalf of

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Limassol, 20 July 2026

QUADRATIX LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 December 2025

	Note	**2025**	2024
		€	€
Revenue	8	**1,829,799**	1,859,917
Direct property related expenses	10	**(208,395)**	(207,238)
Gain from the fair value adjustment of investment property	14	**2,650,000**	308,000
Other expenses	9	**(64,707)**	(63,789)
Operating profit		**4,206,697**	1,896,890
Finance income	11	**-**	551,921
Finance costs	11	**(628,158)**	(797,226)
Profit before tax		**3,578,539**	1,651,585
Tax	12	**383,482**	(60,736)
Profit for the year		**3,962,021**	1,590,849
Other comprehensive income		**-**	-
Total comprehensive income for the year		**3,962,021**	1,590,849

The notes on pages 8 to 27 form an integral part of these financial statements.

QUADRATIX LIMITED

STATEMENT OF FINANCIAL POSITION
31 December 2025

	Note	2025 €	2024 €
ASSETS			
Non-current assets			
Investment property	14	**32,683,000**	30,033,000
Pledged bank deposits	16	**272,107**	272,107
		32,955,107	30,305,107
Current assets			
Trade and other receivables	15	**4,294**	4,204
Current tax assets	23	**29,346**	6,311
Cash at bank	17	**959,403**	715,593
		993,043	726,108
Total assets		**33,948,150**	31,031,215
EQUITY AND LIABILITIES			
Equity			
Share capital	18	**8,275**	8,275
Share premium	18	**10,783,610**	10,783,610
Retained earnings		**11,899,863**	8,537,842
Total equity		**22,691,748**	19,329,727
Non-current liabilities			
Borrowings	19	**10,238,532**	10,300,952
Deferred tax liabilities	20	**800,149**	1,184,000
		11,038,681	11,484,952
Current liabilities			
Trade and other payables	21	**10,506**	5,380
Deferred income	22	**143,634**	152,553
Borrowings	19	**63,581**	58,603
		217,721	216,536
Total liabilities		**11,256,402**	11,701,488
Total equity and liabilities		**33,948,150**	31,031,215

On 20 July 2026 the Board of Directors of Quadratix Limited authorised these financial statements for issue.

....

Thiresia Messari — Director

Eleni Ierodiakonou — Director

The notes on pages 8 to 27 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2025

	Note	Share capital €	Share premium €	Retained earnings €	Total €
Balance at 1 January 2024		**8,275**	**10,783,610**	**7,646,993**	**18,438,878**
Comprehensive income					
Net profit for the year		-	-	1,590,849	1,590,849
Transactions with owners					
Dividend distribution	13	-	-	(700,000)	(700,000)
Balance at 31 December 2024/ 1 January 2025		**8,275**	**10,783,610**	**8,537,842**	**19,329,727**
Comprehensive income					
Net profit for the year		-	-	3,962,021	3,962,021
Transactions with owners					
Dividend distribution	13	-	-	(600,000)	(600,000)
Balance at 31 December 2025		**8,275**	**10,783,610**	**11,899,863**	**22,691,748**

Share premium is not available for distribution.

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 (applicable for profits up until tax year 2025 inclusive). 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. As from 1 January 2026, dividends paid to individuals who are tax residents of Cyprus with a domicile in Cyprus are subject to an extraordinary defence contribution at a rate of 5%. 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.

QUADRATIX LIMITED

STATEMENT OF CASH FLOWS
Year ended 31 December 2025

	Note	2025 €	2024 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**3,578,540**	1,651,585
Adjustments for:			
Gain from fair value adjustment of investment property	14	**(2,650,000)**	(308,000)
Interest income	11		(551,921)
Finance costs	11	**628,158**	797,226
		1,556	1,588,890
Changes in working capital:			
(Increase)/decrease in trade and other receivables		**(89)**	5,916
Increase/(Decrease) in trade and other payables		**5,124**	(4,526)
(Decrease)/increase in deferred income		**(8,919)**	4,354
Cash generated from operations		**1,552,814**	1,594,634
Finance costs paid	11	**(878)**	(922)
Tax paid		**(23,404)**	(4,988)
Net cash generated from operating activities		**1,528,532**	1,588,724
CASH FLOWS FROM INVESTING ACTIVITIES		**-**	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings- principal	19	**(225,000)**	(225,000)
Repayments of borrowings- interest	19	**(459,722)**	(683,581)
Dividends paid	13	**(600,000)**	(700,000)
Net cash used in financing activities		**(1,284,722)**	(1,608,581)
Net increase/(decrease) in cash and cash equivalents		**243,810**	(19,857)
Cash and cash equivalents at beginning of the year		**715,593**	735,450
Cash and cash equivalents at end of the year	17	**959,403**	715,593

The notes on pages 8 to 27 form an integral part of these financial statements.

1. Incorporation and principal activity

Country of incorporation

Quadratix Limited (the "Company") was incorporated in Cyprus on 11 December 2015 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 21 Demostheni Severi, ANNA COURT, Floor 5, 1080, Nicosia, Cyprus.

Principal activity

The principal activity of the Company, which is unchanged from last year, is the holding of a property for investment purposes.

The Company is the legal owner of a property located in Limassol, for which a tenancy contract has been signed between the Company and a third party. The contract is still in force at the date of this report.

The Company is a member of the Group of Prodea Real Estate Investment Company Societe Anonyme ("Prodea Investments") incorporated in Greece, which as of 31 December 2025 and 2024 held 100% of the Company's share capital.

Invel Real Estate B.V. owns directly 0,5457% of the voting rights in Prodea Investments and Invel Real Estate (Netherlands) II B.V. holds directly 73,1432% of the voting rights in Prodea Investments.

The ultimate management of all voting rights in Prodea Investments which held directly by Invel Real Estate (Netherlands) II B.V. and Invel Real Estate BV, as well as voting rights held directly by Anthos Properties Inc., which represent 2,1% of the voting rights in Prodea Investments is performed by Mr. Christophoros Papachristophorou, who controls Invel RE Holdings (Cyprus) Limited, who in turn acquired the control of Invel Real Estate Partners Greece SAS; Invel Real Estate Partners Greece SAS holds the entirety (100%) of the voting shares in Invel Real Estate B.V. which is a direct shareholder in Prodea Investments by 0,5457%. Further, Invel Real Estate Partners Greece SAS is a majority shareholder in Invel Real Estate (Netherlands) Cooperatief II UA which holds the majority of voting rights in Invel Real Estate (Netherlands) II Parent B.V. which in turn is a 100% shareholder in Invel Real Estate (Netherlands) II B.V. which is a direct shareholder in the Company by 73,1432%. Invel Real Estate (Netherlands) II B.V. is also a 100% shareholder in Anthos Properties Single Member S.A., which is a direct shareholder of Prodea Investments by 2,1002%.

Invel RE Holdings (Cyprus) Limited indirectly has the control of 75.7890% of the shares and voting rights in Prodea Investments.

The Company's financial statements are consolidated in the financial statements of Prodea Investments by the full consolidation method.

The Company did not employ any personnel as of December 31, 2025.

2. Basis of preparation

The financial statements of the Company 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 financial statements have been prepared under the historical cost convention, except for investment property, which is measured at fair value.

2.1 Information about current geopolitical developments and the impact of energy crisis

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in

Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The Company has limited direct exposure to Russia, Ukraine and Belarus and as such does not expect significant impact from the direct exposures to these countries.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, increase in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

The Company recognizes the increase in the construction cost of real estate as the main point of potential concern. The Company's main exposure is related to real estate development projects.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's financial position. The event is not expected to have an immediate material impact on the business operations based on the below:

- The construction was completed to a cold shell stage in December 2024, and Management is currently evaluating the available options for the optimal utilization of the property.

- The Company has ensured the equity funds required for the completion of the construction of the building.

- Even if in the short term the Hotel operations (the industry in which the tenant will be involved) will be negatively affected, this fact will be temporary in relation to the long-term investment horizon of the Company and the duration of the lease of the property under development.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact on the Company's position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely in case the crisis becomes prolonged.

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:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policies

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

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised 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.

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.

Rental income

The Company earns revenue from acting as a lessor in operating leases. Rental income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

4. Material accounting policies (continued)

Finance costs

Interest expenses for borrowings are recognized within "Finance costs" in the income statement using the effective interest rate method. Exempt are borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The effective interest rate method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate to the net carrying amount of the financial asset or the financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and other premiums or discounts.

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.

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Tax liabilities and assets for the current and prior periods 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. Current tax includes any adjustments to tax payable in respect of previous periods.

Deferred tax

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss.

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes levied by the same tax authority on the Company where there is an intention to settle the balances on a net basis.

4. Material accounting policies (continued)

Dividends

Interim dividends are recognized in equity in the year in which they are approved by the Company's Directors. Dividend distribution to the Company's shareholders is recognized in the Company's financial statements in the year in which they are approved by the Company's shareholders.

Investment property

Investment property, principally comprising shops and office buildings, is held for long-term rental yields and/or for capital appreciation and is not occupied by the Company. Investment property is measured initially at cost including transaction costs and is subsequently carried at fair value, representing open market value determined semi-annually by external valuers. Changes in fair values are recorded in profit or loss.

When measuring the fair value of investment property in accordance with IFRS 13, an entity shall ensure that the fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the continued use of the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Financial assets - Initial recognition and subsequent measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), and fair value through profit or loss (FVTPL).

The classification and subsequent measurement of financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

4. Material accounting policies (continued)

Financial assets (continued)

Financial assets - Initial recognition and subsequent measurement (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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 financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets at amortised cost.

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 losses - net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash at bank and trade receivables.

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 loss on financial assets". Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Financial assets measured at amortised cost are presented in the balance sheet net of the allowance for ECL.

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

4. Material accounting policies (continued)

Financial assets (continued)

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. 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.

Financial liabilities - Initial recognition and subsequent measurement

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.

Financial liabilities – modification

When the contractual terms of a financial liability are modified, the Company evaluates whether the modification is substantial. A modification is considered substantial if the present value of the cash flows under the new terms, discounted at the original effective interest rate, differs by 10% or more from the present value of the remaining cash flows of the original liability. In such a case, the original financial liability is derecognised and a new financial liability is recognised. Any difference arising is recognised in the income statement.

If the modification is not substantial, the Company adjusts the carrying amount of the liability to reflect the modified cash flows, discounted at the original effective interest rate. The adjustment is recognised as a gain or loss in the income statement at the date of modification. The adjustment to the carrying amount is recognised gradually in the income statement as part of the finance costs until the maturity date of the liability.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment (for liquidity services) and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Trade and other payables

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

4. Material accounting policies (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

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. 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.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

Non-current liabilities

Non-current liabilities represent amounts that are due more than twelve months from the reporting date.

Comparatives

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

5. New accounting pronouncements

Standards issued but not yet effective

Up to the date of approval of the financial statements, certain new standards, interpretations and amendments to existing standards have been published that are not yet effective for the current reporting period and which the Company has not early adopted, as follows:

5. New accounting pronouncements (continued)

(i) Issued by the IASB and adopted by the European Union

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

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

- Annual Improvements to IFRS Accounting Standards – Volume 11 (issued on 18 July 2024) (effective for annual periods beginning on or after 1 January 2026)

- IFRS 18 – Presentation and Disclosure in Financial Statements: On 9 April 2024, the IASB issued the IFRS 18– Presentation and Disclosure in Financial Statements which replaces IAS 1 – Presentation of Financial Statements. IFRS 18 is the result of the IASB's Primary Financial Statements project and it becomes effective for annual reporting periods beginning on or after January 1, 2027. Management will analyse the requirements of the new standard and assess its impact upon becoming effective.

(ii) Issued by the IASB but not yet adopted by the European Union

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025) (effective for annual period beginning on or after 1 January 2027)

- Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024 and then on 21 August 2025 was amended) (effective for annual period beginning on or after 1 January 2027)

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. 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 above are expected to have no material impact on the Company's financial statements when they become effective, except IFRS 18 for which the Board will analyse its requirements and re-assess its impact upon becoming effective.

6. Financial risk management objectives and policies

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

6.1 Market price risk
The exposure to price risk arising from the prevailing general economic conditions and market sentiment, may affect the balance sheet and total return of the Company. Immovable property and immovable property-related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to uncertainty and are a matter of an independent valuers' opinion. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

6.2 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 interest rate risk arises from long term borrowings. Borrowings at variable rates expose the Company to cash flow interest rate risk.

6. Financial risk management objectives and policies (continued)

6.2 Interest rate risk (continued)

As at December 31, 2025, if interest rate on Euro denominated interest bearing borrowings had been 100 basis point higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher by €107,588/€107,588 (2024: €112,212/€112,089), as a result of higher/lower interest expense on floating rate borrowings.

The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

6.3 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 reporting date. The Company is exposed to credit risk primarily with respect to cash balances held as at the reporting date.

(i) Risk management

Credit risk is managed on an individual basis. Management estimates ECL, in accordance with IFRS 9, by taking into account reasonable and supportable information that is available without undue cost or effort at the balance sheet date about past events, current conditions and forecasts of future economic conditions, including the impact of the conflict and related sanctions in Ukraine, Russia and/or Belarus and the widespread reduction in economic activity across the globe and cash flow difficulties experienced by their counterparties.

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:
- cash at bank and pledged bank deposits

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

Default

A default on a financial asset is when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- The financial asset is more than 365 days past due.

6. Financial risk management objectives and policies (continued)

6.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

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.

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

Cash at bank and pledged bank deposits

The Company assesses, on an individual basis, its exposure to credit risk arising from cash at bank and pledged bank deposits. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

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:

Credit rating (As per Moody's)	**2025**	2024
	€	€
Baa3	**1,231,510**	-
Ba1	**-**	987,700
Total	**1,231,510**	987,700

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. 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.

6.4 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 maturities for its financial liabilities, including estimated interest payments:

31 December 2025	Within 1 year	1-2 years	2-5 years	Total
	€	€	€	€
Borrowings	663,208	653,847	10,187,500	11,504,555
Trade and other payables	10,506	-	--	10,506
	673,714	**653,847**	**10,187,500**	**11,515,061**

6. Financial risk management objectives and policies (continued)

6.4 Liquidity risk (continued)

31 December 2024	Within 1 year	1-2 years	2-5 years	Total
	€	€	€	€
Borrowings	683,213	666,668	10,909,078	12,258,959
Trade and other payables	5,380	-	-	5,380
	688,593	**666,668**	**10,909,078**	**12,264,339**

6.5 Capital risk management

Capital includes equity shares, share premium and retained earnings.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Company monitors the capital structure on the basis of debt ratio. This ratio is calculated as total borrowings divided by total assets, as depicted in the statement of financial position. The goal of the Company's Management is to optimise the Company's capital structure through the effective use of debt financing.

The table below presents the debt ratio as at December 31, 2025 and 2024 as follows:

	2025	2024
	€	€
Borrowings (Note 19)	**10,302,113**	10,359,555
Total assets	**33,948,150**	31,031,215
Debt ratio	**30.34%**	33.38%

Fair value estimation

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

Fair value measurements recognized in statement of financial position

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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 - input asset or liability that are not based on observable market data (unobservable inputs).

Disclosures relating to fair value hierarchy of non-financial assets measured at fair value are disclosed in Note 14.

7. Critical accounting estimates and judgments

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.

7. Critical accounting estimates and judgments (continued)

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**

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.

- **Fair value of investment property**

The fair value of investment property is determined by using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of the investment property has been estimated based on the fair value of their individual assets. Further details on the valuation methodologies, assumptions used and sensitivity analysis are disclosed in Note 14.

8. Revenue

	2025	2024
	€	€
Rental income	**1,829,799**	1,859,917
	1,829,799	1,859,917

There were no contingent rental arrangements under the existing operating leases. Rental income is not subject to seasonality.

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2025	2024
	€	€
No later than 1 year	**1,727,491**	1,876,262
Later than 1 year and no later than 5 years	**6,961,943**	7,561,506
Later than 5 years	**18,226,281**	4,292,795
	26,915,715	13,730,563

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9. Other expenses

	2025	2024
	€	€
Other Professional taxes	250	-
Stationery and printing	238	827
Auditors' remuneration - current year	8,585	8,335
Prior year audit fees	400	-
Tax compliance services	3,200	-
Accounting fees	2,840	3,240
Other professional fees	13,129	15,780
Director's remuneration (Note 25.1)	2,400	2,400
Sundry expenses	33,666	33,206
	64,707	63,789

10. Direct property related expenses

	2025	2024
	€	€
Insurance	16,108	16,095
Defence contribution on rental income	40,807	41,848
Immovable property tax	-	367
Advisory services (Note 25.2)	151,480	148,928
	208,395	207,238

The category "Defence contribution on rental income" refers to the tax which is calculated on the 75% of the gross rents receivable which are subject to defence contribution at the rate of 3%.

11. Finance income/(costs)

	2025	2024
	€	€
Finance income		
Gain on loan modification (Note 19)	-	551,921
	-	551,921
Finance costs		
Interest expense (Note 19)	(622,302)	(737,535)
Bank charges	(878)	(922)
Amortisation of bank loan establishment fees (Note 19)	(4,978)	(58,769)
	(628,158)	(797,226)
Net finance costs	(628,158)	(245,305)

12. Tax

	2025	2024
	€	€
Corporation tax - current year		4,988
Corporation tax - prior years	369	(5,852)
Deferred tax - (credit)/charge (Note 20)	(383,851)	61,600
(Credit)/charge for the year	(383,482)	60,736

12. Tax (continued)

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	**3,578,539**	1,651,585
Tax calculated at the applicable tax rates	**447,317**	206,448
Tax effect of expenses not deductible for tax purposes	**5,147**	5,277
Tax effect of allowances and income not subject to tax	**(490,062)**	217,489
10% additional charge		9,896
Deferred tax	**(383,851)**	61,600
Prior year tax	**369**	(5,852)
Tax charge	**(421,080)**	60,736

On 31 December 2025, Cyprus enacted significant tax reform measures aimed at stimulating economic growth and enhancing tax compliance, with most changes effective from 1 January 2026. The tax reform includes amendments to six tax laws, namely the Income Tax law, the Special Contribution for Defence law, the Capital Gains Tax law, the Assessment and Collection of Taxes law, the Collection of Taxes law and the Stamp Duty law. Amongst the changes is the increase in the corporate income tax rate from 12,5% to 15% from 1 January 2026 onwards.

The corporation tax rate until 31 December 2025 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. From 1 January 2026, interest income is only subject to corporation tax.

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

13. Dividends

	2025	2024
	€	€
Dividend distribution	**600,000**	700,000
	600,000	700,000

On 26 June 2025, the Board of Directors approved the payment of interim dividend of €600,000 out of the 2024 profits of the Company (2024: €700,000).

Dividends paid out of profits of profits for tax years up and including 2025, are subject to a withholding of special contribution for defence at 17% for individual shareholders that are both Cyprus tax resident and Cyprus domiciled. From 1 January 2026, dividends distributed from 2026 profits onwards are subject to withholding of special contribution for defence at a rate of 5% and in certain cases at a rate of 10%/17%. Dividends to Cyprus tax resident and Cyprus domiciled are also subject to a 2,65% contribution to the General Healthcare System.

14. Investment property

	2025	2024
	€	€
Balance at 1 January	**30,033,000**	29,725,000
Gain from fair value adjustment on investment property	**2,650,000**	308,000
Balance at 31 December	**32,683,000**	30,033,000

The Company's borrowings which are secured on investment property are stated in Note 19.

The Company's investment property consists of retail and offices, and they are measured at fair value. The table below presents the fair value hierarchy and movement of investment property per business segment as of 31 December 2025 and 2024:

14. Investment property (continued)

Country	Retail	Cyprus Offices	Total 2025	Retail	Cyprus Offices	Total 2024
Fair value at the beginning of the year	27,145,255	2,887,745	30,033,000	27,179,090	2,545,910	29,725,000
Gain from the fair value adjustment of investment property	2.529.745	120.255	2,650,000	(33,835)	341,835	308,000
Fair value at the end of the period	29,675,000	3,008,000	32,683,000	27,145,255	2,887,745	30,033,000

The Company's policy is to recognize transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. The Company's investment property is a Level 3 hierarchy valuation and during the year, there were no transfers into and out of Level 3.

The property valuations are supported by appraisals performed by independent professionally qualified valuers semi-annually. The professionally qualified valuers hold a recognized relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. The investment property valuation for the consideration of the fair value is performed taking into consideration the high and best use of each property given the legal status, technical characteristics and the allowed uses for each property. The valuations are based on at least two methods.

Information about fair value measurements of investment property per business segment for December 31, 2025 and 2024 is as follows:

31.12.2025

Country	Segment	Fair value	Valuation method	Monthly passing rent	Discount rate (%)	Capitalization rate (%)
Cyprus	Retail	29,675,000	15% market approach and 85% DCF	136,725	8.00%	6.00%
Cyprus	Offices	3,008,000	15% market approach and 85% DCF	21,313	8.25%	6.25%
		32,683,000				

31.12.2024

Country	Segment	Fair value	Valuation method	Monthly passing rent	Discount rate (%)	Capitalization rate (%)
Cyprus	Retail	27,145,255	20% market approach and 80% DCF	125,688	8.01%	6.25%
Cyprus	Offices	2,887,745	20% market approach and 80% DCF	13,371	8.01%	6.25%
		30,033,000				

The last valuation of the Company's properties was performed at December 31, 2025 by independent valuers. For the Company's portfolio the market approach and the discounted cash flow (DCF) method were used.

14. Investment property (continued)

The abovementioned valuation had as a result a gain from fair value adjustment of investment property amounting to €2,650,000 (2024: €308,000).

The increase/decrease of the discount rate used in the DCF analysis as at December 31, 2025, by +/-10% would have resulted in a decrease/increase of the carrying amount of the investment property by € 2.347.000 and € 2.683.000 , respectively.

The increase/decrease of the capitalization rate used in the DCF analysis as at December 31, 2025, by +/-10% would have resulted in a decrease/increase of the carrying amount of the investment property by € 973.000 and € 1.264.000 respectively.

15. Trade and other receivables

	2025	2024
	€	€
Trade receivables	**-**	12
Deferred expenses	**4,294**	4,192
Balance at 31 December	**4,294**	4,204

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

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6.3 of the financial statements.

16. Pledged bank deposits

	2025	2024
	€	€
Pledged bank deposits	**272,107**	272,107
Balance at 31 December	**272,107**	272,107

As at 31 December 2025, the pledged deposits include bank deposits of €272,017, which are pledged in the context of the loan agreement until its maturity (2024: €272,107).

17. Cash at bank

Cash balances are analysed as follows:

	2025	2024
	€	€
Cash at bank	**959,403**	715,593
Balance at 31 December	**959,403**	715,593

All cash at bank is held and denominated in Euro.

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6.3 of the financial statements.

18. Share capital and share premium

	2025	**2025**	**2025**	2024	2024	2024
	Number of shares	**Share capital €**	**Share premium €**	Number of shares	Share capital €	Share premium €
Authorised						
Ordinary shares of €1 each	10,000	10,000	-	10,000	10,000	-
		€	**€**		€	€
Issued and fully paid						
Balance at 1 January	8,275	8,275	10,783,610	8,275	8,275	10,783,610
Balance at 31 December	**8,275**	**8,275**	**10,783,610**	8,275	8,275	10,783,610

19. Borrowings

	2025	2024
	€	€
Balance at 1 January	**10,359,555**	11,023,753
Repayments	**(684,722)**	(908,581)
Amortisation of bank loan establishment fees (Note 11)	**4,978**	58,769
Loss/(Gain) on loan modification (Note 11)	**-**	(551,921)
Interest charged (Note 11)	**622,302**	737,535
Balance at 31 December	**10,302,113**	10,359,555

	2025	2024
	€	€
Current borrowings		
Bank loans	**63,581**	58,603
Non-current borrowings		
Bank loans	**1,238,532**	10,300,952
Total	**10,302,113**	10,359,555

The Company's borrowings carry interest at variable interest rates. The Company is exposed to fluctuations in interest rates prevailing in the market and which affect its financial position, its income statement and its cash flow. Cost of debt may increase or decrease as a result of such fluctuations.

On 31 January 2018, the Company signed a loan agreement with a Cypriot banking institution for a facility amount of €15,000,000, bearing interest of 6-month Euribor plus a margin of 3.65% per annum. The purpose of the facility is the refinancing of the property owned by the Company and has seven years maturity.

On 27 December 2022, the Company entered into an amendment to the existing loan agreement with a Cypriot banking institution, amending the interest rate from 6-month Euribor plus a margin of 3.65% per annum to 3-month Euribor plus a margin of 2.75% per annum. The amendment is effective as of 31 December 2022 while the maturity of the loan remains the same.

19. Borrowings (continued)

In 8 July 2024, the Company entered into an amendment to the existing loan agreement with a Cypriot banking institution, amending the maturity date of the loan from 31 January 2025 to 31 January 2028. Additionally, on 10 July 2024, the Company entered into an amendment to the existing loan agreement, amending the interest rate from 3-month Euribor plus a margin of 2.75% per annum to 1-month Euribor plus a margin of 2.10% per annum. The amendment is effective as of September 2024. In line with its accounting policy, the Company assessed that the modification is not substantial, and hence adjusted the carrying amount of the liability to reflect the modified cash flows, discounted at the original effective interest rate. The gain on loan modification amounted to €551,921 and was recognised as a gain in the income statement at the date of modification (Note 11).

The Company's borrowings are denominated in Euro.

Maturity of the Company's borrowings:

	2025	2024
	€	€
Up to 1 year	**63,581**	58,603
From 1 to 5 years	**10,238,532**	10,300,952
	10,302,113	10,359,555

The weighted average effective interest rates at the reporting date were as follows:

	2025	2024
	%	%
Bank loans	**4.046**	4.96

The property owned by the Company is burdened with mortgage in favour of the lender for an amount of €16,500,000 and with floating charge of an amount of €15,000,000. In addition, all rights of Quadratix Limited arising from the lease agreement with the property tenant have been assigned in favour of the lender. It is noted that the parent company, Prodea Investments, has given corporate guarantee up to the amount of €5,000,000 for liabilities of the Company under the above mentioned loan agreement. Management does not expect to incur any financial losses by this loan. The outstanding nominal balance of the borrowings as of December 31, 2025 amounted to €10,300,952 (2024: €10,364,533) while the fair value of the property as of December 31, 2025 amounted to €32,683,000 (2024: €30,033,000).

20. Deferred tax

Deferred tax is calculated in full on all temporary differences under the liability method using the applicable tax rates (Note 12). The movement of the deferred taxation account is as follows:

Deferred tax liability

	2025	2024
	€	€
Balance at 1 January	**1,184,000**	1,122,400
Charged to statement of profit or loss and other comprehensive income (Note 12)	**(383,851)**	61,600
Balance at 31 December	**800,149**	1,184,000

The temporary tax differences for the years 2025 and 2024 related to the fair value adjustment of investment property.

21. Trade and other payables

	2025	2024
	€	€
Accruals	**9,381**	4,347
Other creditors	**1,125**	1,033
Balance at 31 December	**10,506**	5,380

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

22. Deferred income

	2025	2024
	€	€
Client advances	**143,634**	152,553
	143,634	152,553

23. Current tax assets

	2025	2024
	€	€
Corporation tax refundable	**(29,346)**	(6,311)
	(29,346)	(6,311)

24. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed.

On 28 February 2026, the geopolitical situation in the Middle East escalated due to the armed conflict. The situation has created heightened uncertainty in international relations and financial markets, with potential implications for global trade, energy supply, and overall economic stability.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflicts prevail and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, Belarus and Middle East and as such does not expect significant impact from direct exposures to these countries.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact on the Company's position. Management will continue to monitor the situation closely in case the crisis becomes prolonged.

24. Operating Environment of the Company (continued)

Management will continue to monitor and assess the situation closely.

25. Related party balances and transactions

The Company is controlled by Prodea Investments, incorporated in Greece, which owns 100% of the Company's shares. Prodea Investments is listed on the Athens Stock Exchange. For further details regarding the ultimate beneficial owners and the shareholders of Prodea Investments, refer to Note 1.

The following transactions were carried out with related parties:

25.1 Directors' remuneration (Note 9)

	2025	2024
	€	€
Director's fees	**2,400**	2,400
	2,400	2,400

25.2 Direct property related expenses (Note 10)

	2025	2024
	€	€
Invel Real Estate Management Cyprus Limited (company related to shareholders) - Advisory services	**151,480**	148,928
	151,480	148,928

26. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2025 and 31 December 2024.

27. Commitments

The Company had no capital or other commitments as at 31 December 2025 and 31 December 2024.

28. Events after the reporting period

There are no other material events after the reporting period, which have a bearing on the understanding of the financial statements other than those described in Note 24.

Independent auditor's report on pages 2 to 3