

# **K + G Complex Public Company Limited**

## **Report and financial statements 31 December 2025**

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# **K + G Complex Public Company Limited**

## **Board of Directors and other officers**

### **Board of Directors**

George St. Galatariotis, Executive Chairman  
Costas St. Galatariotis, Director  
Stavros Galatariotis, Director  
Michalis Christoforou, Director  
Antonis Antoniou Latouros, Director

### **Financial Manager**

Elena Stylianou

### **Company Secretary**

### **C.C.C. Secretarial Limited**

197 Makarios III Avenue  
Gala Tower  
CY-3030 Limassol  
Cyprus

### **Auditors**

PriceWaterhouseCoopers Ltd  
City House  
Karaiskaki 6  
3032 Limassol

### **Registered office**

197 Makarios III Avenue  
Gala Tower  
CY-3030 Limassol  
Cyprus

# K + G Complex Public Company Limited

## Declaration of Directors and other responsible officers of the Company for the preparation of the financial statements

In accordance with Article 9 sections 3 (c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law of 2007 (N190(I) 2007), as amended, we, the members of the Board of Directors and the other responsible persons for the consolidated and separate financial statements of the Company K+G Complex Public Company Limited for the year ended 31 December 2025, confirm that, to the best of our knowledge:

- (a) The annual consolidated and separate financial statements which are presented on pages 18 to 62:
  - (i) were prepared in accordance with IFRS Accounting Standards as adopted by the European Union, and in accordance with the provisions of Article 9, section (4) of the Law, and
  - (ii) give a true and fair view of the assets and liabilities, the financial position and the profit of K+G Complex Public Company Limited and the businesses included in the consolidated financial statements and the separate financial statements of the Company, as a whole.
- (b) The Management Report provides a fair review of the developments and the performance of the business as well as the financial position of K+G Complex Public Company Limited and the businesses included in the consolidated financial statements and separate financial statements of the Company, as a whole, together with a description of the main risks and uncertainties that they are facing.

### Members of the Board of Directors

Name and surname	Signature
George St. Galatariotis (Executive Chairman)	
Costas St. Galatariotis (Director)	
Stavros Galatariotis (Director)	
Michalis Christoforou (Director)	
Antonis Antoniou Latouros (Director)	

### Responsible for the preparation of the financial statements

Name and surname	Position	Signature
Elena Stylianou	Financial Manager	

Limassol, 29<sup>th</sup> April 2026

# K + G Complex Public Company Limited

## Management Report

1 The Board of Directors of K+G Complex Public Company Limited (the “Company”), and its subsidiary (collectively referred to as the ‘Group’), presents its management report together with the audited consolidated financial statements of the Group and the audited separate financial statements of the Company for the year ended 31 December 2025.

### Principal activities

2 The principal activities of the Company and the Group, which are unchanged from last year, are the following:

- (a) Development and sale of land located in the Amathus area of Limassol
- (b) Holding of investments

### Changes in the Group/Company

3 During the year there has been no change in the Group’s/Company’s structure. The Group/Company do not intend to make any acquisition or merger.

### Review of developments, position and performance of the Group’s and the Company’s operations

4 The Group’s net profit for the year 2025 amounted to €1.715 thousand, compared to €1.891 thousand in the year 2024. The share of profit from the associated company, The Cyprus Cement Public Company Ltd, amounted to €1.913 thousand (2024: 1.978 thousand). At 31<sup>st</sup> December 2025, the total assets of the Group amounted to €114.364 thousand (2024: €113.886 thousand) and the equity amounted to €113.893 thousand (2024: €113.424 thousand).

5 The Company’s net profit for the year 2025 amounted to €1.376 thousand compared to €1.631 thousand for the year 2024. The decrease in profit is attributable to lower dividends from its subsidiary company (2025: €52 thousand compared to €256 thousand in 2024). The Company received dividends from its associated company amounted to €1.591 thousand compared to €1.545 thousand in 2024.

At 31<sup>st</sup> December 2025, the total assets of the Company amounted to €33.823 thousand (2024: €33.975 thousand) and the equity amounted to €30.411 thousand (2024: €30.578 thousand).

6 The financial position, development and performance of the Company and the Group as presented in the financial statements, are considered satisfactory.

### Non-financial information

7 The Group/Company takes into account and complies with all health, safety and environmental regulations that affect the operations where the Group/Company operates. Until now, the Group/Company has not violated any health, safety and environmental regulations. The Group/Company has not been involved in any legal, governmental or arbitration proceedings that would result in any significant obligations to the Group/Company. This is in line with the overall culture and vision of the Group/Company.

# K + G Complex Public Company Limited

## Management Report (continued)

### Principal risks and uncertainties

8 The principal risks and uncertainties faced by the Group and the Company are described in Notes 1, 6 and 26 of the financial statements. The Group and the Company's activities are subject to various risks and uncertainties related to the construction industry. These activities are influenced by a number of factors, which include, but are not limited to, the following:

- National and international economic and geopolitical factors.
- The war between Russia and Ukraine and the sanctions imposed on Russia by the European Union, the United States, and other countries.
- The war between Israel and Gaza.
- The war between Israel, the United States, and Iran, which began on 28<sup>th</sup> February 2026.

The Company/Group monitors these risks through various mechanisms and adjusts its strategy accordingly to mitigate the impact of these risks to the extent possible.

### Use of financial instruments by the Group and the Company

9 The operations of the Group/Company expose it to a variety of financial risks: market risk (including fair value interest rate risk), credit risk and liquidity risk.

10 The Company's and the Group's risk management program focuses on the unpredictability of the financial markets and aims to reduce the potential negative impact on the Company's and the Group's financial performance. Risk management is carried out by the Management.

### Fair value interest rate risk

11 The Group/Company's interest rate risk arises from interest-bearing assets and long-term borrowings. Interest-bearing assets and long-term borrowings issued at fixed rates, expose the Group and the Company to fair value interest rate risk. The Group/Company holds cash and cash equivalents that bear a floating interest rate, however the cash flow interest rate risk is not considered significant.

12 The Group's/Company's Management monitors fluctuations in interest rates on an ongoing basis and acts accordingly. The Group/Company does not apply hedge accounting for interest rate risk relating to fair value.

### Credit risk

13 The Group/Companies credit risk arises from cash and cash equivalents, as well as other outstanding receivables.

14 For banks and financial institutions, the Company/Group has established policies under which the majority of bank balances are maintained with independently rated counterparties. Where counterparties are independently rated, the Company/Group uses those ratings. Otherwise, if no independent rating exists, Management assesses the credit quality of the counterparties by considering their financial position, past experience, and other factors.

# K + G Complex Public Company Limited

## Management Report (continued)

### Liquidity risk

15 The Management monitors current liquidity based on expected cash flows. Prudent liquidity risk management involves the management of sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group/Company's management believes that it is successful in managing the Group/Company's exposure to liquidity risk.

### Expected development of the Company and the Group

16 The Board of Directors does not expect any significant changes or developments in Company/Group's operations, financial position and performance in the foreseeable future, except as disclosed below.

### Results

17 The Group/Company's results for the year are presented on pages 18 and 19 respectively. Having assessed both the availability of profits for distribution and the Group/Company's liquidity, the Board of Directors has approved and proposed the payment of a dividend as presented below.

### Dividends

18 On 26<sup>th</sup> June 2025, the Annual General Meeting of the Company's Shareholders approved the payment of a dividend of €772 thousand, which corresponds to €0,006 cents per share, from the profits of the year 2023. The dividend was paid to shareholders on 1<sup>st</sup> August 2025.

19 On 27<sup>th</sup> October 2025, the Board of Directors approved the payment of interim dividend of €771 thousand, which corresponds to €0,006 cents per share, from the profits of the year 2025. The dividend was paid to shareholders on 5<sup>th</sup> December 2025.

20 The Board of Directors proposes the payment of a dividend of €772 thousand, which corresponds to €0,006 per share, from the profits of the years 2024 and 2025. The Board of Directors' proposal will be submitted for approval at the Annual General Meeting for approval.

### Share capital

21 During the year 2025, there were changes in the Company's share capital as presented below.

### Board of Directors

22 The members of the Board of Directors at 31 December 2025 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year 2025.

23 In accordance with the Company's Articles of Association Messrs. Stavros Galatariotis and Michalis Christoforou, retire at the next Annual General Meeting and, being eligible, offer themselves for re-election.

# K + G Complex Public Company Limited

## Management Report (continued)

### Board of Directors (continued)

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

### Corporate Governance Code

25 The Board of Directors has not adopted the provisions of the Corporate Governance Code. The Company is not required to adopt the provisions of the Code as its securities are traded in the Alternative Market of the Cyprus Stock Exchange. The main reason for not adopting the Corporate Governance Code is that the cost of possible implementation of the provisions of the Corporate Governance Code would be disproportionate to the expected benefits of its implementation.

26 The Board of Directors includes members from a wide range of ages and educational and professional backgrounds in order to reflect a wide range of experience and to facilitate the expression of diverse of independent opinions and constructive challenges. With respect to the Code is recommendation on gender diversity within the board members, this was considered by the Board of Directors, which intends, in future appointments, to positively consider candidates who support gender diversity, provided that it does not compromise diversity in terms of educational and professional.

27 The Board of Directors ensures through adequate internal control procedures and risks management procedures, for the drafting, preparation, content and publication of all periodical information that is required of listed companies. The responsible person for the preparation of the separate and consolidated financial statements is the Financial Manager.

28 The Audit Committee consists of the following members:

- Antonis Latouros - President of the Committee
- Michalis Christoforou - Member of the Committee
- Christophoros Christophi - Member of the Committee

29 The Audit Committee members are Independent Non-Executive Directors. The Committee meets with the external auditors for independent discussion without the presence of Executive Directors. The Audit Committee reviews a wide range of financial matters, including annual and semi-annual results, financial statements, and accompanying reports, prior to their submission to the Board of Directors. It is also overseeing the process for the selection of accounting principles and estimations used in the Group's/Company's financial statements. The Audit Committee also advises the Board of Directors on the appointment of external auditors and their fees for audit and non-audit services. The Audit Committee discusses extensively with the auditors the findings that have arisen during the audit as well as the auditors' report.

# K + G Complex Public Company Limited

## Management Report (continued)

### Corporate Governance Code (continued)

#### *Shareholders holding more than 5% of the Company's share capital*

30 The shareholders who held more than 5% of the issued share capital of the Company with voting rights on 29<sup>th</sup> April 2026, are as follows:

	<b>% holding</b>
C.C.C. Holdings & Investments Limited *	83,81

\* Included in the interest of George St. Galatariotis as presented in the Directors' interest below.

31 The Company has not issued any securities with special control rights and there are no restrictions on voting rights.

32 The appointment and replacement of the members of the Board of Directors is done by the Company at its Annual General Meeting in accordance with the provisions of the Company's Articles of Association. The Company's Articles of Association provides that the Board of Directors has the power to appoint, at any time, any person as Director and such person that is appointed by the Board of Directors will hold his office until the next Annual General Meeting of the Company.

33 The Company's Articles of Association can be modified by the passing of a Special Resolution at an Extraordinary General Meeting of the shareholders.

34 The Board of Directors, subject to approval by the Company's shareholders, may issue or repurchase Company own shares. The issue of any new shares is further subject to the provisions of the Company's Articles of Association, the prevailing law and the principle of fair treatment to all existing shareholders.

35 The Board of Directors of the Company consists of 5 members and meetings are convened at regular intervals. The Board of Directors approves the Company's strategy and supervises the adoption and realization of the Company's and Group's development strategic

#### *Directors' interest in the Company's share capital*

36 The beneficial interest in the Company's share capital held by each Director, their spouse, children and companies in which they hold directly or indirectly at least 20% of the shares with voting rights in a general meeting, at 31 December 2025 and on 29<sup>th</sup> April 2026 was as follows:

	<b>29<sup>th</sup> April 2026 %</b>	<b>31 December 2025 %</b>
George St. Galatariotis <sup>(1)</sup>	83,81	83,81
Costas St. Galatariotis <sup>(1)</sup>	-	-
Stavros Galatariotis <sup>(1)</sup>	-	-
Michalis Christoforou	-	-
Antonis Antoniou Latouros	-	-

(1) The participation percentage share held by Mr. George St. Galatariotis includes his indirect participation resulting from family relationships between himself and Stavros Galatariotis and Costas St. Galatariotis and their indirect participation in C.C.C. Holdings & Investments Limited.

# **K + G Complex Public Company Limited**

## **Management Report (continued)**

### **Contracts with Directors and related parties**

37 Apart from the transactions and balances of the Directors and related parties disclosed in Note 25 of the financial statements, there were no other significant contracts with the Company, or its subsidiaries as at 31 December 2025 in which the Directors or related parties had a material interest. Related persons include the spouse, minor children and companies in which Directors hold directly or indirectly at least 20% of the voting rights at a general meeting.

### **Events after the balance sheet date**

38 The material post balance sheet events, that are relevant on the understanding of the financial statements are disclosed in Note 27.

### **Branches**

39 During the year the Company and the Group did not operate through any branches.

### **Climate change**

40 The Board of Directors has taken into consideration the global awareness and concerns regarding the potential impacts of climate change. Currently, this issue has not had a significant impact on the consolidated and separate financial statements, but Management continues to monitor developments in this area.

### **Independent auditors**

41 The independent Auditors, Pricewaterhousecoopers Ltd, have expressed their willingness to continue in office. A Resolution authorising the Board of Directors to fix their fees will be proposed at the Annual General Meeting.

### **By Order of the Board**

**C.C.C. Secretarial Limited**  
**Secretary**

Limassol, 29<sup>th</sup> April 2026

# Independent Auditor's Report

To the Members of K + G Complex Public Company Limited

## Report on the Audit of the Consolidated and Separate Financial Statements

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### Opinion

In our opinion, the accompanying consolidated and separate financial statements of K + G Complex Public Company Limited (the "Company") and its subsidiary (the "Group") give a true and fair view of the financial position of the Group and the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

### What we have audited

We have audited the consolidated and separate financial statements which are presented in pages 18 to 62 and comprise:

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

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### Basis for opinion

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

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

## **Independence**

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

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

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter described below relates to the consolidated financial statements. We have determined that there are no key audit matters to communicate in our report with respect to the separate financial statements.

**Key audit matter****How our audit addressed the key audit matter****Investment in associate company The Cyprus Cement Public Company Limited (“CCC”) in the consolidated financial statements**

We focused on this matter due to the level of the carrying amount of the investment in associate CCC in the amount of €113,240 thousand as at 31 December 2025 as compared to the Group’s total assets.

In particular, a significant factor which affects the carrying amount of the investment in the associate is the size of the fair value of specific plots of development land which were classified as “Investment property” in the financial statements of CCC, as well as the complexity and the high degree of subjectivity involved in the estimation of the fair value of the properties by CCC’s Management.

Based on International Accounting Standard IAS 40 “Investment Property” and CCC’s accounting policy, land held for development for capital appreciation and not used by CCC is classified as investment property under IAS 40 and is presented at fair value at each reporting date.

The fair value of CCC’s investment properties as at 31 December 2025 amounted to €324,536 thousand (2024: €323,421 thousand). The Group holds a 32.18% interest in CCC and is affected through its share of CCC’s net assets and results, which are accounted for using the equity method in the consolidated balance sheet and the consolidated results.

As at 31 December 2025, the fair value was estimated by CCC’s management taking into consideration internal valuation calculations which were based on a valuation performed by an independent qualified valuer as at 31 December 2024.

For the purposes of determining the fair value of the properties, CCC’s management has used the discounted cash flow method associated with the expected development of the properties, taking into account the town planning permission obtained as well as the size and uniqueness of the properties and their town planning characteristics. The valuation methodology applied in 2025 is consistent with that used in 2024.

In relation to the fair value of the investment properties held by CCC, we have discussed with the Management and assessed the key inputs, significant assumptions, valuation methodology and calculations applied by CCC’s management in determining the fair value of the specific properties, which was based on assumptions of high subjectivity.

Internal real estate valuation specialists from our firm, possessing the required expertise and qualifications, were involved to assist us in our assessment of CCC’s management’s fair value estimation of the properties, which took into consideration internal valuation calculations and which have been based on a valuation performed by an independent qualified valuer as at 31 December 2024.

In particular, with the support of our internal specialists, we have assessed the calculations prepared by CCC’s management, the mathematical accuracy of the valuation model, the appropriateness of the valuation methodology applied, and the reasonableness of the significant assumptions made by CCC’s management by comparison with observable market data.

We have assessed the objectivity, professional competence and capabilities of the external valuer engaged by CCC.

In addition, we have assessed the sufficiency and mathematical accuracy of the sensitivity analysis in relation to the impact of changes in the key assumptions on the fair value of the properties and, consequently, on the carrying amount of the investment in CCC.

Finally, we have assessed the adequacy of the disclosures presented in Notes 4, 7 and 17 to the financial statements in relation to the inputs, significant assumptions and sensitivity analysis relating to specific assumptions.

The results of the above procedures were satisfactory for the purposes of our audit.

The above estimates have been reviewed and adopted by the Group's management ("Management").

Details are disclosed in Notes 4, 7 and 17 to the financial statements.

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## **Reporting on Other Information**

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

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

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

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## **Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements**

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

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

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

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## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

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## **Report on Other Legal and Regulatory Requirements**

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

#### **Appointment of the Auditor and Period of Engagement**

We were first appointed as auditors of the Company in 1996 by the Board of Directors of the Company for the audit of the consolidated and separate financial statements for the year ended 31 December 1996. Our appointment was renewed annually, since then, by shareholders' resolution. On 12 May 2005, the Cyprus Stock Exchange was first included in the list of regulated markets prepared by the European Commission and published in the Official Journal of the European Union and as a result, the first financial year in which the Company was designated as a Public Interest Entity (PIE) in the European Union was the year ended 31 December 2005. Since then, the total period of uninterrupted appointment has been 21 years.

#### **Consistency of the Additional Report to the Audit Committee**

We confirm that our audit opinion on the consolidated and separate financial statements expressed in this report is consistent with the additional report to the Audit Committee of the Company, which we issued on 29 April 2026 in accordance with Article 11 of the EU Regulation 537/2014.

#### **Provision of Non-audit Services**

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

#### **European Single Electronic Format**

We have examined the digital files of the European Single Electronic Format (ESEF) of K + G Complex Public Company Limited for the year ended 31 December 2025 comprising an XHTML file which includes the consolidated and separate financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated balance sheet as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and all disclosures made in the consolidated financial statements in accordance with IFRS Accounting Standards or made by cross-reference therein to other parts of the annual financial report for the year ended 31 December 2025 that correspond to the elements of Annex II of the EU Delegated Regulation 2019/815 of 17 December 2018 of the European Commission, as amended from time to time (the "ESEF Regulation") (the "digital files").

The Board of Directors of K + G Complex Public Company Limited is responsible for preparing and submitting the consolidated and separate financial statements for the year ended 31 December 2025 in accordance with the requirements set out in the ESEF Regulation.

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

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

### **Other Legal Requirements**

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

- In our opinion, based on the work undertaken in the course of our audit, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the consolidated and separate financial statements.
- In light of the knowledge and understanding of the Group 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.
- In our opinion, based on the work undertaken in the course of our audit, the information included in the corporate governance statement in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113, and which is included as a specific section of the Management Report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and is consistent with the consolidated and separate financial statements.
- In our opinion, based on the work undertaken in the course of our audit, the corporate governance statement includes all information referred to in subparagraphs (i), (ii), (iii), (vi) and (vii) of paragraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113.
- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the corporate governance statement in relation to the information disclosed for items (iv) and (v) of subparagraph 2(a) of Article 151 of the Cyprus Companies Law, Cap. 113. We have nothing to report in this respect.

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## Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of 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.

Yiangos Kaponides  
Certified Public Accountant and Registered Auditor  
for and on behalf of

PricewaterhouseCoopers Limited  
Certified Public Accountants and Registered Auditors

City House, 6 Karaiskakis Street,  
CY-3032 Limassol, Cyprus

29 April 2026

*PricewaterhouseCoopers Ltd, City House, 6 Karaiskakis Street, CY-3032 Limassol, Cyprus  
P O Box 53034, CY-3300 Limassol, Cyprus  
T: +357 25 - 555 000, F: +357 - 25 555 001, [www.pwc.com.cy](http://www.pwc.com.cy)*

# K + G Complex Public Company Limited

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

	Note	2025 €000	2024 €000
Administrative expenses	10	(234)	(256)
Other income	9	14	161
<b>Operating loss</b>		<b>(220)</b>	<b>(95)</b>
Share of profit of investments in associate companies	17	1.921	1.986
<b>Profit before tax</b>		<b>1.701</b>	<b>1.891</b>
Tax	13	14	-
<b>Profit for the year</b>		<b>1.715</b>	<b>1.891</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Share of reserves of associate companies	17	297	9
<b>Total comprehensive income for the year</b>		<b>2.012</b>	<b>1.900</b>
<b>Profit per share attributable to the shareholders of the Company (cent per share):</b>			
- Basic and fully distributed	14	1,33	1,47

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

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

	Note	2025 €000	2024 €000
Administrative expenses	10	(223)	(245)
Other income	9	1.656	1.962
<b>Operating profit</b>		<b>1.433</b>	<b>1.717</b>
Finance cost	12	(73)	(86)
<b>Profit before tax</b>		<b>1.360</b>	<b>1.631</b>
Tax	13	16	-
<b>Profit for the year</b>		<b>1.376</b>	<b>1.631</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1.376</b>	<b>1.631</b>

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

## Consolidated balance sheet at 31 December 2025

	Note	2025 €000	2024 €000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in associated companies	17	113.274	112.647
		<u>113.274</u>	<u>112.647</u>
<b>Current assets</b>			
Inventories	19	300	300
Financial assets at amortised cost	20	63	54
Cash and cash equivalents	21	727	885
		<u>1.090</u>	<u>1.239</u>
<b>Total assets</b>		<u><b>114.364</b></u>	<u><b>113.886</b></u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	22	10.287	10.287
Reserve of changes in equity of associates		840	543
Retained earnings		102.766	102.594
<b>Total equity</b>		<u><b>113.893</b></u>	<u><b>113.424</b></u>
<b>Current liabilities</b>			
Trade and other creditors	24	471	462
<b>Total current liabilities</b>		<u><b>471</b></u>	<u><b>462</b></u>
<b>Total liabilities</b>		<u><b>471</b></u>	<u><b>462</b></u>
<b>Total equity and liabilities</b>		<u><b>114.364</b></u>	<u><b>113.886</b></u>

On 29<sup>th</sup> April 2026 the Board of Directors of K + G Complex Public Company Limited approved these financial statements for issue.

George St. Galatariotis  
Executive Chairman

Costas St. Galatariotis  
Director

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

## Company's balance sheet at 31 December 2025

	Note	2025 €000	2024 €000
<b>Assets</b>			
<b>Non current assets</b>			
Investments in subsidiary companies	18	2.722	2.722
Investments in associated companies	17	30.018	30.018
		<u>32.740</u>	<u>32.740</u>
<b>Current assets</b>			
Inventories	19	300	300
Financial assets at amortised cost	20	59	51
Cash and cash equivalents	21	724	884
		<u>1.083</u>	<u>1.235</u>
<b>Total assets</b>		<u><b>33.823</b></u>	<u><b>33.975</b></u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	22	10.287	10.287
Retained earnings		20.124	20.291
<b>Total equity</b>		<u><b>30.411</b></u>	<u><b>30.578</b></u>
<b>Non current liabilities</b>			
Borrowings	23	2.943	2.937
		<u>2.943</u>	<u>2.937</u>
<b>Current liabilities</b>			
Trade and other creditors	24	469	460
		<u>469</u>	<u>460</u>
<b>Total liabilities</b>		<u><b>3.412</b></u>	<u><b>3.397</b></u>
<b>Total equity and liabilities</b>		<u><b>33.823</b></u>	<u><b>33.975</b></u>

On 29<sup>th</sup> April 2026 the Board of Directors of K + G Complex Public Company Limited approved these financial statements for issue.

George St. Galatariotis  
Executive Chairman

Costas St. Galatariotis  
Director

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

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

	Share capital €000	Share premium €000	Reserve arising on translation of share capital into Euros €000	Reserve of changes in equity of associate company <sup>(2)</sup> €000	Retained earnings <sup>(1)</sup> €000	Total €000
<b>Balance at 1 January 2024</b>	21.860	1.757	86	534	101.976	126.213
<b>Comprehensive income</b>						
Profit for the year	-	-	-	-	1.891	1.891
<b>Other comprehensive losses</b>						
Share of reserves of associate companies (Note 17)	-	-	-	9	-	9
Total other comprehensive income	-	-	-	9	-	9
Total comprehensive income for 2024	-	-	-	9	1.891	1.900
<b>Transactions with Company's owners</b>						
Dividend paid (Note 15)	-	-	-	-	(1.273)	(1.273)
Reduction of share capital and share premium (Note 22)	(11.573)	(1.757)	(86)	-	-	(13.416)
Total transactions with owners	(11.573)	(1.757)	(86)	-	(1.273)	(14.689)
<b>Balance at 31 December 2024/ 1 January 2025</b>	10.287	-	-	543	102.594	113.424
<b>Comprehensive income</b>						
Profit for the year	-	-	-	-	1.715	1.715
<b>Other comprehensive income</b>						
Share of reserves of associate companies (Note 17)	-	-	-	4	-	4
Share of reserves of associate companies prior year (Note 17)	-	-	-	293	-	293
Total other comprehensive income	-	-	-	297	-	297
Total comprehensive income for 2025	-	-	-	297	1.715	2.012
<b>Transactions with Company's owners</b>						
Dividend paid (Note 15)	-	-	-	-	(1.543)	(1.543)
Total transactions with owners	-	-	-	-	(1.543)	(1.543)
<b>Balance at 31 December 2025</b>	10.287	-	-	840	102.766	113.893

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

<sup>(2)</sup> The reserve of changes in equity of associate company relates to the fair value reserves of the associate companies. The reserve of changes in equity of an associated company is not available for distribution in the form of dividend.

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

## Company's statement of changes in equity for the year ended 31 December 2025

	Share Capital €000	Share Premium €000	Reserve arising on translation of share capital into Euro €000	Retained earnings <sup>(1)</sup> €000	Total €000
<b>Balance at 1 January 2024</b>	21.860	1.757	86	19.933	43.636
<b>Comprehensive income</b>					
Profit for the year	-	-	-	1.631	1.631
Total comprehensive income for 2024	-	-	-	1.631	1.631
<b>Transactions with Company's owners</b>					
Dividend paid (Note 15)	-	-	-	(1.273)	(1.273)
Reduction of share capital and share premium (Note 22)	(11.573)	(1.757)	(86)	-	(13.416)
Total transactions with owners	(11.573)	(1.757)	(86)	(1.273)	(14.689)
<b>Balance at 31 December 2024/ 1 January 2025</b>	10.287	-	-	20.291	30.578
<b>Comprehensive income</b>					
Profit for the year	-	-	-	1.376	1.376
Total comprehensive income for 2025	-	-	-	1.376	1.376
<b>Transactions with Company's owners</b>					
Dividend paid (Note 15)	-	-	-	(1.543)	(1.543)
Total transactions with owners	-	-	-	(1.543)	(1.543)
<b>Balance at 31 December 2025</b>	10.287	-	-	20.124	30.411

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at the rate of 17% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents and domiciled. From 1 March 2020, the deemed dividend distribution is subject to a 2.65% contribution to the National Health System, with the exception of April 2020 until June 2020 when the 1,70% rate was applicable. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders. The deemed dividend distribution system is abolished for profits arising from 1 January 2026 onwards.

(2) The reserve of changes in equity of associate company relates to the fair value reserves of the associate companies. The reserve of changes in equity of an associated company is not available for distribution in the form of dividend.

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

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

	Note	2025 €000	2024 €000
<b>Cash flows from operating activities</b>			
Profit before tax		1.701	1.891
Adjustments for:			
Interest income	9	(3)	(83)
Share of profit of associate companies	17	(1.921)	(1.986)
		<u>(223)</u>	<u>(178)</u>
Changes in working capital:			
Financial assets held at amortised cost		(8)	4
Trade and other creditors		8	300
<b>Cash used (used in)/from in operations</b>		<u>(223)</u>	<u>126</u>
Tax received / paid		14	(17)
<b>Net cash used (used in)/from operating activities</b>		<u>(209)</u>	<u>109</u>
<b>Cash flows from investing activities</b>			
Loans granted to related parties	25 (vi)	-	(5)
Interest received		3	-
Dividends received	25 (iii)	1.591	1.545
<b>Net cash generated from investing activities</b>		<u>1.594</u>	<u>1.540</u>
<b>Cash flows from financing activities</b>			
Dividends paid	15	(1.543)	(1.047)
Amount paid for the reduction of share capital and share premium		-	(2.173)
<b>Net cash used in financing activities</b>		<u>(1.543)</u>	<u>(3.220)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(158)</u>	<u>(1.571)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>885</u>	<u>2.456</u>
<b>Cash and cash equivalents at the end of the year</b>	21	<u><u>727</u></u>	<u><u>885</u></u>

For non-cash transactions refer to Note 21.

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

## Company's statement of cash flows for the year ended 31 December 2025

	Note	2025 €000	2024 €000
<b>Cash flows from operating activities</b>			
Profit before tax		1.360	1.631
Adjustments for:			
Interest income	9	(3)	(83)
Interest expense	12	73	86
Dividend income	9, 25 (iii)	(1.643)	(1.801)
		<u>(213)</u>	<u>(167)</u>
Changes in working capital:			
Financial assets held at amortised cost		(7)	4
Trade and other creditors		8	300
<b>Cash from/(used in) operations</b>		<u>(212)</u>	<u>137</u>
Tax received		16	-
<b>Net cash (used in)/from operating activities</b>		<u>(196)</u>	<u>137</u>
<b>Cash flows from investing activities</b>			
Loans granted to related parties	25 (vi)	-	(5)
Interest received		3	-
Dividends received	25 (iii)	1.591	1.545
<b>Net cash generated from investing activities</b>		<u>1.594</u>	<u>1.540</u>
<b>Cash flows from financing activities</b>			
Repayment of loans from related parties	25 (v)	(15)	(25)
Amount paid for the reduction of share capital and share premium		-	(2.173)
Dividends paid	15	(1.543)	(1.047)
<b>Net cash used in financing activities</b>		<u>(1.558)</u>	<u>(3.245)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(160)</u>	<u>(1.568)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>884</u>	<u>2.452</u>
<b>Cash and cash equivalents at the end of the year</b>	21	<u><u>724</u></u>	<u><u>884</u></u>

For non-cash transactions refer to Note 21.

The notes on pages 26 to 62 are an integral part of these financial statements.

# K + G Complex Public Company Limited

## Notes to the financial statements

### 1 General Information

#### Country of incorporation

K+G Complex Public Company Limited (the “Company”) was incorporated in Cyprus in June 1980, as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113, and in May 1981 became a public company. The Company is listed on the Cyprus Stock Exchange. The registered office of the Company is located at 197 Makarios III Avenue, Gala Tower, CY-3030 Limassol, Cyprus.

#### Principal activities

The principal activities of the Company and the Group, which are unchanged from last year, are the following:

- (a) Development and sale of land located in the Amathus area of Limassol
- (b) Holding of investments

#### Operational environment of Cyprus

##### Russia - Ukraine conflict

In response to Russia’s military conflict in Ukraine, a number of sanctions were imposed on Russian legal entities in order to restrict their access to foreign financial markets, including the removal of access of several Russian banks to the international SWIFT system.

The European Union, the United Kingdom and the United States of America (among others) have also imposed sanctions against the Russian central bank, restricting the Russian state’s access to foreign exchange reserves, and introduced further asset freezes on legal and natural persons, as well as coordinated sectoral sanctions.

The situation continues to evolve and further sanctions and restrictions on the business activities of companies operating in the region may arise, together with broader consequences for the Russian economy in general; however, the full extent of the future impact remains uncertain.

Nevertheless, the Company/Group is not significantly affected by the conflict, as its operations are not materially impacted by the situation. The Management of the Company/Group will continue to monitor developments and take appropriate measures if necessary.

##### Israel-Gaza conflict

The Israel-Gaza conflict has significantly escalated following the major Hamas attack on 7th October 2023. Companies with substantial subsidiaries, operations, investments, contractual arrangements, or joint ventures in the war zone may face significant exposure. Entities without direct exposure to Israel and the Gaza Strip are also likely to be affected by the overall economic uncertainty and the negative impact on the global economy and major financial markets resulting from the war. This remains a volatile period and situation; however, the Company is not directly exposed. Management will continue to closely monitor developments and take appropriate actions when and if necessary.

# K + G Complex Public Company Limited

## 2 Basis of preparation

The consolidated financial statements of the Group and the separate financial statements of the Company have been prepared in accordance with the IFRS Accounting Standards, as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

As at the date of the approval of the financial statements, all IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are relevant to the Group and the Company and are effective as of 1 January 2025 have been adopted by the European Union through the endorsement process established by the European Commission.

The material accounting policies applied in the preparation of these financial statements are set out below in Note 4. These policies have been applied consistently to all years presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in accordance with IFRS Accounting Standards requires the use of significant critical accounting estimates and the exercise of judgement by the Management in the process of applying the Company's and Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates have significant impact on the financial statements, are disclosed in Note 7.

## 3 Adoption of new or revised standards and interpretations

During the current year the Group/Company adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and are applicable for accounting periods beginning on 1 January 2025. The adoption of these standards did not have a significant effect on the accounting policies of the Group/Company.

## 4 Material accounting policy information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated. Management aims not to reduce the understandability of these financial statements by obscuring significant information with insignificant information. Therefore, only material accounting policy information is disclosed, where applicable, with the relevant disclosure notes.

### Consolidated financial statements

The consolidated financial statements include the financial statements of K+G Complex Public Company Limited (the "Company"), and its subsidiary company, which are collectively referred to as the "Group".

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Consolidated financial statements (continued)

#### (1) Subsidiaries

Subsidiaries are all entities (including, special purpose entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

The Group applies the acquisition method of accounting for business consolidations regardless of whether equity interests or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- The fair values of the assets transferred;
- The liabilities incurred to the former owners of the acquired business;
- The equity securities issued by the Group;
- The fair value of any asset or liability arising from a contingent consideration arrangement;
- The fair value of any pre-existing equity interest in the subsidiary.

The identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are recognized at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed to profit or loss when incurred.

When the excess of the consideration transferred, the non-controlling interest in the acquired entity and the fair value of any previous equity interest in the acquired entity at the acquisition date exceeds the fair value of the identifiable net assets acquired, the excess is recognized as goodwill. If the total is less than the fair value of the net assets acquired - as in case of bargain purchase - the difference is recognized directly in profit or loss.

Where any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange, using the effective interest method. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently measured at fair value, with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the previously held equity interest in the acquiree is remeasured to its fair value at the acquisition date, with any resulting gain or loss recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profit or losses resulting from inter-company transactions that are recognised in assets are also eliminated, except where the transactions provides evidence of impairment of the asset. The results and equity of subsidiary companies attributable to minority shareholders are presented separately in the consolidated statement of profit or loss and other comprehensive income, the consolidated balance sheet, and the consolidated statement of changes in equity.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Consolidated financial statements (continued)

#### (1) Subsidiaries (continued)

When the Group ceases to have control over an entity, any retained interest in the entity is remeasured to its fair value at the date control is lost, with the resulting gain or loss recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

#### (2) Associate companies

Associate companies are all entities over which the Group exercises significant influence, generally accompanying a shareholding of between 20% and 50% of the voting rights, but which it does not control. Investments in associate companies are accounted for using the equity method and are initially recognised at cost. The Group's investment in associate companies includes any goodwill identified on acquisition net of any accumulated impairment losses.

Dividends received or receivable from associated companies are recognised as a reduction in the carrying amount of the investment. If the Group's ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profits or losses of associated companies is recognised in the profit or loss and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate company.

Unrealised gains from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, accounting policies of associates have been adjusted to ensure consistency with the accounting policies adopted by the Group. The share of profits and losses arising from investments in associates is recognised in profit or loss.

After application of the equity method, including recognising the associates' losses, the carrying amount of the investment in associated company which includes the goodwill arising on acquisition is tested for impairment by comparing its recoverable amount with its carrying amount whenever there is an indication of impairment and recognizes the amount under "share of profit from investments accounted for using the equity method" in the profit or loss.

### Separate financial statements of the Company

#### (1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

# **K + G Complex Public Company Limited**

## **4 Material accounting policy information (continued)**

### **Separate financial statements of the Company (continued)**

#### **(1) Subsidiaries (continued)**

In the separate financial statement, investments in subsidiaries are measured at cost less impairment losses. Investments in subsidiaries are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the assumptions used to determine the recoverable amount.

#### **(2) Associate companies**

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

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

#### **Interest income**

Interest income on financial assets measured at amortized cost and calculated using the original effective interest method is recognized in the consolidated statement of profit or loss and other comprehensive income of the Group and in the statement of profit or loss and other comprehensive income of the Company, under "Revenue". Interest income is calculated by applying the original effective interest rate to the gross carrying amount of a financial asset, with the exception of the financial assets that subsequently become credit-impaired.

#### **Dividend income**

Dividend income is recognised when the Company's right to receive payment is established. In the Company's separate financial statements, dividends received from subsidiaries and associates are recognised in the Company's statement of profit or loss and other comprehensive income as "Income".

Refer to the relevant accounting policy for the treatment in the Group's consolidated financial statements regarding dividends received from subsidiaries and associates.

#### **Segment reporting**

Operating segments are presented in accordance with the internal information provided to the Board of Directors of the Group (the chief operating decision-maker). The Group's Board of Directors who is responsible for allocating resources and assessing the performance of the Group's operating segments, has been identified as the Body that makes all strategic decisions.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Employee benefits

The Company/Group and the employees contribute to the Government Social Insurance Fund based on the salaries of the employees. The contributions of the Company/Group are recognized in the period they relate to and are included in personnel costs. The Company/Group has no additional obligations after the contributions have been paid. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in future payments is probable.

### Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 recognized in profit or loss.

### Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax is calculated based on the tax legislation enacted or substantively enacted at the balance sheet date in the country where the Company/the Group operates and generates taxable income. Management periodically assesses the positions taken in tax returns with respect to situations where the applicable tax legislation is subject to interpretation. If the applicable tax legislation is subject to interpretation, a provision is established where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred tax is recognised using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination, which, at the time of the transaction does not affect neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Current and deferred taxation (continued)

Deferred 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 tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company/the Group, where there is an intention to settle the balances on a net basis.

### Dividend distribution

The dividend distribution to the Group's/Company's shareholders is recognised as a liability in the financial statements of the Group/Company in the year in which the dividends are approved and are no longer subject to the jurisdiction of the Group/Company. More specifically, interim dividends are recognised as a liability in the year they are approved by the Board of Directors of the Group/Company, and in the case of final dividends, these are recognised in the year in which these are approved by the Group's/Company's shareholders.

### Plant and equipment

All plant and equipment items are presented at historical cost less accumulated depreciation. Historical cost includes expenditure directly attributable to the acquisition of plant and equipment.

Depreciation on plant and equipment is calculated using the straight-line method, which allocates the cost less its residual value, over the estimated useful lives. The annual depreciation rates are as follows:

	%
Motor vehicles	20
Furniture and office equipment	10

The residual value and useful lives are reviewed and adjusted at each balance sheet date if deemed necessary. The carrying amount of a plant, and equipment item is immediately reduced to its recoverable amount if the carrying amount exceeds the estimated recoverable amount. Expenses for repairs and maintenance of plant, and equipment are charged to profit or loss in the year in which they are incurred. Gains and losses from the disposal of plant, and equipment are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

### Impairment of non-financial assets

Assets that have an indefinite useful life, including goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that have suffered an impairment, are reviewed for possible reversal of the impairment at each reporting date.

### Financial assets – Classification

The classification depends on the Group/Company's business model for managing the related assets portfolio and the contractual cash flow of the financial assets. The management determines the classification of assets on initial recognition.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Financial assets – Classification (continued)

The Group/Company classifies its financial assets at amortised cost. Financial assets at amortised cost are held to collect contractual cash flows and their cash flows represent only capital and interest payments. They are included in current assets other than those which have expired more than 12 months after the balance sheet date. These are classified as non-current assets. The Group/Company's financial assets at amortised costs include: cash and equivalents, loan receivables and other receivables.

### Financial assets - Recognition and derecognition

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 Group/Company commits to deliver a financial instrument. All other purchases and sales are recognized when the Group/Company becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group/Company has transferred substantially all the risks and rewards of ownership. Any gain or loss resulting from the write-off shall be recognised directly in the profit and loss.

### Financial assets – Measurement

At initial recognition, the Group/Company measures a financial asset at its fair value and additionally adds transaction costs that are directly attributable to the acquisition of the financial asset. These are then measured at amortized costs.

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 valuation techniques whose inputs include only data from observable markets.

### Financial assets – impairment – Expected Credit Loss Provision

The Group/Company assesses on a forward-looking basis the expected credit losses (“ECL”) for debt instruments (including loans) measured at amortised cost. The Group/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 which includes past events, current conditions, and forecasts of future economic conditions.

The carrying amount of the financial assets is reduced using an allowance account, and the amount of the loss is recognized in the statement of profit or loss and other comprehensive income under “net impairment losses on financial assets”. Subsequent recoveries of amounts for which a credit loss was previously recognized are credited to the same item in the statement of profit or loss and other comprehensive income.

Debt assets measured at amortised cost are presented in the Company’s balance sheet and consolidated balance sheet net of the allowance for “ECL”.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Financial assets – impairment – Expected Credit Loss Provision (continued)

The impairment methodology applied by the Group/Company for the calculation of expected credit losses depends on the type of financial asset estimated for impairment. See Note 6, in the Credit Risk section, for a description of the impairment methodology used by the Company/Group to calculate the expected credit losses for debit financial assets at amortized cost.

### Financial assets – Write-off

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

### Financial Assets – modifications

The Group/Company sometimes renegotiate or modify the contractual cash flow of financial assets. The Group/Company assesses whether the modification of contractual cash flows is significant.

If the modified terms differ significantly, the cash flow rights from the original asset expire and the Group/Company write off the original financial asset and recognises a new asset at fair value. The renegotiation date is considered the date of initial recognition for the purposes of accessing a subsequent impairment, including the determination of whether a significant increase in credit risk (“SICR”) has occurred. The Group/Company also assesses whether a new loan or debit financial asset meets the SICR criterion. Any difference between the carrying value of the original asset written off and the fair value of the new significantly modified asset shall be recognised in the profit or loss, unless the substance of the modification is attributed to capital transactions with the owners.

If the renegotiation was due to the counterparty's financial difficulties and inability to make the originally agreed payments, the Group/Company compares the original and revised expected cash flows to assess whether the risks and rewards of the asset have changed significantly as a result of the contractual amendment. If the risks and rewards do not change, the modified asset is not materially different from the original asset and the modification does not result in a write-off. The Group/Company recalculates the gross carrying amount by discounting the modified contractual cash flows at the original effective interest rate and recognizes the modification gain or loss in the results.

### Classification as cash and cash equivalents

In the Company's consolidated statement of cash flows, cash and cash equivalents includes cash in hand and at bank, as well as short-term bank deposits and other short-term highly liquid financial instruments used for cash management purposes, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in their value. Cash and cash equivalents are measured 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 classified as fair value through profit or loss.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the Company's/Group's normal operating activities. They are with the intention of collecting their contractual cash flows, which represent solely payment of principal and interest. Consequently, these are measured at amortised cost using the effective interest rate method, less any provision for impairment. Financial assets at amortised costs are classified as current assets if they are due within one year or less (or in the normal course of the company's operating cycle, if greater). Otherwise, they are presented as non-current assets.

### Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Company's and the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of either the Company/Group or the counterparty.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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 used for specific purposes, which do not include the distribution of dividends, and is subject to the provisions of the Cyprus Companies Law regarding share capital reduction.

### Earnings per share

Basic earnings per share are calculated as follows: the profits attributable to the Company's shareholders are divided by the weighted average number of ordinary shares issued during the year.

### Provisions

Provisions are recognised when the Company/Group has a present legal or constructive obligation arising from past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount of obligation can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are calculated at the present value of the expenditures expected to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the obligation. The increase in the provision due to passage of time is recognised as interest expense.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### 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. Borrowing is classified as a short-term liability, unless the Company/Group has the unconditional right to defer repayment of the liability for at least twelve months after the balance sheet date.

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 balance sheet 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».

Borrowing costs are interest and other costs incurred by the Company/Group in connection with the borrowing of funds, including borrowing interest, amortization of discounts or commissions related to borrowing, amortization of additional costs related to the arrangement of borrowing and exchange differences that arise from borrowing in foreign currency in case they are considered as an adjustment to debit interest.

### Financial liabilities – amendments

An exchange between the Company/Group and the original lenders of the debt instruments on substantially different terms, as well as substantial changes to the terms and conditions of the existing financial obligations, shall be deemed to be a termination of the initial financial obligation and recognition of a new financial liability. Terms are considered substantially different if the discounted present value of cash flows under the new terms, including any fees paid after deduction of any fees received and discounted at the initial effective interest rate, is at least 10% different from the discounted present value of the cash flows remaining from the original financial liability.

If an exchange of debt instruments or a modification of the terms is deemed to be redemption, any cost or fee is recognised as part of the profit or loss from the repayment. If the exchange or modification is not deemed to be repayment, any costs or fees incurred shall adjust the carrying amount of the obligation and shall be amortised throughout the remainder of the amended obligation.

Amendments to liabilities which do not result in repayment shall be accounted for as a change in the estimate using the cumulative cover method, with any gain or loss recognised in the profit or loss, unless the economic substance of the difference in book values is attributable to capital differences with the owners and is recognised directly in own funds.

# K + G Complex Public Company Limited

## 4 Material accounting policy information (continued)

### Trade and other creditors

Trade and other creditors are liabilities for the payment of goods or services acquired in the ordinary course of business of the Company/Group, from suppliers. Trade and other creditors are classified as current liabilities if payment is due within one year or less (or in the Company's/Group's normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other creditors are recognised initially at fair value and subsequently presented at amortised cost, using the effective interest method.

## 5 New accounting pronouncements

At the date of approval of these financial statements, several new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company/Group, except for the following:

- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027) will replace IAS 1 *Presentation of Financial Statements*, introducing new requirements aimed at improving comparability of financial performance among similar entities and providing more relevant information and transparency to users. Although IFRS 18 will not affect the recognition or measurement of items in the financial statements, its impact on presentation and disclosure is expected to be significant, particularly regarding the statement of financial position and the presentation of management-defined performance measures within the financial statements. Management is currently assessing the detailed impact of adopting the new standard on the Company's/Group's financial statements.
- Management does not expect a significant change in the information currently disclosed in the notes, as the requirement to disclose material information remains unchanged. However, the way information is grouped may change as a result of aggregation and disaggregation principles.
- From a cash flow statement perspective, changes will be introduced in the presentation of interest received and interest paid. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which represents a change from the current presentation where both are included within operating cash flows.

The Company/Group is currently assessing the impact of the new standard/annual improvements on its financial statements, and as of the date of issuance of these financial statements, the impact of its adoption is not known or reasonably estimable.

## 6 Financial risk management

### (i) Financial risk factors

The Group's/Company's operations expose them to a variety of financial risks: market risk (including interest rate risk related to fair value), credit risk and liquidity risk.

The Company's and the Group's risk management programme focuses on the unpredictability of financial markets and aims to minimise potential negative impact on the Company's and the Group's financial performance. Risk management is carried out by the Board of Directors.

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### **Market risk**

##### **Interest rate risk related to fair value**

The Group's/Company's interest rate risk arises from interest-bearing assets and long-term borrowings. The interest-bearing assets represent loans receivable from related parties. Long term borrowings represent borrowings from related parties. Interest bearing assets and borrowings bear a fixed interest rate expose the Group/Company interest rate risk related to fair value. The Group/Company holds cash and cash equivalents that bear a floating interest rate, however the interest rate risk related to cash flows is not considered significant.

As at 31 December 2025, if interest rates on assets and borrowings were 1% (2024: 1%) higher/lower, with all other variables held constant, the impact on the profit/loss of the Group/the Company for the year after tax would not have been significant.

The Company's/Group's management monitors the interest rate fluctuations on ongoing basis and acts accordingly.

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss to the other party because it fails to fulfil an obligation. Credit risk arises from cash and equivalents, and contractual cash flows from debt assets measured at amortized cost, including outstanding receivables.

- ***Risk Management***

Credit risk is managed by the Group and the Company on an individual basis.

For banks and financial institutions, the Company/Group has established policies whereby the majority of bank balances are held with independently rated parties. If counterparties are independently rated, then these ratings are used by the Company/Group. Otherwise, if there is no independent rating, management assesses the credit quality of the counterparty, considering its financial position, past experience and other factors.

- ***Impairment of financial assets***

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

- financial assets at amortised cost (loans to related parties and other receivables)
- cash and cash equivalents.

The impairment methodology applied by the Group/Company for the calculation of expected credit losses depends on the type of financial instrument being assessed for impairment.

For all financial instruments subject to impairment under IFRS 9, the Company/Group applies the general approach—the three-stage impairment model—based on changes in credit risk since initial recognition. A financial instrument that is not credit-impaired at initial recognition is classified in Stage 1. Financial instruments in Stage 1 recognize their 12-month ECL, which represents the portion of lifetime ECL arising from defaults occurring within the next 12 months or until the contract's maturity, whichever is earlier ("12-month ECL").

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### Credit risk (continued)

If the Company/Group observes a significant increase in credit risk ("SICR") since initial recognition, the financial instrument is moved to Stage 2, and the ECL is measured based on lifetime ECL, meaning the ECL is calculated for the entire life of the financial instrument, considering expected prepayments, if any ("lifetime ECL").

If the Company/Group determines that a financial instrument is credit-impaired, the financial instrument is moved to Stage 3, and the ECL is measured as lifetime ECL.

Impairment losses are presented as "net impairment losses on financial assets" in operating profit. Subsequent recoveries of amounts previously written off are credited to the same item where they were initially presented.

**Significant increase in credit risk.** The Group/Company assesses the possibility of default on the initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk, the Group/Company compares the default risk on the reporting date with the default risk at the date of initial recognition.

The assessment shall consider the available reasonable and supportive information for the future. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to fulfil its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the group and changes in the operating results of the borrower.

Macroeconomic information is incorporated as part of the internal evaluation model. The historical loss rates are adjusted to reflect current and future information on macroeconomic factors affecting customers' ability to settle their obligations.

Regardless of the analysis above, a significant increase in credit risk is evidenced if a debtor is more than 30 days past due on a contractual payment.

**Default.** A financial asset is considered default when the counterparty failed to make contractual payments for 90 days after the due date of obligation.

**Write-off.** Financial assets are written off when there is no reasonable expectation of recovery, such as when a debtor has not entered into a repayment plan with the Company/Group. The Group/Company classifies a debt financial asset for write off when the debtor has not made contractual payments for a period of more than 180 days in arrears. Where debt financial assets have been written off, the Group/Company continues to follow legal procedures to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### Credit risk (continued)

A summary of the assumptions supporting the expected credit loss model of the Group's/Company's applied to loans to related parties, receivables from related parties and other receivables is as follows:

Category	Group/ Company definition of category	Basis for recognition of the expected credit loss provision	Basis for the calculation of interest revenue
Performing (Stage 1)	Counterparties for which the credit risk is consistent with initial expectations	<p>For loans to related parties that are payable on demand, the expected credit losses are measured on the assumption that the loan will be demanded at the reporting date. When the counterparties have the ability to repay the contractual cash flows then the expected provision for credit losses will be limited to the effect of discounting the amount due on the loan (at the actual interest rate of the loan).</p> <p>For receivables from related parties and other receivables, expected credit losses are measured at 12 months expected losses. Where the expected life of a financial asset is less than 12 months, the expected loss is measured over the expected life of the asset.</p>	Gross carrying amount

Based on the above, the estimated impairment loss for loans and other receivables from related parties as at 31 December 2025 and 31 December 2024 was insignificant.

The Company/Group has no financial assets subject to the IFRS 9 impairment requirements, whose contractual cash flows have need modified.

Other receivables amounting to €59 thousand as at 31 December 2025 (2024: €51 thousand) represent the maximum exposure of the Company at credit risk for these financial assets.

Other receivables amounting to €63 thousand as at 31 December 2025 (2024: €54 thousand) represent the maximum exposure of the Group at credit risk for these financial assets.

#### **Cash and cash equivalents**

The Group/Company assesses, on an individual basis, its exposure to credit risk arising from cash and cash equivalents based on ratings from external credit rating agencies.

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### Credit risk (continued)

##### *Cash and cash equivalents (continued)*

The following table presents the gross carrying value of cash and cash equivalents based on the credit ratings from Moody's Investors Service, which also represents the maximum exposure to credit risk from these financial assets at 31 December 2025 and 31 December 2024:

<u>The Group</u>	Carrying amount €000
<b>External credit rating</b>	
<b>As at 31 December 2025</b>	
Aaa	708
Baa3	19
Total cash and cash equivalents	<hr/> 727
<b>As at 31 December 2024</b>	
Aaa	800
Baa2	85
Total cash and cash equivalents	<hr/> 885
	<hr/>
<u>The Company</u>	Carrying amount €000
<b>External credit rating</b>	
<b>As at 31 December 2025</b>	
Aaa	708
Baa3	16
Total cash and cash equivalents	<hr/> 724
<b>As at 31 December 2024</b>	
Aaa	800
Baa2	84
Total cash and cash equivalents	<hr/> 884
	<hr/>

The Company/Group does not have any collateral as guarantee.

The estimated impairment loss on cash and cash equivalents as at 31 December 2025 and 31 December 2024 was not significant. All cash and cash equivalents were performing (Stage 1) at 31 December 2025 and 31 December 2024.

#### Liquidity risk

Liquidity risk is the risk of the Company/Group not having sufficient financial resources to meet its obligations when they expire.

Prudent management of liquidity risk involves maintaining adequate amounts of cash and availability of funding through an adequate amount of committed credit facilities. The Board of Directors maintains flexibility in funding by maintaining availability under committed credit limits.

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### (i) Financial risk factors (continued)

#### Liquidity risk (continued)

The Board of Directors monitors the fluctuating liquidity reserve of the Company and the Group, which includes unused borrowing facilities (Note 23) and cash and cash equivalents (Note 21) based on expected cash flow.

The Company and the Group have the following unused credit facilities:

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>€000</u>	<u>€000</u>	<u>€000</u>	<u>€000</u>
Floating interest rate:				
- Within one year	<u>218</u>	<u>218</u>	<u>200</u>	<u>200</u>

The facilities which expire within one year are annual facilities subject to review at different dates.

The table below analyses the Company's and the Group's financial liabilities into relevant maturity categories based on the remaining period at the balance sheet date to the contractual maturity date. The amounts presented in the table are the contractual undiscounted cash flows. Balances due within 12 months (excluding borrowings) are equal to their carrying amounts as the impact of discounting is not significant.

#### The Group

	<b>Less than 1 year €000</b>	<b>Between 1 and 2 years €000</b>	<b>Between 2 to 5 years €000</b>
<b>At 31 December 2024</b>			
Trade and other creditors	462	-	-
	<u>462</u>	<u>-</u>	<u>-</u>
<b>At 31 December 2025</b>			
Trade and other creditors	471	-	-
	<u>471</u>	<u>-</u>	<u>-</u>

#### The Company

	<b>Less than 1 year €000</b>	<b>Between 1 and 2 Years €000</b>	<b>Between 2 to 5 Years €000</b>
<b>At 31 December 2024</b>			
Borrowings	-	-	3.274
Trade and other creditors	460	-	-
	<u>460</u>	<u>-</u>	<u>3.274</u>
<b>At 31 December 2025</b>			
Borrowings	-	-	3.202
Trade and other creditors	469	-	-
	<u>469</u>	<u>-</u>	<u>3.202</u>

# K + G Complex Public Company Limited

## 6 Financial risk management (continued)

### (ii) Capital risk management

The Company's and the Group's objectives when managing capital are to ensure the Company's/Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders who have interest in the Company/Group and to maintain the most appropriate capital structure to reduce the cost of capital.

In order to maintain or alter the capital structure, the Company/Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce their debt.

In line with others in the industry, the Company, and the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as presented in the consolidated balance sheet and the Company's balance sheet) minus cash and cash equivalents. Total capital is calculated as 'equity' as presented in the consolidated and Company's balance sheet plus net debt.

The Group has no borrowing, whereas the Company has €2.943 thousand from its subsidiary.

### (iii) Fair value estimation

There were no financial assets and financial liabilities measured at fair value as at 31 December 2025 and 31 December 2024.

## 7 Significant accounting estimates and judgments

Accounting estimates and judgements are assessed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Significant accounting estimates and assumptions

The Company/Group makes estimates and assumptions concerning the future. As a result, the accounting estimates rarely equal the actual results. Estimates and assumptions that may lead to significant adjustments below in the carrying amounts of assets and liabilities within the next financial year are outlined.

- **Fair value of investment property at associated company**

Details are disclosed in Note 17 of the Group's and Company's financial statements.

- **Impairment of financial assets**

Provision for losses for financial assets are based on assumptions about default risks and expected losses. The Company/the Group exercises its judgment to make these assumptions and select the inputs for the impairment calculation, based on Company's/Group's historical experience, of the current market conditions and forward-looking estimates at the end of each reporting period. Details on the impairment of financial assets are set out in Note 6 Credit Risk.

# K + G Complex Public Company Limited

## 7 Significant accounting estimates and judgments (continued)

### Significant accounting estimates and assumptions (continued)

- **Impairment of investments in subsidiary and associate companies**

The Company/the Group follows the guidance of IAS 36 “Impairment of assets” in determining whether an investment is impaired. The Company/Group reviews the carrying amount of the investment for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. This determination requires significant judgment. The Company/Group evaluates, among other factors, the net assets of the investment and the ability of the investment to generate future income.

At 31 December 2024 and 2025, no indicators of impairment were identified in relation to the Company's/Group's investments.

## 8 Segment information

The Group's key operating segments, which are based in Cyprus along with the Group's headquarters, for which segment analysis is provided, are as follows.

- (1) Development and sale of land
- (2) Holding of investments

The Group's Board of Directors evaluates the performance of operating segments based on earnings before interest, taxes, depreciation, and amortisation (EBITDA). This performance measure excludes the results of non-recurring operating expenses, such as restructuring provisions costs and impairments, where the impairment is the result from one-off, non-recurring event. Interest income and expenditure are not allocated to segments. The other information provided, except as noted below, is accounted for as per the financial statements. All the assets of the Group are located in Cyprus.

The segment information provided to the Board of Directors of the Company/Group for the reportable segments is as follows:

### For the year ended 31 December 2025

	Development and sale of land €000	Holding of investments €000	Total €000
Loss before interest, taxes, and depreciation	(93)	(127)	(220)
Tax credit/ (charge)	14	-	14
Share of profit of associate companies	-	1.921	1.921
<b>Segment assets</b>	<b>363</b>	<b>114.001</b>	<b>114.364</b>
Total assets include:			
Investments in associated companies	-	113.274	113.274
<b>Segment liabilities</b>	<b>7</b>	<b>464</b>	<b>471</b>

# K + G Complex Public Company Limited

## 8 Segment information (continued)

For the year ended 31 December 2024

	Development and sale of land €000	Holding of investments €000	Total €000
Loss before interest, taxes, and depreciation	(52)	(43)	(95)
Tax credit/ (charge)	-	-	-
Share of profit of associate companies	-	1.986	1.986
<b>Segment assets</b>	<b>351</b>	<b>113.535</b>	<b>113.886</b>
Total assets include:			
Investments in associated companies	-	112.647	112.647
<b>Segment liabilities</b>	<b>46</b>	<b>416</b>	<b>462</b>

## Reconciliation of segment results

Loss before interest, taxes, and depreciation differs from the profit before tax as follows:

	2025 €000	2024 €000
Loss before interest, taxes, and depreciation	(220)	(95)
Operating loss	(220)	(95)
Share of profit of associate companies	1.921	1.986
Profit before tax	<b>1.701</b>	<b>1.891</b>

## 9 Other income

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Interest income:				
Loans to related parties (Note 25 (ii))	-	83	-	83
Other interest	3	-	3	-
Total interest income	<b>3</b>	<b>83</b>	<b>3</b>	<b>83</b>
Dividend income (Note 25 (iii))	-	-	1.643	1.801
Other income	11	78	11	78
	<b>14</b>	<b>161</b>	<b>1.656</b>	<b>1.962</b>

# K + G Complex Public Company Limited

## 10 Analysis of expenses

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Tax and licences	3	3	2	3
Legal and professional fees	14	14	14	14
Management and other administrative services (Note 25 (i))	120	132	114	126
Directors' fees (Note 25 (iv))	3	3	3	3
Staff and related costs (Note 11, 25 (iv))	34	34	34	34
Auditor's remuneration	27	27	24	24
Other expenses	33	43	32	41
<b>Total expenses</b>	<b>234</b>	<b>256</b>	<b>223</b>	<b>245</b>

The total fees charged by the statutory audit firm for the statutory audit of the Group's/Company's annual financial statements for the year ended 31 December 2025 amounted to €27 thousand/€24 thousand (2024: €27 thousand/€24 thousand).

The total fees charged by the statutory audit firm for other non-audit services for the year ended 31 December 2025 amounted to €5 thousand (2024: €0 thousand).

## 11 Staff costs

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Salaries	32	32	32	32
Employer's contributions	2	2	2	2
<b>Total (Note 25 (iv))</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>34</b>
Average number of staff during the year	1	1	1	1

## 12 Finance cost

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Interest expense:				
Loan from subsidiary company (Note 25 (ii))	-	-	73	86
	-	-	73	86

## 13 Taxation

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
<b>Current tax charge:</b>				
Income tax	-	-	-	-
<b>Prior year tax charge:</b>				
Income tax	2	-	-	-
Refund of special defence contribution	(16)	-	(16)	-
<b>Tax charge/(credit)</b>	<b>(14)</b>	<b>-</b>	<b>(16)</b>	<b>-</b>

# K + G Complex Public Company Limited

## 13 Taxation (continued)

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

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Profit before tax	<b>1.701</b>	1.891	<b>1.360</b>	1.631
Tax calculated at the applicable corporation tax rate of 12,5%	<b>213</b>	236	<b>170</b>	204
Tax effect of expenses not deductible for tax purposes	<b>4</b>	6	<b>4</b>	6
Tax effect of allowances and income not subject to tax	<b>(2)</b>	(3)	<b>(207)</b>	(228)
Tax effect on share of profit from associated companies	<b>(240)</b>	(248)	-	-
Tax effect of losses for which no deferred tax asset has been recognised	<b>27</b>	9	<b>27</b>	9
Refund of prior years special defence contribution	<b>(16)</b>	-	<b>(16)</b>	-
Tax of prior years	<b>2</b>	-	-	-
Offsetting losses with other companies of the Group	<b>(2)</b>	-	<b>6</b>	9
Tax charge/(credit)	<b>(14)</b>	-	<b>(16)</b>	-

The income tax rate until 31 December 2025 for the Group/Company is 12,5%. From 1 January 2026, the income tax rate for the Company/the Group will be 15%.

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

Under certain conditions, interest may be exempt from income tax and be subject only to special defence contribution at a rate of 17%. From 1 January 2026, interest is subject to tax at a rate of 15% as part of net profits.

In certain cases, dividends received from abroad may be subject to special defence contribution at a rate of 17%, reduced to 5% from 1 January 2026. Additionally, in certain cases, dividends received from other Cyprus tax resident companies may also be subject to special defence contribution at a rate of 17%. From 1 January 2026, the special defence contribution on dividends is reduced to 5%.

Certain payments of dividends, interest, and royalties to jurisdictions classified as non-cooperative by the EU (as of 31 December 2022) or to low-tax jurisdictions (as of 1 January 2026) are subject either to withholding tax or are not tax-deductible.

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

According to the Income Tax Law, the Company and its subsidiaries, in which directly or indirectly holds more than 75% of their issued share capital, constitute a "group" for tax purposes. A company of the tax "group" may transfer losses to be offset against profits of the other companies in the group.

# K + G Complex Public Company Limited

## 13 Taxation (continued)

The tax (charge)/credit relating to components of other comprehensive income as follows:

### Tax effects of components of other comprehensive income

#### The Group

	Year ended 31 December					
	2025			2024		
	Before tax €000	Tax (charge)/ credit €000	After tax €000	Before tax €000	Tax (charge)/ credit €000	Before tax €000
<b>Associated companies:</b>						
Share of reserves	297	-	297	9	-	9
Other comprehensive Income	297	-	297	9	-	9

## 14 Earnings per share

Earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of shares in issue during the period.

#### Basic and fully diluted

	2025	2024
Profit attributable to the Company's shareholders (€000)	1.715	1.891
Weighted average number of shares in issue	128.586.161	128.586.161
Profit per share - Basic and fully distributed (cent per share)	1,33	1,47

## 15 Dividend per share

### Year ended 31 December 2025

On 26<sup>th</sup> June 2025, the Annual General Meeting of the Company's shareholders approved the payment of a dividend of €772 thousand which corresponds to €0,006 per share, from the profits of 2023. The dividend was paid to the shareholders on 1<sup>st</sup> August 2025.

On 27<sup>th</sup> October 2025, the Board of Directors approved the payment of interim dividend of €771 thousand, which corresponds to €0,006 cents per share, from the profits of the year 2025. The dividend was paid to the shareholders on 5<sup>th</sup> December 2025.

### Year ended 31 December 2024

On 25<sup>th</sup> June 2024, the Annual General Meeting of the Company's shareholders approved the payment of a dividend of €500 thousand which corresponds to €0,0039 per share, from the profits of 2022. The dividend was paid to the shareholders on 2<sup>nd</sup> August 2024.

On 1<sup>st</sup> November 2024, the Board of Directors approved the payment of interim dividend of €773 thousand, which corresponds to €0,006 cents per share, from the profits of the year 2024. The dividend was paid to the shareholders on 6<sup>th</sup> December 2024.

# K + G Complex Public Company Limited

## 16 Plant and equipment

### The Group/The Company

	Motor Vehicles €000	Total €000
<b>At 1 January 2024</b>		
Cost	45	45
Accumulated depreciation	(45)	(45)
Net book value	<u>-</u>	<u>-</u>
<b>Year ended 31 December 2024</b>		
Opening net book amount at the beginning of the year	-	-
Depreciation charge	-	-
Net book value	<u>-</u>	<u>-</u>
<b>At 31 December 2024/1 January 2025</b>		
Cost	45	45
Accumulated depreciation	(45)	(45)
Net book value	<u>-</u>	<u>-</u>
<b>Year ended 31 December 2025</b>		
Net book amount at the beginning of the year	-	-
Depreciation charge	-	-
Net book value	<u>-</u>	<u>-</u>
<b>At 31 December 2025</b>		
Cost	45	45
Accumulated depreciation	(45)	(45)
Net book value	<u>-</u>	<u>-</u>

## 17 Investments in associated companies

	<u>The Group</u>		<u>The Company</u>	
	2025 €000	2024 €000	2025 €000	2024 €000
At beginning of year	112.647	112.197	30.018	30.018
Share of profit after tax	1.921	1.986	-	-
Share of reserves	297	9	-	-
Dividends (Note 25 (iii))	(1.591)	(1.545)	-	-
At end of year	<u>113.274</u>	<u>112.647</u>	<u>30.018</u>	<u>30.018</u>

# K + G Complex Public Company Limited

## 17 Investments in associated companies (continued)

Set out below are the Group/Company's associated companies. The associated companies listed below have share capital consisting exclusively of ordinary shares, held directly by the Company and the Group; the country of incorporation or registration is also the place of business.

Name	Place of operations/ Country of incorporation	% of ownership interest	Principal Activities	Measurement Method in Consolidated Financial statement	Measurement Method in Company's Financial Statements
<b>2024</b>					
C.C.C. Secretarial Limited	Cyprus	30,00	Note 1	Equity Method	Cost Method
The Cyprus Cement Public Company Ltd	Cyprus	32,18	Note 2	Equity Method	Cost Method
<b>2025</b>					
C.C.C. Secretarial Limited	Cyprus	30,00	Note 1	Equity Method	Cost Method
The Cyprus Cement Public Company Ltd	Cyprus	32,18	Note 2	Equity Method	Cost Method

Note 1: C.C.C. Secretarial Limited is acting as the secretary of companies and meanwhile providing management and administrative services.

Note 2: The principal activities of The Cyprus Cement Public Company Limited are the development/exploitation of land and the undertaking of strategic investments in companies operating in the production and sale of cement.

As at 31 December 2025, the market value of the Company's/Group's interest in the associate The Cyprus Cement Public Company Limited (the "associated"), which is listed on the Cyprus Stock Exchange, was €55.171 thousand (2024: €33.323 thousand).

### Significant restrictions

There are no significant restrictions from borrowing agreements, regulatory requirements or contractual arrangements between investors with significant influence on the associate companies that would affect the ability of the associate companies to transfer funds to the Group in the form of cash dividends or to repay loans or advances made from the Group.

### Contingent Liabilities and commitments

#### *Capital commitments*

At 31 December 2025, the capital expenditure for the associated company The Cyprus Cement Company Public Limited, that has been committed for at the balance sheet but not yet incurred amounted to €1.643 thousand.

# K + G Complex Public Company Limited

## 17 Investments in associated companies (continued)

### Significant factors that affecting the carrying amount of the investment in the associate company The Cyprus Cement Public Company Limited

The carrying amount of the investment and the share of profit recognized for The Cyprus Cement Company Limited is significantly affected by the fair value of its land, which is classified as 'Investment property' in the financial statements of The Cyprus Cement Company Limited.

In accordance with IAS 40 'Investment Property' and the accounting policy of The Cyprus Cement Company Public Limited, land held for development awaiting capital appreciation and not currently used by the associate company, is classified as 'Investment Property' under IAS 40 and is presented at fair value at each balance sheet date.

The fair value of the investment property of The Cyprus Cement Company Public Limited as at 31 December 2025 amounted to €324.536 thousand (2024: €323.421 thousand).

Management's assessment of the fair value of the properties as at 31 December 2025 was based on a valuation performed by an independent qualified valuer using the discounted cash flow method associated with the proposed development of the properties, taking into account the planning permit obtained, the size and uniqueness of the properties and their planning characteristics, the infrastructure works that have been completed, and the development that has commenced. The valuation methodology applied in 2025 is consistent with that used in 2024.

The fair value estimate of the property, which was determined using the discounted cash flow method, is based on significant unobservable data. The estimate was based on land use according to the Planning Permit (LEM/00184/2017) and the total buildable area calculated after the construction of infrastructure works and green space allocations. The key assumptions adopted in estimating the fair value of the land held for development, as well as the sensitivity of the carrying amount of the investment and the recognized share of profit to changes in these key assumptions, are as follows:

Property	Valuation (€000)	Valuation method	Unobservable inputs	Change in input	Deviation /Sensitivity (€000)
Land in Cyprus	323.622	Discounted cash flow	Average property sales price per sq.m.	Deviation by +/- 5%	+ €21.840 - €21.840
			Property sales rate	Deviation by +/- 1 year	- €10.412 + €7.359
			Average construction cost of property	Deviation by +/- 5%	- €8.179 + €8.179
			Discount Rate (WACC)	Deviation by +/- 0,5%	- €4.240 + €4.240

The above estimates have been examined and adopted by the Group's management.

# K + G Complex Public Company Limited

## 17 Investments in associated companies (continued)

The table below presents the summarised financial information for the associated companies.

### Summarised balance sheet

	C.C.C Secretarial Limited		The Cyprus Cement Public Company Limited		Total	
	As at 31 December		As at 31 December		As at 31 December	
	2025	2024	2025	2024	2025	2024
	€000	€000	€000	€000	€000	€000
<b>Current Assets</b>						
Cash and cash equivalents	95	53	9.387	9.201	9.482	9.254
Other current assets	22	52	9.079	10.119	9.101	10.171
Total current assets	<u>117</u>	<u>105</u>	<u>18.466</u>	<u>19.320</u>	<u>18.583</u>	<u>19.425</u>
Other current liabilities (including trade creditors)	(271)	(239)	(337)	(374)	(608)	(613)
Total current liabilities	<u>(271)</u>	<u>(239)</u>	<u>(337)</u>	<u>(374)</u>	<u>(608)</u>	<u>(613)</u>
<b>Non-current assets</b>						
Investment property	-	-	324.536	323.421	324.536	323.421
Right of use of assets	196	92	-	-	196	92
Other assets	162	129	66.923	63.962	67.085	64.091
Other liabilities (including lease of assets)	-	-	(57.732)	(55.426)	(57.732)	(55.426)
Total non-current liabilities	<u>(92)</u>	<u>-</u>	<u>(57.732)</u>	<u>(55.426)</u>	<u>(57.824)</u>	<u>(55.426)</u>
<b>Net assets</b>	<u>112</u>	<u>87</u>	<u>351.892</u>	<u>350.903</u>	<u>352.004</u>	<u>350.990</u>
<b>Net assets attributable to shareholders</b>	<u>112</u>	<u>87</u>	<u>351.892</u>	<u>350.903</u>	<u>352.004</u>	<u>350.990</u>

# K + G Complex Public Company Limited

## 17 Investments in associated companies (continued)

### Summarised statement of comprehensive Income

	C.C.C. Secretarial Limited		The Cyprus Cement Public Company Limited		Total	
	As at 31 December		As at 31 December		As at 31 December	
	2025 €000	2024 €000	2025 €000	2024 €000	2025 €000	2024 €000
<b>Revenue</b>	<b>1.327</b>	1.232	<b>352</b>	568	<b>1.679</b>	1.800
Depreciation	(139)	(125)	(9)	-	(148)	(125)
Share of profit of investments accounted for using the equity method	-	-	9.001	6.561	9.001	6.561
Finance cost	(3)	(8)	-	-	(3)	(8)
<b>Profit before tax</b>	<b>35</b>	32	<b>8.254</b>	6.148	<b>8.289</b>	6.180
Tax charge	(10)	(7)	(2.310)	-	(2.320)	(7)
<b>Profit for the year</b>	<b>25</b>	26	<b>5.944</b>	6.148	<b>5.969</b>	6.174
<b>Other comprehensive income</b>	-	-	12	28	12	28
<b>Total comprehensive income for the year</b>	<b>25</b>	26	<b>5.956</b>	6.176	<b>5.981</b>	6.202

The above information reflects the amounts presented in the financial statements of the associate companies (and not the Group's share of those amounts).

### Reconciliation of financial information

The reconciliation of the summarised financial results that presented at the carrying amount of investments in associate companies that are accounted using the equity method in the consolidated financial statements of the Group are as follows:

	C.C.C. Secretarial Limited		The Cyprus Cement Public Company Limited		Total	
	As at 31 December		As at 31 December		As at 31 December	
	2025 €000	2024 €000	2025 €000	2024 €000	2025 €000	2024 €000
<b>Summarised financial information</b>						
Opening net assets attributable to shareholders	87	61	350.903	349.528	350.990	349.589
Profit for the year	25	26	5.944	6.148	5.969	6.174
Other comprehensive income	-	-	12	28	12	28
Dividend distribution	-	-	(4.945)	(4.801)	(4.945)	(4.801)
Purchase of own shares	-	-	(22)	-	(22)	-
<b>Closing net assets attributable to shareholders</b>	<b>112</b>	87	<b>351.892</b>	350.903	<b>352.004</b>	350.990
<b>Interests in associate companies</b>	<b>34</b>	26	<b>113.240</b>	112.921	<b>113.274</b>	112.947

# K + G Complex Public Company Limited

## 18 Investments in subsidiaries companies

	<b>2025</b> <b>€000</b>	2024 €000
At the beginning of the year	<b>2.722</b>	2.722
At the end of the year	<b><u>2.722</u></b>	<b><u>2.722</u></b>

Set out below is presented the subsidiary, which is registered in Cyprus. The subsidiary has a share capital consisting exclusively of ordinary share held directly by the Company, and voting rights equal to the percentage of ownership rights that Company holds. The country of Incorporation is also its principal place of business.

Name	Participation	Country of incorporation	Principal activities
Galatex Tourist Enterprises Limited	100%	Cyprus	Inactive (previously property development)

## 19 Inventories

	<u>The Group</u>		<u>The Company</u>	
	<b>2025</b> <b>€000</b>	2024 €000	<b>2025</b> <b>€000</b>	2024 €000
Land and development costs	<b>300</b>	300	<b>300</b>	300
	<b><u>300</u></b>	<u>300</u>	<b><u>300</u></b>	<u>300</u>

Inventories are presented at cost. There were no inventories for which the net book value should decrease to the net realizable value.

## 20 Financial asset at amortised cost

The financial asset at amortised cost includes the following debt financial assets:

	<u>The Group</u>		<u>The Company</u>	
	<b>2025</b> <b>€000</b>	2024 €000	<b>2025</b> <b>€000</b>	2024 €000
<b>Current</b>				
Loans to related parties (Note 25 (vi))	-	-	-	-
Other receivables	<b>63</b>	54	<b>59</b>	51
	<b><u>63</u></b>	<u>54</u>	<b><u>59</u></b>	<u>51</u>

Loans to related parties bore interest at 2,50% (2024: 2,75%), were repayable on demand and were secured (Note 25 (vi)). The loans to related parties were fully repaid during the year 2025.

# K + G Complex Public Company Limited

## 20 Financial asset at amortised cost (continued)

Due to the short-term nature of the current financial assets at amortised cost, their carrying amount is considered the same with their fair value.

The carrying amounts of the financial assets at amortised cost of the Company's and the Group's are analysed by currency as follows:

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Euro	<u>63</u>	<u>54</u>	<u>59</u>	<u>51</u>

### *Impairment and risk exposure*

Note 6 provides information regarding the impairment of financial assets and the exposure of the Group/Company to Credit Risk.

The maximum exposure to credit risk at the balance sheet date is the carrying amount of each class of financial asset at amortised cost as stated above.

## 21 Cash and cash equivalents

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Cash at bank and in hand	19	85	16	84
Other short-term financial instruments	708	800	708	800
	<u>727</u>	<u>885</u>	<u>724</u>	<u>884</u>

Other short-term financial instruments include short-term bonds, which are considered highly liquid instruments used by the Management for cash management purposes, are immediately convertible into known amounts of cash and are subject to insignificant risk of changes in their value. Management considers that these financial instruments meet the criteria of IAS 7 "Cash Flow Statements" and therefore classified the above instruments as cash equivalents.

All cash and cash equivalents are denominated in Euro.

### **Non-cash transactions**

There were no non-cash transactions of the Group during the year 2025.

The non-cash transactions of the Company for the year 2025 were the following:

- The offset of dividend receivable of €52 thousand against the loan payable from the subsidiary company (Note 25 (v)).

The main non-cash transactions of the Group for the year 2024 were the following:

- the payment of dividends payable amounting to €225 thousand, were offset against loan receivable from the parent company (Note 25 (vi)).
- The payment of amounts payable from the reduction of share capital and share premium amounting to €11.244 thousand which were offset against loan receivables by the parent company (Note 25 (vi)).

# K + G Complex Public Company Limited

## 21 Cash and cash equivalents (continued)

The non-cash transactions of the Company for the year 2024 were the following:

- The offset of dividend receivable of €256 thousand against the loan payable from the subsidiary company (Note 25 (v)).
- the payment of dividends payable of €225 thousand, were offset against loan receivable from the parent company (Note 25 (vi)).
- The payment of amounts payable from the reduction of share capital and share premium of €11.244 thousand which were offset against loan receivables by the parent company (Note 25 (vi)).

### Reconciliation of obligations arising from financing activities:

#### The Company

	Loans from related parties (Note 25 (v)) €000	Total borrowings from financing activities €000
Balance at 1 January 2025	2.937	2.937
Non-Cash transactions:		
Offset of amount against dividend income	(52)	(52)
Repayment of loans	(15)	(15)
Interest expenses	73	73
Balance at 31 December 2025	<u>2.943</u>	<u>2.943</u>

	Loans from related parties (Note 25 (v)) €000	Total borrowings from financing activities €000
Balance at 1 January 2024	3.132	3.132
Non-Cash transactions:		
Offset of amount against dividend income	(256)	(256)
Repayment of loans	(25)	(25)
Interest expenses	86	86
Balance at 31 December 2024	<u>2.937</u>	<u>2.937</u>

## 22 Share capital and share premium

	31 December 2024		31 December 2023		
	Number of shares	Ordinary share capital €000	Number of shares	Ordinary share capital €000	Share premium €000
At the beginning of the year	128.586.161	10.287	128.586.161	21.860	1.757
Reduction of share capital and share premium	-	-	-	(11.573)	(1.757)
At the end of the year	<u>128.586.161</u>	<u>10.287</u>	<u>128.586.161</u>	<u>10.287</u>	<u>-</u>

The total authorized number of ordinary shares is 500.000.000 shares (2024: 500.000.000 shares) with a par value of €0,08 per share (2024: €0,08 per share). All issued shares are fully paid.

# K + G Complex Public Company Limited

## 22 Share capital and share premium (continued)

The Limassol District Court, on 18 January 2024, approved the following Special Resolution:

- a) That the share premium account of the Company which has been established pursuant to Section 55 of the Companies Law, Chapter 113, be reduced from €1.757 thousand to €0, by the return of cash to the shareholders of the amount of €1.757 thousand.
- b) That the special reserve account due to the conversion of share capital into Euros, which has been established pursuant to article 5 (3) of Law 33(I)2007, be reduced from €86 thousand to €0, by the return of cash to the shareholders of the amount of €86 thousand.
- c) That the authorised share capital of the Company which amounts to €85.000 thousand divided into 500.000.000 ordinary shares with a nominal value of €0,17 cent each, be reduced to €40.000 thousand divided into 500.000.000 ordinary shares with a nominal value of €0,08 cent each.
- d) That the issued share capital of the Company which amounts to €21.860 thousand divided into 128.586.161 ordinary shares with a nominal value of €0,17 cent each, be reduced from €21.860 thousand to €10.287 thousand by the reduction of the nominal value of the shares of the Company from €0,17 cent each to €0,08 cent each by the return of cash to the shareholders of the amount of €11.573 thousand, which corresponds to €0,09 cent per share.

The new capital certificate was issued by the Department of Registrar of Companies and Intellectual Property on 4<sup>th</sup> March 2024. The amount was paid to the shareholders on 5<sup>th</sup> April 2024.

## 23 Borrowings

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
<b>Non-current</b>				
Borrowings from related parties (Note 25 (v))	-	-	2.943	2.937
<b>Total borrowings</b>	<u>-</u>	<u>-</u>	<u>2.943</u>	<u>2.937</u>
<b>Maturities on non-current borrowings</b>				
Between 1 to 2 years	-	-	-	-
Between 2 to 5 years	-	-	2.943	2.937
	<u>-</u>	<u>-</u>	<u>2.943</u>	<u>2.937</u>

The loan from the subsidiary company amounting to €2.943 thousand (2024: €2.937 thousand) is repayable in 2028 (2024: in year 2028), bear interest of 2,50% and is not secured.

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

	2025 %	2024 %
Borrowings from subsidiary	2,50	2,75

# K + G Complex Public Company Limited

## 23 Borrowings (continued)

The carrying amount of the borrowings of the Company and the Group are analysed by currency as follows:

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Euro	-	-	2.943	2.937

The Company and the Group have the following unused credit facilities:

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Floating rate:				
- Expiring within one year	218	218	200	200

The credit facilities which expire within one year, are annual facilities and are subject to review at various dates.

## 24 Trade and other creditors

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Other creditors and accrued expenses	471	462	469	460

The fair value of trade and other creditors with a maturity of less than one year is approximately equal to their carrying amount at the balance sheet date. Trade and other creditors are denominated in Euro.

## 25 Transactions with related parties

The Company is controlled by C.C.C. Holdings & Investments Limited, which is registered in Cyprus and holds 83,81% of the share capital of the Company. The remaining issued share capital is widely held. The ultimate parent company of the Group is George S. Galatariotis & Sons Limited.

The related companies are companies under common control and companies controlled by the Directors of the Company.

The following transactions were carried out with related parties:

### (i) Purchase of services from associated companies

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Administrative and other management services (Note 10)	120	132	114	126

# K + G Complex Public Company Limited

## 25 Transactions with related parties (continued)

The services are charged from C.C.C. Secretarial Limited and are based on the time spent by its employees on the affairs of the Company and office space allocated to the Company/Group.

### (ii) Interest on loans with related companies

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Interest payable on loans (Note 12):				
Subsidiary company	-	-	73	86
	<u>-</u>	<u>-</u>	<u>73</u>	<u>86</u>
Interest receivable from loans (Note 9):				
Parent company	-	83	-	83
	<u>-</u>	<u>83</u>	<u>-</u>	<u>83</u>

### (iii) Dividends receivable

	The Company	
	2025 €000	2024 €000
Dividends receivable (Note 9):		
Subsidiary company	52	256
Associated company	1.591	1.545
	<u>1.643</u>	<u>1.801</u>

### (iv) Remuneration of key management personnel and Director's

The total remuneration of the key management personnel and Directors was as follows:

	The Group		The Company	
	2025 €000	2024 €000	2025 €000	2024 €000
Member of the Board of Directors and Audit Committee Fees (Note 10)	3	3	3	3
Remuneration in an executive capacity (Note 10)	34	34	34	34
	<u>37</u>	<u>37</u>	<u>37</u>	<u>37</u>

# K + G Complex Public Company Limited

## 25 Transactions with related parties (continued)

### The Group and the Company

	Wages €000	Employer's contributions €000	Fees €000	Total €000
<b>Year ended 31 December 2025</b>				
Directors <sup>(1)</sup>	32	2	3	37
<b>Total</b>	<u>32</u>	<u>2</u>	<u>3</u>	<u>37</u>
<b>Year ended 31 December 2024</b>				
Directors <sup>(1)</sup>	32	2	3	37
<b>Total</b>	<u>32</u>	<u>2</u>	<u>3</u>	<u>37</u>

<sup>(1)</sup> The Executive Director who receives a salary is Mr. George St. Galatariotis, and the Board Members who receive annual fees for their services as Members of the Board of Directors are Messrs. George St. Galatariotis (€400), Michalis Christoforou (€400), Costas St. Galatariotis (€400), Stavros Galatariotis (€400) and Antonis Antoniou Latouros (€400). As members of the Audit Committee, those who receive annual fees for their services are Messrs. Antonis Antoniou Latouros (€400), Michalis Christoforou (€400) and Christoforos Christofi (€400).

### (v) Loans from related parties

	<u>The Group</u>		<u>The Company</u>	
	2025 €000	2024 €000	2025 €000	2024 €000
Borrowings from subsidiary company:				
At the beginning of the year	-	-	2.937	3.132
Loans repaid during the year	-	-	(15)	(25)
Loans offset against balance arising from dividends receivable (Note 25 (iii))	-	-	(52)	(256)
Interest charged (Note 12)	-	-	73	86
At the end of the year (Note 23)	<u>-</u>	<u>-</u>	<u>2.943</u>	<u>2.937</u>

The loan from the subsidiary Company bears interest at 2,50% (2024: 2,75%), is unsecured, and is repayable in the year 2028 (2024: in the year 2028).

### (vi) Loans to related parties

	<u>The Group</u>		<u>The Company</u>	
	2024 €000	2024 €000	2025 €000	2024 €000
Loans to parent company:				
At the beginning of the year	-	11.381	-	11.381
Loans granted during the year	-	5	-	5
Interest charged (Note 9)	-	83	-	83
Loan offset against amount payable from the reduction of share capital and share premium (Note 21)	-	(11.244)	-	(11.244)
Loan offset against dividends payable by the company (Note 21)	-	(225)	-	(225)
At the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# K + G Complex Public Company Limited

## 25 Transactions with related parties (continued)

The loan to the parent company, C.C.C. Holdings & Investment Limited, amounted to €11.381 thousand, was secured by a corporate guarantee from the ultimate parent company, George S. Galatariotis & Sons Ltd, and carried interest at 2,75%. The loan was fully repaid in the year 2024.

## 26 Contingent liabilities

The Board of Directors of the Company/Group does not expect to have any significant liabilities to the Company/Group.

## 27 Events after the balance sheet date

- The Board of Directors proposes the payment of a dividend amounting to €772 thousand, which corresponds to €0,006 per share, from the profits of the years 2024 and 2025. If approved by the Annual General Meeting, the dividend will be paid to the eligible shareholders of the Company who will be registered in the Cyprus Stock Exchange registry as at 1<sup>st</sup> July 2026 (record date).
- Geopolitical Situation in the Middle East

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

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

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

The effects on the Company/the Group depend largely on the nature and duration of uncertain and unpredictable events, such as further military action and the reaction of global financial markets to ongoing developments.

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

The Company/Group has no direct exposure to the Middle East and therefore does not expect any significant impact from the conflict. Although the Company/Group has no direct exposure, the conflict may create adverse effects on the Cypriot economy. Increases in energy prices, fluctuations in exchange rates, heightened volatility in financial markets, disruptions in supply chains, and increasing inflationary pressures may indirectly affect the operations of the Company/the Group. In addition, any adverse impact on the tourism sector, which is a key pillar of the Cypriot economy, may further affect economic activity and business conditions. The indirect consequences will depend on the extent and duration of the effects and remain uncertain.

# **K + G Complex Public Company Limited**

## **27 Events after the balance sheet date (continued)**

Management has considered the specific circumstances and risks to which the Company/the Group is exposed and has concluded that there is no significant impact on the financial position, financial performance, and liquidity of the Company/the Group. The event is not expected to have a direct material impact on business operations.

There were not any other material post balance sheet events, that would affect the understanding of the financial statements.

Independent Auditor's Report on pages 9 to 17.